

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
(DEPARTMENT OF COMMERCE)

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1941**  
**TO BE ANSWERED ON 3<sup>rd</sup> JULY, 2019**

**SEZ POLICY**

1941. SHRI BHAGWANTH KHUBA:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) the details of the salient features of the current Special Economic Zones (SEZs) policy in the country;
- (b) whether the Government proposes Non Agriculture Land Conversion amendment in the related law procedures; and
- (c) if so, the details thereof?

**ANSWER**

वाणिज्य एवं उद्योग मंत्री ( श्री पीयूष गोयल )  
**THE MINISTER OF COMMERCE AND INDUSTRY**  
**(SHRI PIYUSH GOYAL)**

(a): The Special Economic Zones (SEZs) policy was launched in April, 2000. The Special Economic Zones Act, 2005, was passed by Parliament in May, 2005 which received Presidential assent on the 23rd of June, 2005. The SEZs Rules, 2006 came into effect on 10<sup>th</sup> February, 2006. The salient features of the SEZ scheme are:-

- (i) A designated duty free enclave to be treated as a territory outside the customs territory of India for the purpose of authorised operations in the SEZ;
- (ii) No licence required for import;
- (iii) Manufacturing or service activities allowed;
- (iv) The Unit shall achieve Positive Net Foreign Exchange to be calculated cumulatively for a period of five years from the commencement of production;
- (v) Domestic sales subject to full customs duty and import policy in force;
- (vi) Full freedom for subcontracting;
- (vii) No routine examination by customs authorities of export/import cargo;
- (viii) SEZ Developers /Co-Developers and Units enjoy Direct Tax and Indirect Tax benefits as prescribed in the SEZs Act, 2005.

(b): No such proposal is envisaged since land is a State subject.

(c): Does not arise.

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