

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

**LOK SABHA**  
**STARRED QUESTION NO. 492 (H)**  
**TO BE ANSWERED ON 06<sup>th</sup> APRIL, 2022**

**INDIA TRADE PROMOTION ORGANISATION**

\*492(H). SHRI DILIP SAIKIA:  
SHRI RAMESH CHANDER KAUSHIK:

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

- (a) the details of the steps taken by the India Trade Promotion Organisation (ITPO) to promote domestic business and International Trade Fairs;
- (b) the extent to which physical infrastructure and management of services is being developed in business activities in all the States of the Country including North-Eastern States;
- (c) the action plan of the units of the economic zone for the development of Special Economic Zones (SEZs) for creation of economic activities, promotion of exports and services and promotion of investment from domestic sources as well as to increase employment opportunities; and
- (d) the number of SEZs which are ready and in operation currently in all the States of the country, particularly North-Eastern States including Assam?

**ANSWER**

वाणिज्य एवं उद्योग मंत्री ( श्री पीयूष गोयल )

THE MINISTER OF COMMERCE AND INDUSTRY  
(SHRI PIYUSH GOYAL)

(a) to (d): A Statement is laid on the Table of the House.

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**STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF LOK SABHA  
STARRED QUESTION NO. 492 (H) FOR ANSWER ON 06<sup>th</sup> APRIL, 2022  
REGARDING “INDIA TRADE PROMOTION ORGANISATION ”.**

**(a) :** India Trade Promotion Organisation (ITPO) organizes participation of Indian companies in overseas exhibitions to explore the potential of their products in overseas markets and also organizes domestic trade fairs, both Business to Business (B2B) and Business to Consumer (B2C), to provide a common platform to Indian companies all over the country for brand launch, promotion, positioning and new business tie-ups as well as retail sales. ITPO undertakes comprehensive publicity of International and domestic trade fairs through print, electronic and social media. ITPO also provides bare space (halls etc) and services at Pragati Maidan to organizers pertaining to various industries/sectors, which helps various exhibiting companies to showcase their products/services to their potential buyers who visit these exhibitions, including foreign participants. This helps Indian companies to build their business network and secure order from their buyers both domestic and international.

ITPO has also built a new exhibition complex (Halls 2-5) with state of the art 50,000 sq. metres of airconditioned exhibition space as a part of the ongoing International Exhibition- cum- Convention Centre (IECC) project. These halls were launched on October 13, 2021.

**(b) :** Government of India is implementing a scheme namely ‘Trade Infrastructure for Export Scheme (TIES) w.e.f. FY 2017-18 with the objective of enhancing export competitiveness by supporting development of export linked infrastructure in all the States of the Country including North-Eastern States, like Border Haats, Land customs stations, quality testing and certification labs, cold chains, trade promotion centres, dry ports, export warehousing and packaging, SEZs, ports/airports cargo terminuses, and first mile and last mile connectivity for export-oriented projects, that can be utilized by multiple exporters.

Currently, the North Eastern Council Secretariat (NEC) implements three schemes viz., “Schemes of NEC”, “North East Road Sector Development Schemes (NERSDS)”, “Non-Lapsable Pool of Resources-Central(NLCPR-C)”. From FY 2022-23, another scheme called “Prime Minister’s Development Initiative for North-East (PM-DevINE)” will be implemented by NEC. Under these schemes, projects for overall socio-economic development including physical infrastructure of NER are supported as critical gap-funding but not exclusively for business. Further there are currently 7 projects costing Rs.18.25 Crore for development of business/entrepreneurship activities under Schemes of NEC. List is enclosed at **Annexure –I**.

**(c):** Special Economic Zones (SEZs) are primarily private investment driven initiatives. The Government from time to time takes necessary measures for facilitating smooth and effective implementation of the SEZ Act/Rules. The Government has taken several measures for SEZ Developers/Units to increase economic activities, promotion of exports and services and promotion of investment from domestic sources as well as to increase employment opportunities in SEZs, as detailed in **Annexure-II**.

**(d):** There are 375 notified Special Economic Zones (SEZs) in the country including 4 in North-Eastern States, out of which 268 SEZs are operational. There is no operational SEZ in North-Eastern States, and no SEZ in Assam at present.

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**ANNEXURE-I****LIST OF ONGOING PROJECTS RELATING TO ENTREPRENEURSHIP/BUSINESS IN NER**

<b>Sl. No.</b>	<b>State</b>	<b>Name of Project</b>	<b>Sector</b>	<b>Scheme</b>	<b>Date of Sanction</b>	<b>Approved Cost (Rs.in Crore)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
1	Arunachal Pradesh	Establishment of Entrepreneurship Development Institute at Jote under Papum Pare District, Arunachal Pradesh	Industries	Schemes of NEC	26-11-2012	2.30
2	Meghalaya	Setting up of Rural Entrepreneurship Centre East Garo Hills District, Meghalaya	Industries	Schemes of NEC	29-06-2017	3.01
3	Meghalaya	Setting up of Rural Entrepreneurship Centre North Garo Hills District, Meghalaya	Industries	Schemes of NEC	29-06-2017	3.02
4	Meghalaya	Setting up of Rural Entrepreneurship Centre South Garo Hills District, Meghalaya	Industries	Schemes of NEC	29-06-2017	3.00
5	Meghalaya	Setting up of Rural Entrepreneurship Centre at Sohparu, West Khasi Hills District, Meghalaya	Industries	Schemes of NEC	29-06-2017	2.96
6	Nagaland	Skill training on machineries, processing and business management, Nagaland	Industries	Schemes of NEC	29-09-2020	1.98
7	Nagaland	Train 1100 youths/entrepreneurs in maintenance and repair of tools and machineries covering all 11 districts, Nagaland	Industries	Schemes of NEC	29-09-2020	1.98
<b>Total</b>						<b>18.25</b>

**Measures for enhancing Ease of Doing Business in SEZs:**

1. Method of calculation for Net Foreign Exchange earning criteria has been reviewed and modified vide Notification dated 07th March, 2019.
2. Rule 53A has been inserted to facilitate the calculation of net foreign exchange for a unit in an International Financial Service Centre in view of its special nature.
3. Uniform list of services to SEZ, a broad list of input services that could be utilized by SEZ units for their day-to-day operations thereby avoiding the requirement of the units to seek permission of Development Commissioners for each such instance.
4. Setting up of cafeteria, gymnasium, creche and other similar facilities / amenities allowed to SEZ units.
5. Delegation of powers to Development Commissioner for shifting of SEZ unit from one SEZ to another within their jurisdiction.
6. An amendment to the SEZ Rules in March-2019 to allow employees of IT/ITeS SEZ units to work for home.
7. Guidelines for clearance of abandoned goods/ uncleared cargo laying in FTWZs.
8. Formalize “de-notification” process for enclaves and delink its present mandatory usage for SEZs purpose only.
9. Support to enable servicification of manufacturing zones. Allowing manufacturing enabling services companies e.g. R&D services, engineering design services, logistics service.
10. Developer are allowed flexibility to enter into a long term lease agreement with stakeholders in Zones in line with the State policies.
11. Enabling provisions for transfer of approval from one co-developer to other co-developer.
12. Amendment in SEZ Act, 2005 [Section 2(v)] for enabling Trusts and any other entity notified by the Central Government to set up units in SEZ.
13. Vide amendment dated 23.10.2020, a proviso in Rule 24(3) of the SEZs Rules has been inserted regarding admissibility of Drawback and any other similar benefit on supplies from Domestic Tariff Area to foreign suppliers in Free Trade and Warehousing Zone, where the payments are made in foreign currency by the foreign supplier to Domestic Tariff Area.
14. A new rule 21A has been inserted in SEZ Rules, 2006 which enables setting up of Unit by Multilateral or Unilateral or International agencies notified under United Nation (Privileges and Immunities) Act, 1947 (46 of 1947) in International Financial Services Centre.
15. Power Guidelines, 2016 has been amended vide this Department's OM dated 07.06.2021 allowing a unit to set up non-conventional power plants within their premises for the exclusive purpose of captive consumption subject to the condition that non tax/duty benefits stipulated under Section 26 of SEZ Act, 2005.
16. Instruction no. 106 relating to the policy for worn/used clothing and plastic recycling units in SEZs/EOUs was issued on 27th May, 2021.
17. Instruction No. 107 dated 26th August, 2021 has been issued to all Development Commissioners for minimizing regulatory compliances for Pharma Industry. Further, integration of FSSAI with SEZ Online System has been made live.
18. Instruction No. 108 dated 11th October, 2021 has been issued pertaining to alternative method of transfer of space by an existing unit under Rule 74 of SEZ Rules, 2006.
19. Instruction No. 109 dated 18th October, 2021 has been issued which provides that reorganization including change of name, change of shareholding pattern, business transfer arrangements, court approved mergers and demergers, change of constitution, change of Directors, etc. may be undertaken by the Unit Approval Committee (UAC) concerned subject to the condition that Developer/Co-developer/Unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern.

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