

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:6092

ANSWERED ON:03.05.2010

AGRO PROCESSING ZONE

Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Yadav Shri Dharmendra

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government proposes to promote agro processing SEZs for value addition to domestic agriculture produce, dairy and poultry processing;
- (b) if so, the details thereof alongwith the steps taken by the Central Government in this regard;
- (c) whether there is any proposal to allow domestic sale from agro processing SEZs to domestic tariff areas without charging any custom duty on processing of raw materials procured from within the country;
- (d) if so, the details thereof; and
- (e) if not, the steps taken by the Government to make domestic agriculture produce units competitive in the free trade era?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (e): A Special Economic Zone may be established either jointly or severally by the Central Government, State Govts. or any person for manufacture of goods or rendering services or for both or as a Free Trade and Warehousing Zone including agro processing SEZs. Proposals for setting up of SEZs are considered by the Board of Approval only after written consent of the concerned State Govt. SEZs being set up under the Act are primarily private investment driven.

Fiscal concessions and duty benefits are extended to SEZ Developers as well as units as per the provisions of SEZ Act, 2005 and Rules made thereunder.