

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

UNSTARRED QUESTION NO:7312
ANSWERED ON:21.05.2012
EXPORT OF BANNED PRODUCTS
Thakor Shri Jagdish

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

- (a) whether the Special Economic Zones (SEZs) have been recently allowed to export products which have banned for exports from the country including pulses, sugar and other food products;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the SEZs are also allowed to use even the financial relief given to them for promoting imports into the country; and
- (d) if so, the reasons therefor?

Answer

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

- (a): As per proviso to Rule 45 (1) of the SEZ Rules, 2006 a unit may export prohibited items to a place outside India with prior approval of Board of Approval. The rule further provides that such prohibited items cannot be procured from Domestic Tariff Area.
- (b): Does not arise.
- (c) & (d): The SEZs being set up under the SEZ Act, 2005 are primarily private investment driven. The fiscal concessions and duty benefits allowed to SEZs are in built into the SEZ Act, 2005. These exemptions are in the nature of incentives for export and are consistent with the principles that guide export promotion initiatives of the Government in general.