

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

UNSTARRED QUESTION NO:2388  
ANSWERED ON:25.07.2014  
PROMOTION OF AGRO PROCESSING SEZS .  
K. Shri Parasuraman

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

- (a) whether the Government promotes agro-processing Special Economic Zones (SEZs) for value addition to domestic agriculture produce, dairy and poultry processing;
- (b) if so, the details thereof along with the steps taken by the 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 (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a) & (b): Since Special Economic Zones (SEZs) Act and Rules were notified in February, 2006, formal approvals have been granted for setting up of 11 SEZs for Agro and Food Processing, out of which, 9 SEZs have been notified. A total of 4 SEZs are exporting. The total physical exports from these SEZs in 2013-14, have been to the tune of Rs. 881 crore. In order to encourage agro-based industries in SEZs, a new sector, namely, 'Agro-based Food Processing' sector has been introduced vide G.S.R. 540(E) dated 12.08.2013.

The Units engaged in the manufacture of agro and food products are mainly exporting products such as black pepper, ground red pepper, white pepper, betelnut cut, organic soyabeans, chilli powder, yellow split peas, chana dal, masoor dal, turmeric powder, organic onion, vegetable frozen foods, honey, organic cardamom powder, sandalwood powder, frozen sea food, organic cardamom powder and tea, etc. 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.

(c): No Madam.

(d) & (e): Not applicable in view of (c) above.