

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (d) Government has been receiving requests for shifting of industrial units from one SEZ to another SEZ. The matter was placed before Board of Approvals for directions. It has been decided by the Board that in principle there is no objection for such shifting. However, all proposals for shifting of industrial units must be placed before the Board for its consideration.

Adverse effect of cuts in import duties under EU FTA

2578. SHRI SHYAMAL CHAKRABORTY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the India-EU Free Trade Agreement proposes massive cuts in import duties on industrial goods, which will greatly impact India's manufacturing sector that is already facing job losses and shrinking markets; and

(b) if so, what is Government's reaction to that proposals?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) and (b) In the negotiations of the proposed India - EU Broad based Trade and Investment Agreement (BTIA) India is committed for a balanced and mutually beneficial outcome which may also provide new opportunities of market access in EU to all sectors of India including manufacturing sector. However, the negotiations are ongoing and final positions have not yet emerged.

Proposal to set up SEZs in smaller cities

2579. DR. K.P. RAMALINGAM: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government proposes to set up Special Economic Zones in small cities and decided to reduce the minimum built up area requirement for sector specific zones such as IT, gems and jewellery and bio-tech in tier 2 and tier 3 cities;

(b) if so, whether this move will attract developers in small cities; and

(c) if so, the details thereof and the details of location identified by Government to implement this proposal as a pilot project?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (c) A Special Economic Zone may be established

either jointly or severally by the Central Government, State Governments or any person for manufacture of goods or rendering services or for both or as a Free Trade and Warehousing Zone. Proposals for setting up of SEZs are considered by the Board of Approval only after written consent of the concerned State Govt. Further, SEZs being set up under the Act are primarily private investment driven.

Keeping in view, the twin objectives of dispersal of SEZs to a larger area of the country and the generation of employment in non-metropolitan areas, Rule 5(b) of the SEZ Rules has been amended to relax the condition regarding minimum built-up area requirement. While in respect of A1 and A cities, there is no change in the requirement of minimum built up area, in respect of SEZs located in B1 category cities, the minimum built up area has been reduced to 50% of the requirement prescribed in the SEZ Rules and in respect of SEZs located in B2 category cities, it has been reduced to 25% of the area prescribed.

Unfair trade practices in cement industry

2580. SHRI K.N. BALAGOPAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government has noticed any unfair trade practices in cement industry like cartelization etc;
- (b) whether cement prices in different States are abnormally differential without proper reasons;
- (c) the details of the average selling price of cement per bag in different States; and
- (d) what steps Government proposes to take to control abnormal pricing of cement by companies?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) The details of cases pending with the Competition Appellate Tribunal, Ministry of Corporate Affairs are given in the Statement-I (*See below*). The erstwhile Monopolies and Restrictive Traded Practices Commission (MRTPC) has transferred one case (No.RTPE-52/2006) alleging cartelization in the cement industry to the Competition Commission of India (CCI). The matter is presently under investigation by the Director General, CCI. In addition, Builders Association of India has also filed a complaint with CCI against the Cement Manufacturers Association (Case No.29/2010) alleging cartelization in the cement industry. The Commission is examining the matter.