

WRITTEN ANSWERS TO UNSTARRED QUESTIONS**Import duty on Chinese bicycles**

†262. SHRI MOTILAL VORA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government has imposed 30 per cent and 20 per cent import duty on Chinese bicycles and their parts, respectively to save the domestic bicycle industry;

(b) whether it is also a fact that importers are importing Chinese bicycles and parts through Sri Lanka and Bangladesh and are indulging in evasion of import duty in large amount; and

(c) if so, the steps being taken by Government to save the bicycle industry of the country and to check evasion of the import duty and if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) Bicycles attract basic customs duty (BCD) of 30% while specified parts of bicycles attract BCD of 20%.

(b) China is the largest exporter of bicycles and parts thereof to India. However, import data for 2013-14 shows no evidence of increase in imports of bicycles and parts from Sri Lanka and in case of Bangladesh, while there is increase in imports of bicycles in value terms there is no surge in imports of bicycle parts.

(c) Based on representations received alleging violation of Rules of origin in imports of such commodities through Sri Lanka and Bangladesh, the CBEC has on 31.1.2014 initiated a verification process on certificate of origin received under SAFTA, SAPTA and ISLFTA for import of cycles and cycle parts. Separately, the Department of Commerce has also taken up with the State Governments advising them to procure (as per State Government schemes) Indian manufactured bicycles with indigenous parts to protect the cause of the domestic industry.

SEZs in operation

263. SHRI D. RAJA:

SHRI M.P. ACHUTHAN:

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

(a) whether it is a fact that the Special Economic Zones (SEZs) scheme launched a few years back was a failure as only a fraction of the SEZs formally approved are in operation;

(b) if so, the details of the SEZs approved and in operation;

†Original notice of the question was received in Hindi.

(c) the problems being faced which are hampering the implementation of the scheme; and

(d) the approach of Central Government towards this scheme?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) In short span of about eight years since SEZs Act and Rules were notified in February, 2006, formal approvals have been granted for setting up of 565 SEZs out of which 388 have been notified. Presently, a total of 185 SEZs are exporting. Out of the total employment provided to 12,83,309 persons in SEZs as a whole 11,48,605 persons is incremental employment generated after February, 2006 when the SEZ Act has come into force. This is apart from millions of man days of employment generated by the developers for infrastructure activities. Physical exports from the SEZs has increased from ₹ 4,76,159 crore in 2012-13 to ₹ 4,94,077 crore in 2013-14, registering a growth of 4%. There has been overall growth of export of 2,063% over past eight years (2005-06 to 2013-14). The total investment in SEZs till 31st March, 2014 is ₹ 2,96,663 crore approximately, including ₹ 2,73,379 crore in the newly notified SEZs set up after SEZ Act, 2005.

(c) and (d) The SEZs sector has seen a sharp slowdown due to a number of reasons including uncertain fiscal regime for SEZs, global slowdown in exports etc. The Government, on the basis of inputs/suggestions received from stakeholders on the policy and operational framework of the SEZ Scheme, periodically reviews the policy and operational framework of SEZs and takes necessary measures to facilitate speedy and effective implementation of SEZ Scheme.

Review of FDI in multi-brand retail sector

264. DR. T. SUBBARAMI REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is reviewing the policy of allowing Foreign Direct Investment in the multi-brand retail sector, reversing the earlier policy;

(b) if so, what are the consequences in not getting FDI in the said sector;

(c) whether not allowing FDI would reduce the confidence of Foreign Institutional Investors (FIIs) and multinational trading partners in Government; and

(d) if so, the measures proposed to be taken to boost the confidence level of Foreign investors and to bring in more FDIs?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) No decision has been taken in the matter.

(b) to (d) Do not arise.