

provisions under the Special Economic Zones (SEZs) Act, 2005 and Rules, 2006, exemption from Minimum Alternate Tax (MAT) in the case of SEZ Developers and Units as also the exemption from Dividend Distribution Tax (DDT) for SEZ Developers were granted.

The provisions of Minimum Alternate Tax (MAT) have been made applicable to Special Economic Zone (SEZ) Developers and Units with effect from 1st April, 2012, and the exemption of Dividend Distribution Tax (DDT) in the case of SEZ Developers under the Income-tax Act for dividends declared, distributed or paid is not available after 1st June, 2011.

Ministry of Commerce and Industry (Department of Commerce) has recommended the restoration of original exemption from Minimum Alternate Tax (MAT) and Dividend Distribution Tax (DDT) to SEZ developers and units.

#### **Institutionalisation of Bullion Trade**

3700. SHRI A.W. RABI BERNARD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether gems and jewellery exports declined by 11 per cent in 2013-14 and the World Gold Council (WGC) has cautioned Government that the gold jewellery manufacturing industry may move to China if it does not take measures to institutionalise bullion trade in the country;

(b) if so, the details thereof;

(c) whether China has proposed to set up a free trade zone for the gold industry to attract foreign investments in bullion trade and jewellers are already weighing the options; and

(d) if so, the details thereof and the measures Government proposes to take to institutionalise bullion trade in India? .

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) Gem and jewellery exports have been growing steadily since 2002-03. However, some decline has been noticed in the year 2012-13 and 2013-14, which was due to the global economic slowdown. The details of gem and jewellery exports during the last five years are given below:-

Year	Value in USD Million	% Growth
2009-10	29,081.11	2.36
2010-11	40,508.72	39.30

Year	Value in USD Million	% Growth
2011-12	44,887.70	10.81
2012-13	43,344.85	-3.44
2013-14 (P)	41,100.13	-5.18

Source: DGCI&S

World Gold Council has not presented any Paper / Report to the Department of Commerce with respect to China.

(c) Gem and Jewellery Export Promotion Council has reported that Shanghai Gold Exchange is introducing a trading platform in the Shanghai Free Trade Zone for overseas investors to trade their products directly.

(d) With a view to institutionalize the bullion trade, Government has taken a number of measures, which include:-

- (i) Permitted import of gold on consignment basis by both nominated agencies and banks to meet the needs of exporters of gold jewellery.
- (ii) Prohibited import of gold in the form of coins and medallions.
- (iii) 80:20 Scheme was introduced by RBI for import of gold by nominated agencies/banks which provides for 20% gold to be made available to exporters out of each consignment imported in the country and the balance for domestic use.
- (iv) Import of gold is allowed under Advance Authorization/Duty Free Import Authorization and Replenishment Scheme to exporters.
- (v) Star Trading Houses/Premier Trading Houses have been permitted to import gold under the 80:20 Scheme.
- (vi) Entities/units in the SEZ and EoUs, Premier Trading Houses/Star Trading Houses (irrespective of whether they are nominated agencies or not) are permitted to import gold exclusively for the purpose of exports. Gold provided to these units by Nominated Agencies/banks will not qualify as supply of gold to exporters for the purpose of the 80:20 scheme.
- (vii) Customs duty on import of gold has been gradually increased from Rs. 300/- per 10 gms to 10%.

#### **Pesticides in imported fruits**

3701. SHRIMATI GUNDU SUDHARANI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the country-wise total quantity of fruits that the country has imported from other countries in the last three years and the current year;