

Extension of validity period for execution of SEZs

2149. SHRI C.M. RAMESH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether any Special Economic Zone (SEZ) developers have sought extension of validity period for the execution of their projects;
- (b) if so, the reasons for which they have sought the extension of validity period;
- (c) whether developers have sought extension of validity within the period prescribed for it or beyond that; and
- (d) the details of the developers who sought extension of validity and the grounds on which they sought extension?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) to (d) In terms of Rule 6(2) (a) of the Special Economic Zones Rules, 2006, the letter of approval granted to a SEZ developer is valid for a period of three years within which time effective steps are to be taken by the developer to implement the approved project. The Board of Approval may, on an application by the developer, extend the validity period of the letter of approval.

Some SEZ developers have sought extension of validity period of the letter of approval granted to them for the execution of their projects stating reasons including changed fiscal incentive regime for SEZs, difficulty in achieving contiguity of land, global recession, delay in approvals from statutory/State Government bodies and delay in environmental clearance, etc. After deliberations and taking into account the facts and circumstances of each case, the Board of Approval for SEZs has granted approval in respect of 109 developers during the period from 1.4.2012 to 30.6.2014 for extension of validity period of the letters of approval for the execution of their projects.

Negative growth of exports in labour intensive sectors

2150. DR. R. LAKSHMANAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether handicrafts, handlooms and other labour intensive sectors are witnessing negative growth in exports during the last three years;
- (b) if so, the details of the exports made by these sectors during the last three years;
- (c) whether Government proposes to arrest this trend and create a conducive atmosphere for exports;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) The growth trends in these sectors over the last three years show a mixed trend. The details are given below.

Commodity	Export (US \$ Billion)				Growth % growth with respect to previous year		
	2010-11	2011-12	2012-13	2013-14	2011-12	2012-13	2013-14
Textiles	23.2	27.2	26.4	30.4	17.2	-3.1	15.2
Leather & Manufactures	3.9	4.8	4.9	5.7	22.9	1.6	16.5
Carpets	1.0	0.8	1.0	1.0	-18.3	16.6	5.0
Handloom Products	0.3	0.6	0.5	0.4	59.7	-6.6	-28.2
Handicrafts	0.3	0.3	0.2	0.3	8.8	-27.2	36.0
Sports Goods	0.2	0.2	0.2	0.2	26.6	-1.8	14.4

Source: DGCI&S

(c) to (e) Exports of handloom, handicrafts and other labour intensive sectors are supported through various schemes *e.g.* Focus Market Scheme, Market Linked Focus Product Scheme, Focus Product Scheme and Duty Drawback Scheme. Exporters of these products can also avail duty free import of capital Goods under EPCG scheme and raw materials under Advance Authorisation Scheme.

In order to boost exports, Government enhanced the rate of Interest Subvention under Interest Subvention Scheme from 2% to 3% with effect from 1.8.2013, which was also available for labour intensive sectors *viz.* Handicrafts, Carpet, Handlooms, Readymade Garments, and Toys etc. In Union Budget 2014-15 various steps have been announced to encourage exports of labour intensive sectors, including handicrafts, handlooms, which *inter alia* include the following:

- Duty free entitlements for import of trimmings, embellishments and other specified items have enhanced from 3% to 5% of the value of exports for readymade garments.

- Mega textile clusters with a sum of Rs. 200 crore at various places of India like Varanasi, Bareilly etc.
- Trade Facilitation Centre and a Crafts Museum with an outlay of Rs. 50 crore.
- A Hastkala Academy with an outlay of Rs. 30 crore.

Turf war for negotiating foreign investment pacts

2151. SHRI A.W. RABI BERNARD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Department of Industrial Policy and Promotion (DIPP) and the Department of Economic Affairs (DEA) under the Ministry of Finance are locked in a stiff turf battle over the mandate to negotiate investment pacts with other countries as these two Departments have exchanged letters, each claiming that it is authorized to negotiate foreign investment pacts; and

(b) if so, the details thereof and the steps taken by Government to quickly resolve the differences to prevent any uncertainty as it concerns the crucial aspect of investment and foreign investors ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) No, Sir.

(b) Does not arise.

Effect of fall in prices of natural rubber

2152. SHRI K.N. BALAGOPAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware about the sharp fall in the prices of natural rubber in the country;

(b) if so, the details of average price and cost of production for the last three years;

(c) whether any steps were taken by Government or in the agenda of Government for intervention to protect the farmers and rubber plantation sector;

(d) if so, the details thereof; and

(e) whether the Association of South- East Asian Nations (ASEAN) and other Free Trade Agreements are hindering the several measures ?