

- (iii) Fall in demand of precious goods like Pearls, Precious and Semi-Precious Stones, especially from Oil Producing countries.
- (iv) There is a general slowdown in the world GDP growth and hence, in growth in World Trade.
- (v) Off late many countries are resorting to protectionist measures thereby impacting our exports.

Development of special economic zones

646. DR. PRADEEP KUMAR BALMUCHU: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that Government has taken a decision to extend the time for developers for development of Special Economic Zone projects in the country;
- (b) if so, the details thereof;
- (c) the details of the SEZs which have got extension in the State of Jharkhand; and
- (d) whether any tax exemptions and other incentives have been offered, if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) 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 proposal. The Board of Approval (BoA) under Department of Commerce may, on an application by the developer, extend the validity period of the letter of approval. Some SEZs developers have sought extension of validity period of the letter of approval granted to them for the execution of their projects for various reasons including adverse business climate due to global recession, delay in approvals from statutory bodies, delay in environmental clearance, etc. During the last three years and the current financial year (upto January, 2017), BoA has granted more time to 143 developers of SEZ across the country to complete their projects. The details are given in the Statement (*See* below).

(c) In the State of Jharkhand, the validity of Letter of Approval (LoA) of one sector specific SEZ for Automobiles/Auto Components by M/s Adityapur Industrial Area Development Authority at Adityapur, was extended upto 13.06.2015. Subsequently, BoA on 27.08.2015 had declined the request of Developer for further extension of LoA in view of the fact that no development had taken place since the notification in 2006.

(d) The tax exemptions and other incentives allowed to SEZs are in built into the SEZs Act, 2005. Main fiscal concessions and duty benefits allowed to SEZ developers and units are as follows:

- (i) Exemption from Central Sales Tax.
- (ii) Exemption from Service Tax.
- (iii) Exemption from Income Tax for 15 years as per Income Tax Act
- (iv) Duty free import/domestic procurement of goods
- (v) Exemption from State Sales Tax and other levies as extended by the respective State Governments.

Statement

*Details of approval for extension of validity period granted by the Board of
Approval for SEZs (July, 2012 to January, 2017)*

States/UTs	Approvals
Gujarat	10
Haryana	13
Jharkhand	1
Karnataka	13
Kerala	12
Madhya Pradesh	8
Maharashtra	26
Nagaland	2
Andhra Pradesh (including Telangana)	18
Odisha	8
Tamil Nadu	21
Uttar Pradesh	5
West Bengal	5
Rajasthan	2
GRAND TOTAL	143

Export of tea by small tea growers

647. SHRI A. K. SELVARAJ: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether small tea growers are planning to export their produce on their own strength;