

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:799
ANSWERED ON:21.02.2003
DUTY FREE IMPORTS
GANTA SRINIVASA RAO

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether the Government have notified a scheme for duty-free imports of inputs and material by the developers of the Special Economic Zones;
- (b) if so, whether any committee has been constituted to approve of the merits;
- (c) if so, the details thereof;
- (d) whether any guidelines have been formulated for this purpose; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN)

(a) to (e): In August, 2002 the Government has issued two notifications (No.82/2002-Customs and 39/2002-Central Excise both dated 13.8.2002), allowing the facility of duty free import/procurement of goods to the developers of Special Economic Zones (SEZs) for the purpose of development, construction and maintenance of SEZs. The import/procurement of goods is subject to approval by an inter-ministerial Committee. For the purpose of availing of the benefit of above notifications, the developers of the SEZ are required to make an application to the concerned Development Commissioner for approval of the list of goods proposed to be imported/procured duty free. The Development Commissioner is required to process the same and place the list before the aforesaid Committee for approval of such duty-free imports/procurement.

Detailed guidelines have been laid down by the Government in this behalf.