

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:358

ANSWERED ON:21.02.2006

SPECIAL ECONOMIC ZONES

Gadakh Shri Tukaram Gangadhar;Gangwar Shri Santosh Kumar;Prasad Shri Hari Kewal;Reddy Shri Karunakara G.;Scindia Shri Jyotiraditya Madhavrao

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

- (a) the financial assistance provided by the Government to Special Economic Zones during each of the last three years, zone-wise;
- (b) the amount of FDI received so far in Special Economic Zones that are in operation, zone-wise;
- (c) the level of employment in these zones;
- (d) the number of proposals from various private parties for setting up of Special Economic Zones pending with the Government as on date, zone-wise;
- (e) the reasons for the delay for clearing the same;
- (f) the time by which the pending proposals are likely to be cleared;
- (g) whether the Government is contemplating to enforce the Special Economic Zone law; and
- (h) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAI RAM RAMESH)

(a) The Central Government provides budgetary support to the Special Economic Zones (SEZ) mainly to meet the expenditure by way of salaries and office expenses. Apart from this, budgetary support under Plan allocation is also provided to the Zones under the Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE) Scheme mainly for development of infrastructure in the SEZs. The funds released to the SEZs during the last three years under the ASIDE Scheme are as under:

(Rs. in lakhs)

Sl.No.	Name of the SEZ	Funds released			Total
		2002-03	2003-04	2004-05	
1.	Cochin SEZ	2006.96	1121.16	802.38	3930.50
2.	Manikanchan SEZ	0.00	0.00	57.10	57.10
3.	Madras SEZ	1219.70	528.31	201.69	1949.70
4.	Noida SEZ	300.00	623.54	638.79	1562.33
5.	SEEPZ-Special Economic Zone	361.41	500.00	1190.98	2052.39
6.	Visakhapatnam SEZ	842.25	514.85	330.17	1687.27
7.	Kandla SEZ	871.31	298.33	1313.94	2483.58
8.	Falta SEZ	365.63	748.82	1360.64	2475.09

Total 5967.26 3435.01 5859.69 15261.96

No other financial assistance is provided by the Government to Special Economic Zones.

(b): The FDI received for establishment of units in the operational Special Economic Zones during the year 2005-06 (April to November, 2005 (Provisional) was of the order of about Rs. 95 crores. The details are as under:-

(Rs. in Crores)

Visakhapatnam SEZ 48.18
Kandla SEZ 12.96
SEEPZ-SEZ 4.05
Madras SEZ 0.87
Cochin SEZ 29.25

Total 95.31

(c) A total number of 1.10 lakhs (approximately) persons are employed in these zones.

(d) to (h): Proposals for setting up of SEZs which were received by the Government till 15.11.2005 have been considered by the Board of Approval and cleared as per norms. Subsequently, 74 proposals have been received for setting up of SEZs. These have not yet been considered as the SEZ Act, 2005 and the SEZ Rules, 2006 were being put into force. The SEZ Act, 2005 and the SEZ Rules, 2006 have been operational on 10.2.06. The Board of Approval has been constituted under the SEZ Act, 2005 and the pending proposals will be placed before the Board of Approval for its consideration in its meeting to be held on 17.3.2006.