

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

UNSTARRED QUESTION NO:2919

ANSWERED ON:22.08.2006

CRITERIA FOR CLEARANCE OF PROPOSALS FOR SEZS .

Saradgi Shri Iqbal Ahmed;Scindia Shri Jyotiraditya Madhavrao

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

- (a) The criteria adopted for clearance of applications for setting up of Special Economic Zones;
- (b) Whether SEZ Act provides full freedom to the power developer to allocate space or provide infrastructure and levy user charges on agreed terms with units; and
- (c) If so, the details thereof and the extent to which setting up of SEZs have been helpful to the projects for which they were considered?

**Answer**

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

(a) The minimum basic requirement, as stipulated in the SEZ Act/Rules, for clearance of the proposals for setting up of Special Economic Zones, include minimum area of land for various categories of SEZs and recommendation of the State Government.

(b) & (c) Subject to the provisions of the SEZ Act, 2005 and SEZ Rules, 2006 and the letter of approval granted to the developer, the developer may allocate space or built up area or provide infrastructure services to the approved units in accordance with the agreement entered into by him with the entrepreneurs of such units. The setting up of SEZs has been helpful to the projects in as much as 948 units are already in operation providing employment to nearly 1.23 lakh persons.