

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

UNSTARRED QUESTION NO:3076  
ANSWERED ON:13.12.2006  
SEZS UNDER IT/ITES SECTOR  
Kharventhan Shri Salarapatty Kuppusamy

**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

:-

- (a) the number of Special Economic Zones (SEZs) approved by the Government in Tamil Nadu under IT/ITES Sector;
- (b) the location which are likely to be covered under the scheme and its features thereof; and
- (c) the steps taken by the Government for further improvement in IT/ITES Sector in the State?

**Answer**

MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY(DR. SHAKEEL AHMAD)

(a), (b), and (c): Department of Commerce, Ministry of Commerce and Industries, introduced a policy for setting up of SEZs (Special Economic Zones) in the country with a view to provide an internationally competitive and hassle free environment for exports. Under the policy, Units may be set up in SEZ for manufacture of goods and rendering of services. The units in the Zone have to be a net foreign exchange earner but they shall not be subjected to any pre-determined value addition or minimum export performance requirements. Sales in the Domestic Tariff Area by SEZ units shall be subject to payment of full Custom Duty and import policy in force. Further Offshore banking units may be set up in the SEZs. The policy provides for setting up of SEZ's in the public, private, joint sector or by State Governments. Provision exists in the policy for exemption from taxes, duties or cess on goods or services exported out of, or imported into SEZ units. As per Department of Commerce, Ministry of Commerce and Industries so far approved 19 SEZs in IT/ITES/Software sector in Tamil Nadu, and 2 more SEZs in IT/ITES/Software sector are approved-in-principle. These SEZs are located at Siruseri, Pallikarnai, Chennai, Sholinganallur village (Tambaram Taluk, Chennai), Vilankurichi (Coimbatore), Chinglrpet (Kanchipuram Distt.), Sriperumbudur, Coimbatore, Thoraipakkam etc., in Tamil Nadu. Software Technology Parks of India (STPI), an autonomous society under the Department of Information Technology, has established centers in Chennai, Trichy, Madurai, Tirunelveli and Coimbatore in Tamil Nadu to provide highspeed data communication facilities, incubation and statutory services for the promotion of software exports in IT/ITES sector in the State. As per the ITES Policy 2005, the Tamil Nadu State Government also provides several fiscal and Administrative incentives inter alia unrestricted movement of capital equipment subject only sales tax payments, specific packages to single investments exceeding Rs.300 cr., onetime reimbursement of patent registration up 50% or Rs. 1.0 lakh whichever is lower etc.