

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

STARRED QUESTION NO:305  
ANSWERED ON:20.03.2007  
SPECIAL ECONOMIC ZONES  
Chinta Mohan Dr. ;Singh Shri Uday

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

- (a) whether the Government has received any inputs for the review of the prevailing policies for sanctioning Special Economic Zones(SEZs);
- (b) if so, the details thereof;
- (c) whether the Government has decided to review the procedure for acquisition of land for setting up of SEZs and other incentives provided to these SEZs;
- (d) if so, the details thereof;
- (e) whether the Government has decided to defer further action regarding the grant of approval for setting up of SEZs;
- (f) if so, the details thereof;
- g) whether the Government has any plan to review the tax and tariff concessions to SEZs;
- h) if so, the details thereof; and
- i) if not, the steps taken/proposed to be taken by the Government in this regard?

**Answer**

THE MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) to(i): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO

(i) OF LOK SABHA STARRED QUESTION NO.305 FOR ANSWER ON 20TH MARCH, 2007 REGARDING `SPECIAL ECONOMIC ZONES`

(a) to (d): Number of representations on various issues pertaining to Special Economic Zones (SEZs) have been received and these have been placed before the Empowered Group of Ministers (EGOM). These include adequate compensation and rehabilitation of displaced persons, prescribing maximum size of SEZs, land use within SEZs, Environmental Impact Assessments to be made, labour laws to be applied within SEZs, infrastructure requirements of SEZs, restructuring of Board of Approvals, SEZs to give thrust to manufacturing and exports, need to get prior recommendation of the State Governments and cap on number of SEZs in different categories etc. In so far as acquisition of land is concerned, each State has its own compensation and Relief & Rehabilitation measures depending upon the requirements and necessities of respective States and these are applicable for acquisition of land for SEZs also. The Ministry of Rural Development is currently formulating a revised National Rehabilitation Policy 2007.

(e) & (f): Pending further directions by EGOM, fresh approvals for setting up new SEZs are presently on hold.

(g) to (i): The provisions relating to fiscal concessions to SEZs are contained in the Special Economic Zones Act 2005, which was operationalized only from 10th February, 2006 along with the Special Economic Zones Rules 2006. There is no proposal to review the tax and tariff concessions for SEZs.