

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3591
ANSWERED ON:16.12.2005
NORMS VIOLATION IN SEZ'S
Nikhil Kumar Shri ;Owaisi Shri Asaduddin

Will the Minister of FINANCE be pleased to state:

- (a) whether several Special Economic Zones (SEZs) in the country are violating basic norms under which these zones were set up ;
- (b) if so, the details thereof and nature of the violation these SEZs have committed;
- (c) whether this issue was discussed with the Commerce Ministry while framing rules for the SEZs ;
- (d) if so, the SEZs identified in the country State-wise;
- (e) steps taken or guidelines issued to these SEZs to abide by the set guidelines; and
- (f) action taken or being taken by the Government against violating SEZs ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANMANICKAM)

- (a) & (b): No Sir. The norms for setting up of SEZ have been prescribed by the Ministry of Commerce & Industry vide Appendix 1411 - O of Handbook of Procedures. The Ministry of Commerce & Industry has reported that no SEZ is violating norms.
- (c) to (f) : Does not arise in view of the reply above. However, the Ministry of Finance has provided its comments to the draft SEZ Rules, 2005, framed by the Ministry of Commerce & Industry, to be notified under the Special Economic Zones Act, 2005.