

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

UNSTARRED QUESTION NO:3723

ANSWERED ON:19.04.2010

UNAUTHORISED ACTIVITIES IN SEZS

Sharma Shri Jagdish;Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether certain unauthorised activities being carried out in approved Special Economic Zones (SEZs) have come to the notice of the Government;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether the Government has formulated any guidelines to regulate the activities in SEZs; and
- (d) if so, the details thereof and if not, the reasons therefor?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (d): The functioning of the SEZs is governed by a three tier administrative set up. The Board of Approval is the apex body and is headed by the Secretary, Department of Commerce. The Approval Committee is the body at the Zone level dealing with approval of units in the SEZs and other related issues. The Approval Committee consists of Development Commissioner, Customs Authorities and representatives of State Government. The performance of the SEZ units are monitored annually by the Unit Approval Committee and units are liable for penal action under the provision of Foreign Trade (Development and Regulation) Act, in case of violation of the conditions of the approval. Hence, there are enough safeguards in the SEZ Scheme to prevent unauthorised activities in SEZs.