

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

STARRED QUESTION NO:327

ANSWERED ON:27.07.2009

FUNCTIONING OF APPROVED SEZ PROJECTS

Sharma Shri Jagdish;Singh Shri Rajiv Ranjan (Lalan)

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

(a) the number of SEZ proposals which were accorded approval by the Government after the enactment of the Special Economic Zone Act, 2005 till June, 2009;

(b) whether a large number of approved SEZ projects have not become operational so far;

(c) if so, the details thereof and the reasons therefor; and

(d) the measures contemplated by the Government to make these SEZs functional in a time-bound manner?

Answer

MINISTER OF COMMERCE AND INDUSTRY(SHRI ANAND SHARMA)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 327 FOR ANSWER ON 27TH JULY 2009 REGARDING "FUNCTIONING OF APPROVED SEZ PROJECTS"

(a) to (c) : Formal approval has been accorded to 578 SEZs out of which 325 have been notified. Under the provisions of SEZ Act, 2005 and Rules framed thereunder, approvals granted to SEZ developers remain valid for a period of three years within which time effective steps are to be taken by the developer to implement the project. SEZ Rules, 2006, inter-alia, provide for extension of approvals by two years by the Board of Approval (BoA). As on 30.6.2009, 91 SEZs have commenced export

(d): All newly notified SEZs are primarily private investment driven. Apart from the Board of Approval at the apex level, Unit Approval Committees of the notified Zones monitor their progress and provide a facilitative and hassle free window for approvals for SEZ developers/units. Most of the State Governments have also put in place a single window approval mechanism for the SEZ developers and SEZ units.