

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

UNSTARRED QUESTION NO:5424
ANSWERED ON:13.12.2010
DENOTIFICATION OF SEZS
Vishwanath Shri Adagur H

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

- (a) whether the Government of Karnataka has recommended the scrapping of some Special Economic Zones (SEZs) in the State;
- (b) if so, the details thereof and the reasons therefor;
- (c) the steps proposed to review the utility of all SEZs sanctioned in the last three years in Karnataka;
- (d) whether Board of approval of SEZs has taken decision to denotify SEZs in various parts of the country;
- (e) if so, the details thereof and revenue implications for the Government; and
- (f) the details regarding security or penalty to be paid by the developers in lieu of revenue loss?

Answer

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

(a) to (f): Requests for de-notification by the developers have been approved by the Board of Approval in respect of 21 SEZs. These SEZs are located in Delhi, Haryana, West Bengal, Orissa, Maharashtra, Andhra Pradesh, Kerala, Tamil Nadu and Dadra & Nagar Haveli. The denotification has been approved subject to refund of fiscal benefits availed of by the Developers.

As on 30th September, 2010, an investment of Rs 1,76,148 crore has been made in SEZs. The total physical Exports of Rs. 2,20,711.39 crore approximately have been made from SEZs during the year 2009-10 registering a growth of about 121.40% over the exports for the previous financial year. The total physical exports from SEZs as on 30th September, 2010 i.e. in the first half of the current financial year, has been to the tune of Rs 1,39,841 crore approximately registering a growth of 55.8% over the exports of corresponding period of the previous financial year. The total direct employment in SEZs as on 30th September, 2010 is 6,20,824 persons including 3,52,349 persons in the newly notified zones.

In terms of Rule 6 of the SEZ Rules, 2006, validity of approval is for a period of three years within which time effective steps are to be taken by the developer to implement the approved proposal. On a request received from the developer the Board of Approval can further extend the validity period. Setting of SEZ unit and its functioning is regulated as per the provisions of SEZ Act 2005 and rules framed thereunder.