

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

UNSTARRED QUESTION NO:1497

ANSWERED ON:03.12.2012

MONITORING OF SEZS

Biswal Shri Hemanand ;Joshi Shri Pralhad Venkatesh

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

- (a) whether there have been instances of violation of rules and procedures in the functioning of several Special Economic Zones (SEZs);
- (b) if so, the measures being taken by the Government to prevent such misuse in future;
- (c) whether Unit Approval Committees have been set up in all SEZs units to monitor the performance of the unit;
- (d) if so, the details thereof; and
- (e) the adequate regulatory measures being initiated by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(DR. D. PURANDESWARI)

(a) to (e): Setting up of SEZs and its their functioning is regulated as per the provisions of SEZ Act 2005 and rules framed thereunder. The Approval Committees under the respective Development Commissioners constituted for each Zone, which comprise representatives from Customs, Income-tax, State Governments etc. monitor the performance of the SEZ Units. Such monitoring includes scrutiny of Annual Performance Report (APR), Quarterly Performance Report (QPR) and details of rent recovery furnished by the SEZ units. Failure to meet the requirements of the scheme or any violation of its provisions attracts action under Foreign Trade (Development and Regulation) Act, 1992.