

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

UNSTARRED QUESTION NO:1750
ANSWERED ON:30.11.2009
NOKIA SEZ IN TAMIL NADU
Gandhi Shri Feroze Varun

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

(a) whether any irregularities have been observed in the functioning of the Nokia SEZ in Tamil Nadu with regard to the objective of promoting exports and creating employment opportunities; and

(b) if so, the details thereof and the reaction of the Government thereto?

Answer

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

(a) & (b): The Report of the Comptroller and Auditor General of India (C&AG) for the year ended March, 2007 on Performance Audit on Union Government – Indirect Taxes, inter alia, raised certain issues pertaining to M/s. Nokia Telecom SEZ in Tamil Nadu over achieving positive NFE by domestic supplies and duty foregone on inputs used in exempt products cleared in DTA etc.

DTA supply of Information Technology Agreement items and notified Zero duty telecom or electronic items or any other items as may be notified by the Central Government is counted towards exports as per the provisions of SEZ Rules 2006.