

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

UNSTARRED QUESTION NO:2267

ANSWERED ON:11.03.2013

SETTING UP OF SEZs

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Bhoi Shri Sanjay;Deka Shri Ramen;Dhotre Shri Sanjay Shamrao;Gaikwad Shri Eknath Mahadeo;Hussain Shri Syed Shahnawaz;Karunakaran Shri P.;Paranjpe Shri Anand Prakash;Singh Shri Jagada Nand;Thakor Shri Jagdish;Wankhede Shri Subhash Bapurao

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

(a) the criteria adopted for setting up of the Special Economic Zones (SEZs) in the country along with the total land acquired and utilised for the purpose;

(b) whether the export from the SEZs has declined during the last three years and the current year and if so, the details thereof and the reasons therefor including the funds invested, employment generated, total revenue generated and the number of rural and agro-industries being benefited from these SEZs;

(c) whether there have been requests from several State Governments for relaxation in the minimum area stipulation in the SEZ Rules and if so, the details thereof;

(d) whether the Government proposes to revise the present Special Economic Zone (SEZ) Policy including relaxing the minimum land requirement for SEZ and if so, the details thereof and the reasons therefor; and

(e) whether the Government has held consultation with the various stakeholders including the Ministry of Finance, Environment & Forests etc. to finalise the revised SEZ policy and if so, the details thereof and the time by which the new policy is likely to be finalised and implemented?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

(a): In terms of SEZ Act, 2005, a Special Economic Zone (SEZ) may be set up either jointly or severally by the Central Government, State Government or any person for manufacture of goods or rendering services or for both or as a free trade warehousing zone. Such proposals duly recommended by the concerned State Government are considered by the Board of Approval for SEZs. As on 20th February, 2013, 577 formal approvals for SEZs covering a total area of 67,787 hectares have been granted.

(b): Exports from the Special Economic Zones (SEZs) during the last three years and the current financial year are as under:

Years	Value of exports in Rs. crore	Growth over previous year
2009-2010	2,20,711	121%
2010-2011	3,15,868	43.11%
2011-2012	3,64,478	15.39%
2012-2013	3,53,195	35.34% #

(April to December)

#Growth over the exports of the corresponding period of FY 2011-12

The total investments made in SEZs till 31st December, 2012 are Rs.2,38,990 crore approximately and employment to 10,19,146 persons have been provided in SEZs.

Since Special Economic Zones (SEZs) Act and Rules were notified in February, 2006, formal approvals have been granted for setting up of 11 SEZs for Agro and Food Processing, out of which, 9 SEZs have been notified and 3 SEZs have been exporting. The total exports from these SEZs 2012-13(as on 31st December, 2012), have been to the tune of Rs. 695 crore. The Units engaged in the manufacture of agro and food products are mainly exporting products including those manufactured using castor oil, processed graded spices, canned tuna fish, seer fish, shrimp, squid, cuttle fish, packaged tea and coffee, fruits, coconut shells, snack items and mixed vegetables etc.

(c) to (e): The Government, on the basis of inputs/suggestions invited from stakeholders has reviewed the policy and operational framework governed by the Rules of the Special Economic Zone (SEZ) scheme and is presently engaged in inter-ministerial consultations for finalization of a proposal for SEZ policy and operational framework reform through necessary changes in the Rules, targeting a more investor friendly environment and smoother operation of the SEZ scheme.

