

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

UNSTARRED QUESTION NO:733

ANSWERED ON:24.07.2015

Functioning of Export Companies

Bhabhor Shri Jasvantsinh Sumanbhai;Choudhary Shri Ram Tahal

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

- a) whether the deputy development commissioner and central excise officers of Special Economic Zones (SEZs) monitor the functioning of export companies deriving advantage of export promotion schemes on half-yearly basis;
- b) if so, the details and the composition thereof;
- c) the number of irregularities detected by the said officers during the last three years; and
- d) the corrective steps taken by the Government in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a) to (d): As per Section 13 (2) of Special Economic Zones (SEZs) Act, 2005, every Approval Committee shall consist of:-

- i. the Development Commissioner - Chairperson, ex officio;
- ii. two officers of the Central Government to be nominated by the Central Government - Members, ex officio;
- iii. two officers of the Central Government to be nominated by the Central Government to represent the Ministry or Department dealing with revenue – Members, ex officio;
- iv. one officer of the Central Government to be nominated by the Central Government to represent the Ministry or Department dealing with the economic affairs (financial services) – Member, ex officio;
- v. two officers of the State Government concerned to be nominated by that State Government – Members, ex officio;
- vi. a representative of the Developer concerned – Special invitee.

The Approval Committees constituted for each SEZ monitor the performance of the SEZ Units which 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 the Foreign Trade (Development and Regulation) Act, 1992.

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