

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 957
TO BE ANSWERED ON 17th DECEMBER, 2018

SPECIAL ECONOMIC ZONES

957. DR. KIRIT P. SOLANKI:

SHRI DHARAMBIR:

SHRI DIBYENDU ADHIKARI:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) the details of Special Economic Zones (SEZs) approved and established in the country, State and UT-wise along with those which are currently operational and non-operational;
- (b) whether it is true that a large number of SEZs which have been approved are not operational and if so, the reasons therefor along with the steps taken by the Government to make these SEZs operational;
- (c) whether the Government has given more time to the developers of SEZs to complete their projects and if so, the details thereof along with the details of penalty imposed on such developers for not completing the project in the prescribed time period;
- (d) whether the Government has received any report to boost up the SEZs into more investment oriented as an employment economic enclaves thereto and if so, the details thereof; and
- (e) whether SEZs have facilitated exports in the manufacturing sector and if so, the details thereof along with the impact of SEZs on employment generation?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a): In addition to Seven Central Government Special Economic Zones (SEZs) and 11 State/Private Sector SEZs set-up prior to the enactment of the SEZs Act, 2005, approvals have been accorded to 420 proposals for setting up of SEZs in the country. Presently, out of 355 notified SEZs a total of 230 SEZs are operational and 143 SEZs are non-operational. States/Union Territories-wise distribution of SEZs approved, established, operational and non-operational in the Country is at **Annexure**.

(b): Setting up of SEZs is a long term process and delay in commencement of commercial operations of the SEZs may be due to various reasons which include time taken in getting approvals from statutory/State Government bodies, adverse business climate due to changed global economic situation, changes in fiscal incentives, etc. The corrective steps taken by the Government to make these SEZs functional are as under:

- i. The Government periodically reviews the policy and operational framework of SEZs and takes necessary measures so as to facilitate speedy and effective implementation of SEZs.
- ii. Minimum Land Area requirement for setting up of new SEZs has been reduced to 50% for Multi-product and Sector-specific SEZs.
- iii. Sectoral broad-banding has been introduced to encompass similar / related areas under the same Sector.
- iv. Dual use of facilities like Social & Commercial infrastructure by SEZs and non-SEZs entities has been allowed in order to make SEZ operations more viable.
- v. State Governments have been advised to make their own Single Window Clearance mechanism more effective.
- vi. Review meetings with the Development Commissioners of SEZs are held regularly.

(c): In terms of Rule 6(2)(a) of the Special Economic Zones Rules, 2006, the letter of approval granted to a Special Economic Zone (SEZ) developer is valid for a period of three years within which time, effective steps are to be taken by the developer to implement the approved project. The Board of Approval may, on an application by the developer, grant more time by extending the validity period of the letter of approval. During the last six years and current financial year (upto 11th December, 2018), extension of time have been granted to 146 developers of SEZs across the country, to complete their projects.

(d): Madam, the Government had constituted a Group of eminent persons under the Chairmanship of Shri Baba Kalyani, Chairman M/s. Bharat Forge to study the Special Economic Zone (SEZ) Policy of India on 04.06.2018. The Group submitted its report to the Government on 19.11.2018.

(e): The provision of SEZs Act, 2005 are applicable on manufacturing and services sectors. The details exports in manufacturing sector from SEZs during last three years and current year are as under:

Year	Exports of the SEZs in manufacturing sector (Rs. Crore)
2015-2016	2,14,501
2016-2017	2,37,502
2017-2018	2,67,801
2018-2019 (Upto 30.09.2018)	1,60,699

The details of employment generation in SEZs during last three years and current year are as under:

Year	Employment in SEZs* (persons)
2015-2016	15,91,381
2016-2017	17,31,641
2017-2018	19,77,216
2018-2019 (Upto 30.09.2018)	19,96,610

* calculated on cumulative basis.

Annexure to the Lok Sabha Unstarred Question No. 957 for 17th December, 2018.

States/Union Territories-wise distribution of SEZs approved, established, operational and non-operational in the Country						
States/UTs	Central Government SEZs set up prior to the enactment of SEZs Act, 2005	State Government/Private Sector SEZs set up prior to the enactment of SEZs Act, 2005	Formal Approvals granted under the SEZs Act, 2005	Notified SEZs under the SEZ Act, 2005	Total Operational SEZs (Including prior to SEZs Act + under the SEZs Act)	Non-Operational SEZs
Andhra Pradesh	1	0	32	27	19	9
Chandigarh	0	0	2	2	2	0
Chhattisgarh	0	0	2	1	1	0
Delhi	0	0	2	0	0	0
Goa	0	0	7	3	0	3
Gujarat	1	2	28	24	20	7
Haryana	0	0	24	21	6	15
Jharkhand	0	0	1	1	0	1
Karnataka	0	0	62	51	31	20
Kerala	1	0	29	25	19	7
Madhya Pradesh	0	1	10	5	5	1
Maharashtra	1	0	56	50	30	21
Manipur	0	0	1	1	0	1
Nagaland	0	0	2	2	0	2
Odisha	0	0	7	5	5	0
Puducherry	0	0	1	0	0	0
Punjab	0	0	5	3	3	0
Rajasthan	0	1	5	4	2	3
Tamil Nadu	1	4	50	47	39	13
Telangana	0	0	63	57	29	28
Uttar Pradesh	1	1	24	21	12	11
West Bengal	1	2	7	5	7	1
GRAND TOTAL	7	11	420	355	230	143
