

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 73**  
**TO BE ANSWERED ON 04<sup>th</sup> FEBRUARY, 2019**

**ISSUES FACED BY SEZ DEVELOPERS**

73. DR. PRITAM GOPINATH MUNDE:  
SHRI SHRIRANG APPA BARNE:  
DR. SHRIKANT EKNATH SHINDE:  
SHRI ANANDRAO ADSUL:  
SHRI ADHALRAO PATIL SHIVAJIRAO:

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

- (a) whether the Special Economic Zone Developers are facing certain issues/ problems including some complaints about the misuse of the policy which create hindrance for development of SEZs and if so, the details thereof;
- (b) whether the industry has time and again requested the Finance Ministry to consider restoring tax benefits to these zones for supporting growth of the sector and generating jobs and if so, the response of the Government in this regard;
- (c) whether the SEZs which emerged as major export hubs in the country, started losing sheen after the imposition of minimum alternate tax and introduction of sunset clause and if so, the response of the Government in this regard;
- (d) whether the Government has approved 423 SEZs till December, 2017 and if so, the number of SEZs out of that made operational so far along with the quantum of exports from these zones grew during April-September 2017-18; and
- (e) the steps taken by the Government to resolve the issues being faced by the SEZs promoters?

**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) and (e): The Government, on the basis of inputs/suggestions received from stakeholders on the policy and operational framework of the SEZ Scheme, periodically reviews the policy and operational framework of SEZs and takes necessary measures so as to facilitate speedy and effective implementation of SEZs. In this regard, the Government had constituted a Group of eminent persons under the Chairmanship of Shri Baba Kalyani, Chairman M/s. Bharat Forge to study the SEZ Policy of India. The Group has given its report on 19.11.2018.

(b): Yes Madam, Ministry of Commerce and Industry had also recommended the restoration of original exemption from MAT and withdrawal of Sunset Clause for SEZ Developers and Units to Ministry of Finance but has not been agreed to.

(c): The SEZs Act, 2005 was enacted on 23<sup>rd</sup> June, 2005. In the initial 5 years (i.e. 2007-2008 to 2011-2012) there was 186% increase in the new units in SEZs. However, post imposition of MAT there has been 140% increase in the new units in the next 6 years and current year [i.e. 2012-2013 to 2018-2019(up to 30.09.2018)] in SEZs.

(d): 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 421 proposals for setting up of SEZs in the country. Presently, out of 355 notified SEZs a total of 231 SEZs are operational.

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