located in the selected areas. No reimbursement claims have been received from the Union Territories of Lakshadweep and Andaman & Nicobar Islands and the State of Sikkim in respect of the periods in question.

(d) During the fiscal year 2000-01, no reimbursement claims have been received from the State of Sikkim. Andaman & Nicobar Administration has however, been reimbursed a sum of Rs. 33.46 lakh during 2000-01.

SEZ near Vishakhapatnam

2303. SHRI SOLIPETA RAMACHANDRA REDDY; Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that Andhra Pradesh Government is presently establishing a Special Economic Zone near Vishakhapatnam;
- (b) if so, whether the Central Government have directed the concerned Ministries to sort out issues mentioned by Andhra Pradesh Chief Minister in his letter; and
 - (c) if so, the details of the issues sorted out?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) Yes, Sir.

(b) and (c) The Chief Minister of Andhra Pradesh has suggested certain improvement in the policy framework for Special Economic Zones (SEZs). These include tax incentives for SEZs developers and for units located in the Zones, liberalized policy in telecommunication sector to the service providers, in SEZs, de-centralized and speedy environment clearance. The Government has not finalized its views in the matter.

Recession in leather industry

- †2304. SHRI JANESHWAR MISHRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
- (a) whether it is a fact that leather industry in Kanpur is on the verge of closure due to acute recession:
 - (b) if so, the details thereof;

[†]Original notice of the question was received in Hindi.