

Performance of SEZs in AP

793. SHRI V. HANUMANTHA RAO :

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

- (a) how many Special Economic Zones (SEZs) out of 109 SEZs approved in Andhra Pradesh are operational;
- (b) the SEZ-wise details of the achievement, production, employment and foreign exchange earned in Andhra Pradesh;
- (c) how many SEZs in Andhra Pradesh are not performing as per their targets; and
- (d) whether Government has assessed the performance of SEZs in Andhra Pradesh; if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) and (b) In addition to Visakhapatnam SEZ (VSEZ) set up by the Central Government prior to the enactment of SEZ Act, 2005, a total of 110 SEZs have been formally approved in Andhra Pradesh and of these 76 SEZs have been notified. A total of 37 SEZs are currently exporting. Exports from these SEZs in the first three quarter of the current financial year have been to the tune of Rs. 12156 crore approximately. As on 31st December, 2011, investment of Rs. 15581 crore approximately has been made and direct employment for 106230 persons has been generated in these SEZs.

(c) No export targets are set for SEZs. SEZ units are required to achieve positive Net Foreign Exchange to be calculated cumulatively over a period of five years from the commencement of production.

(d) VSEZ conducts annual monitoring of all SEZ Units and Developer in terms of SEZ Act, 2005 and Rules. Performance review of all the SEZs in Andhra Pradesh was also done by VSEZ in the year 2011.

Creating industrial cities in Vidarbha region

794. SHRI VIJAY JAWAHARLAL DARDA :

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

- (a) whether Government is launching a scheme for creating sprawling industrial cities peppered across the country, equipped with production units, public utilities, residential areas, schools, hospitals, etc. each spread over 5,000 hectares; and
- (b) if so, whether Government considers locating one such town or so-called National Investment and Manufacturing Zone in Yavatmal district of Vidarbha region

so that diversification of vocations occurs and farmers, entirely depending upon rain-fed agriculture so far, could also benefit, thereby ending the continuous menace of farmers' suicides?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) The Government has notified the National Manufacturing Policy *vide* a Press Note dated 4th November, 2011. One of the key instruments of the policy is National Investment and Manufacturing Zones (NIMZs). These NIMZs are conceptualized as integrated industrial townships with all important elements necessary to help the growth of manufacturing, e.g. state-of-the-art infrastructure; clean and energy efficient technology; simplified business regulations; and the necessary social and institutional infrastructure.

(b) The location of NIMZ will be a decision of the State Governments.

Cancellation of SEZs licences

795. SHRI PIYUSH GOYAL :

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

- (a) whether it is a fact that there have been many cancellations of Special Economic Zones (SEZ) licences in the country;
- (b) if so, the details thereof and reasons therefor;
- (c) whether there are currently new licences waiting approval; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) and (b) Requests are received for de-notification of the notified SEZs from time to time. From December, 2008 till 15 March, 2012, the Board of Approval on SEZ has approved 46 cases for denotification subject to refund of duty benefits availed, if any, by the developer. The reasons for these requests, wherever indicated by the applicants, range from economic meltdown, poor market response, non-availability of skilled labour force, no demand for IT/ITES space and imposition of Minimum Alternate Tax (MAT) and Dividend Distribution Tax (DDT) on Special Economic Zones (SEZs).

(c) and (d) In terms of the SEZ Act, 2005 a SEZ may be set up either jointly or severally by the Central Government, State Govt. 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 and when they are required. SEZs being set up under the SEZ Act, 2005 are primarily private investment driven.