

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

UNSTARRED QUESTION NO:1735  
ANSWERED ON:01.08.2003  
SETTING UP OF SEZs/EPZs  
GORDHANBHAI JAVIA;JAGMEET SINGH BRAR;PRABHA RAU

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

- (a) the Special Economic Zones and Export Processing Zones constituted in the country, location-wise;
- (b) the performance of existing SEZs and EPZs for the last three years;
- (c) the targets set for these zones for 2003-04 and 2004-05;
- (d) the special consideration, concessions and incentives given to these zones to achieve their targets;
- (e) the State-wise details of proposals regarding sanctioning of SEZs / EPZs under consideration of the Union Government presently; and
- (f) the places where SEZs/EPZs are proposed to be set up in the current year?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI S.B. MOOKHERJEE)

(a) All the 8 Export Processing Zones (EPZs) located at Kandla and Surat (Gujarat), Santa Cruz (Maharashtra), Cochin (Kerala), Chennai (Tamil Nadu), Visakhapatnam (Andhra Pradesh), Falta (West Bengal) and Noida (Uttar Pradesh) have been converted into Special Economic Zones (SEZs).

(b) Export performance of EPZs/SEZs during the last three years is indicated below:

Year Exports (Rs. crores)

2000-01	8552.30
2001-02	9189.55
2002-03	10056.62

(c) & (d): Indicative export target for SEZs is fixed on year to year basis and target for 2003-04 has been set at Rs.13,060 crores. The policy relating to SEZs are under constant review and improvements are brought about from time to time as considered necessary. Some of the major incentives recently announced for Special Economic Zones (SEZs) include 100% income tax exemption for 3 consecutive years and 50% for next 2 years to off-shore banking units in Special Economic Zones, permission to carry forward losses and Income Tax exemption to the extent of 50% of ploughed back profits for three consecutive years to SEZ units and treating supplies from domestic tariff area to SEZ at par with physical exports for the purpose of income-tax exemption.

(e) and (f): As per the policy, the Central Government is not to set up any new SEZs. The scheme, however, envisages setting up of SEZs in the public, private, joint sector or by the State Governments. The following proposals received through the concerned State Government for setting up of SEZs are under consideration:

1. Baikampady, Padubidri and Agsur (Karnataka)
2. Dahej (Gujarat)
3. Mundra (Gujarat)

Since the SEZs are approved for establishment in the private/joint sector/by the State Governments, it is not possible to indicate the

places where the SEZs would be set up during the current year.