

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

UNSTARRED QUESTION NO:1116
ANSWERED ON:21.08.2007
SPECIAL ECONOMIC ZONES
More Shri Vasantao J.

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

- (a) whether the Government is making special efforts for Special Economic Zones(SEZs);
- (b) if so, the details thereof alongwith the scope for industrial development in rural areas as a result of the said Zones; and
- (c) the extent to which Special Economic Zones are likely to be helpful in removing unemployment?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a)and (b) : The main objectives of the SEZ Scheme are generation of additional economic activity, promotion of exports of goods and services, promotion of investment from domestic and foreign sources, creation of employment opportunities along with the development of infrastructure facilities. Since the SEZ Act, 2005 and the SEZ Rules, 2006 came into effect on 10th February,2006, formal approvals have been granted for 366 SEZs spread over 19 States and 3 Union Territories. The Industrial Units will get set up in these SEZs and since these are permitted to source their requirement of raw materials and services from the Domestic Tariff Area (DTA) under the SEZ Rules, 2006 subject to the conditions prescribed therein, there exists a good scope for development of strong backward linkages with the DTA, resulting in overall industrial development.

(c) : Out of the 366 formal approvals granted so far under the SEZ Act, 136 SEZs have been notified. These SEZs have so far provided direct employment to 40153 persons. It is estimated that over 4 million additional jobs will get created by 2009-10 if all the 366 formally approved SEZs become operational.