

**COMMITTEE ON PAPERS LAID ON THE TABLE
(2021-2022)**

SEVENTEENTH LOK SABHA

85

EIGHTY-FIFTH REPORT

[Action Taken by the Government on the Recommendations/ Observations made by the Committee in their Seventy-First Report (Seventeenth Lok Sabha) regarding the delay in laying of the Annual Reports and Audited Accounts of the (i) Visakhapatnam Special Economic Zone (VSEZ) Authority; (ii) Cochin Special Economic Zone (CSEZ) Authority; (iii) Kandla Special Economic Zone (KSEZ) Authority; and (iv) Madras Special Economic Zone (MEPZ) Authority]

(Presented to Lok Sabha on 26 July, 2022)



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI**

July, 2022/ Sravana, 1944 (Saka)

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COMPOSITION OF COMMITTEE ON PAPERS LAID ON THE TABLE

LOK SABHA **(2021-2022)**

Shri Ritesh Pandey - **Chairperson**

MEMBERS

2. Dr. Shafiqur Rehman Barq
3. Shri Margani Bharat
4. Dr. A. Chellakumar
5. Shri Pallab Lochan Das
6. Shri Chowdhury Mohan Jatua
7. Choudhary Mehboob Ali Kaiser
8. Dr. Amol Ramsing Kolhe
9. Shri Raja Amareshwara Naik
10. Shri Jamyang Tsering Namgyal
11. Smt. Aparupa Poddar
12. Shri T.N. Prathapan
13. Shri S. Ramalingam
14. Shri Saptagiri Sankar Ulaka
15. Shri Ashok Kumar Yadav

SECRETARIAT

1. Smt. Suman Arora - Joint Secretary
2. Shri Sundar Prasad Das - Director
3. Shri Uttam Chand Bharadwaj - Additional Director

INTRODUCTION

I, the Chairperson of the Committee on Papers Laid on the Table, having been authorized by the Committee to present the Report on their behalf, present this Eighty-Fifth Report on the Action Taken by the Government on the recommendations/observations made by the Committee in the Seventy-First Report (Seventeenth Lok Sabha) regarding delay in laying of the Annual Reports and Audited Accounts of the (i) Visakhapatnam Special Economic Zone (VSEZ) Authority; (ii) Cochin Special Economic Zone (CSEZ) Authority; (iii) Kandla Special Economic Zone (KSEZ) Authority; and (iv) Madras Special Economic Zone (MEPZ) Authority.

2. The Seventy-First Report (Seventeenth Lok Sabha) was presented to Lok Sabha on 17.12.2021. The Ministry of Commerce and Industry (Department of Commerce) furnished their replies on 07.01.2022 indicating action-taken on the observations/recommendations contained in the Seventy-First Report. The Committee considered and adopted this Report at their sitting held on 04.04.2022.

3. The Committee place on record their appreciation of the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

4. The Observations/Recommendations of the Committee have been printed in bold letters at the end of the Report.

NEW DELHI
06 April, 2022
16 Chaitra, 1944 (Saka)

Ritesh Pandey
Chairperson
Committee on Papers Laid on the Table
Lok Sabha

COMMITTEE ON PAPERS LAID ON THE TABLE (2021-2022), LOK SABHA

REPORT

This Report of the Committee deals with the action-taken by the Government on the Recommendations/Observations made by the Committee on Papers Laid on the Table (2021-2022) in its Seventy-First Report (17th Lok Sabha) which, dealt with the matter of the delay in laying the Annual Reports and Audited Accounts of the (i) Visakhapatnam Special Economic Zone (VSEZ) Authority; (ii) Cochin Special Economic Zone (CSEZ) Authority; (iii) Kandla Special Economic Zone (KSEZ) Authority; and (iv) Madras Special Economic Zone (MEPZ) Authority for the years 2015-2016, 2016-2017, 2017-2018, 2018-2019 and 2019-2020, under the administrative control of the Department of Commerce (Ministry of Commerce and Industry) and, that was presented to the Lok Sabha on 17.12.2021.

2. The Committee had made five Observations/Recommendations in its Seventy-First Report (17th Lok Sabha). The action-taken replies to all the five Observations/Recommendations of the said Report were received from the Government on 07th January, 2022. Accordingly, the reply showing the action-taken by the Government on the Recommendations/Observations contained in the Seventy-First Report (17th Lok Sabha) is given in **Appendix**.

3. The Ministry, in its action-taken reply, has informed the Committee that the timelines for completion of various tasks related to the laying of annual reports of the selected four Special Economic Zone (SEZ) authorities are already in place and the Development Commissioners of the SEZs have been asked to ensure that the requisite documents are laid timely on the Table of the House. The Department/Ministry has stated in its reply that, an alert system has also been developed and on the basis of the Schedule drawn for different stages of the process to send an alert message to all Development Commissioners as well as this Department would complete the task in a time bound manner. The Committee would like to know the effectiveness of the said alert system, if implemented by the Department.

4. The Ministry during oral evidence had submitted that earlier they used to wait for Annual Report of all seven SEZs to be laid together. The Committee hope that the annual reports of the SEZs will be laid in Parliament as soon as these are received in

the Department from the respective SEZs, and also as submitted in the reply, the Department will not wait for all the documents from the remaining SEZs.

5. The Committee note that the changes brought in by the Ministry are in consonance with the recommendations made by them [Seventy-first Report of the Committee on Paper Laid on the Table (17th Lok Sabha) – *refers*]. They, however find that the requisite documents for these SEZs for 2019-2020 were laid together on 01.12.2021 with delays. Further, the requisite documents of these SEZs for 2020-2021* also have not been laid before the Lok Sabha, by 31.12.2021. The Committee, therefore, recommend to the Ministry to ensure that the requisite documents of these SEZs are laid before the Lok Sabha without any further delay. After the changes and promises made by the Department, the Committee hope that the requisite documents of all the SEZs would be laid before the House within stipulated time from 2021-2022 onwards and apprise them accordingly.

New Delhi
04 April, 2022
14 Chaitra, 1944 (Saka)

Ritesh Pandey
Chairperson
Committee on Papers Laid on the Table
Lok Sabha

**Annual Report and Audited Accounts of Cochin, Vishakhapatnam and Kandla SEZs were laid before the Lok Sabha on 09.02.2022.*

(vide paragraph 02 of the Report)

Reply Showing Action Taken on the Recommendations/ Observations Contained in the Seventy First Report of the Committee on Papers on the Table (Lok Sabha), Seventeenth Lok Sabha.

(I) VISAKHAPATNAM SPECIAL ECONOMIC ZONE (VSEZ) AUTHORITY; (II) COCHIN SPECIAL ECONOMIC ZONE (CSEZ) AUTHORITY; (III) KANDLA SPECIAL ECONOMIC ZONE (KSEZ) AUTHORITY; and (IV) MADRAS SPECIAL ECONOMIC ZONE (MEPZ) AUTHORITY

Recommendation Serial No: 19

Consequent upon the examination of the Annual Reports and Audited Accounts of the (i) Visakhapatnam Special Economic Zone (VSEZ) Authority; (ii) Cochin Special Economic Zone (CSEZ) Authority; (iii) Kandla Special Economic Zone (KSEZ) Authority; and (iv) Madras Special Economic Zone (MEPZ) Authority, for the years 2015-2016 to 2019-2020, the Committee observe that the Ministry of Commerce has laid the requisite documents of these four SEZs for the year(s) 2015-2016 to 2018-2019 with delays ranging between 03 months and 13 months (approximately). Further, the requisite documents of these four SEZs for the year 2019-2020* have not been laid, as yet. The Committee is very disappointed with these consecutive delays in laying the requisite documents by the Ministry. The Committee recommend that the Ministry and the SEZs should lay the pending requisite documents for the year 2019-2020 at the earliest and also ensure that, henceforth, the requisite documents of all the SEZs are timely laid before the Parliament, within 09 months of the closure of the respective accounting year. The Committee opine that the Secretary to the Ministry, will keep up with the assurance given during the evidence in this regard.

Reply of the Government

The pending requisite documents for the year 2019-2020 have already been laid on the table of the Lok Sabha on 01.12.2021. All the development commissioners of special economic zones have also been informed to ensure that in the future, the requisite documents of all the SEZs are timely laid before the Parliament. Further an alert system has also been developed by NSDL on the basis of Schedule drawn for different stages of the process to send an alert message to all DCs as well as this Department to complete the task in time bound manner.

(Ministry of Commerce O.M no. H-11020/3/2021-SEZ 7th January, 2022)

Recommendation Serial No 20

The Committee further notice that this is the second instance, when the Ministry of Commerce appeared for oral evidence before the Committee with regard to the delay in laying of the requisite documents of SEZs. Earlier, on 13.10.2017, the Committee took oral evidence of three other SEZs i.e., Falta SEZ Authority, Kolkata; SEEPZ SEZ Authority, Mumbai; and Noida SEZ Authority, Noida in respect of the delay in laying the requisite documents for the years 2009-2010 to 2015-2016. Hence, it is evident that the Ministry and all of the seven SEZs have neither seriously followed the provisions of the SEZ Act, nor have they followed the recommendations of the Committee with regard to the timely laying of the requisite documents before the Parliament. The Committee consider this as an act of wilful neglect and taking a serious note of the same, recommend to the Ministry and all the SEZs to ensure that the deadline marked in the time schedule drawn up by the Ministry, as per the recommendation of the Committee, for completing each task with regard to the finalisation of Annual Reports and Audited Accounts of all the seven SEZs are duly met.

Reply of the Government

The timelines of completion of various tasks related to the laying of annual reports is already in place and all the development commissioners of special economic zones have been asked to adhere to the timelines. Further an alert system has also been developed by NSDL on the basis of Schedule drawn for different stages of the process to send an alert message to all DCs as well as this Department to complete the task in time bound manner.

(Ministry of Commerce O.M no. H-11020/3/2021-SEZ 7th January,2022)

Recommendation Serial No 21

The Committee observe that there had been instances when the Ministry had taken long time in laying the requisite documents after receiving them from the respective SEZs. During the evidence also, the Committee were apprised about the practice being followed by the Ministry regarding waiting for the requisite documents from all the SEZs for being laid before the Parliament, together. The Committee recommend to the Ministry to initiate the process of laying the requisite documents before the Parliament, as soon as they are received from the respective SEZs.

Reply of the Government

The reports will be laid in the parliament as soon as they are received from the respective SEZs without waiting for the documents from the remaining SEZs.

(Ministry of Commerce O.M no. H-11020/3/2021-SEZ 7th January,2022)

Recommendation Serial No 22

During the evidence, the Committee desired that the Ministry/SEZs should create a web portal for online submission of all the data from these SEZs to the Ministry and also for sending automated reminders by the Ministry to any such SEZ, that is lagging behind the deadlines, at any stage, earmarked in the time schedule. The Committee, therefore, recommend to the Ministry/SEZs to explore this avenue to ensure proper check on the functioning of all SEZs.

Reply of the Government

An alert system has been developed by NSDL on the basis of Schedule drawn for different stages of the process to send an alert message to all DCs as well as this Department to complete the task in time bound manner.

(Ministry of Commerce O.M no. H-11020/3/2021-SEZ 7th January,2022)

Recommendation Serial No 23

The Committee also strongly impress upon the Ministry to note that in case of delay in laying of the Annual Reports and Audited Accounts of the Organisations/Institutions etc., under its administrative control, due to unavoidable reasons, a statement explaining the reasons as to why the requisite documents could not be laid within prescribed period should be laid on the Table of the House, strictly within 30 days or as soon as the House convenes, whichever is later.

Reply of the Government

A delay statement will be placed on the table of the Parliament in case of delay in laying the Annual Reports and Audited Accounts of the SEZ Authorities.

(Ministry of Commerce O.M no. H-11020/3/2021-SEZ 7th January,2022)

Committee on Papers Laid on The Table (2021-2022)

The Extracts of the Minutes of the tenth sitting of the Committee on Papers Laid on the Table (2021-2022) held on 04.04.2022.

The Committee sat on Monday, 4th April 2022 from 15:00 hours to 16:45 hours in Committee Room 'C', Parliament House Annexe, New Delhi.

Present

Shri Ritesh Pandey - ***Chairperson***

***Members
(Lok Sabha)***

2. Shri Pallab Lochan Das
3. Shri Jamyang Tsering Namgyal
4. Shri Saptagiri Sankar Ulaka
5. Shri Raja Amreshwara Naik

Secretariat

1. Smt. Suman Arora - Joint Secretary
2. Shri Sundar Prasad Das - Director
3. Shri Uttam Chand Bhardwaj - Additional Director

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2. At the outset, the Chairperson welcomed the Members of the Committee to the sitting and apprised them about the agenda.

3-5. X X X X X

6. Thereafter, the Committee considered the following Reports for adoption:

- (i) X X X X X.
- (ii) X X X X X;
- (iii) X X X X X; and

(iv) Action Taken by the Government on the Recommendations/ Observations made by the Committee in their Seventy-First Report (Seventeenth Lok Sabha) regarding the delay in laying of the Annual Reports and Audited Accounts of the (i) Visakhapatnam Special Economic Zone (VSEZ) Authority; (ii) Cochin Special Economic Zone (CSEZ) Authority; (iii) Kandla Special Economic Zone (KSEZ) Authority; and (iv) Madras Special Economic Zone (MEPZ) Authority

After deliberations, the Report and Action-taken Reports were adopted by the Committee. The Committee authorised the Chairperson to finalise the Report on the basis of the factual verification from the Ministry/Department concerned, finalize the Reports and present these to the Lok Sabha.

The Committee then adjourned.
