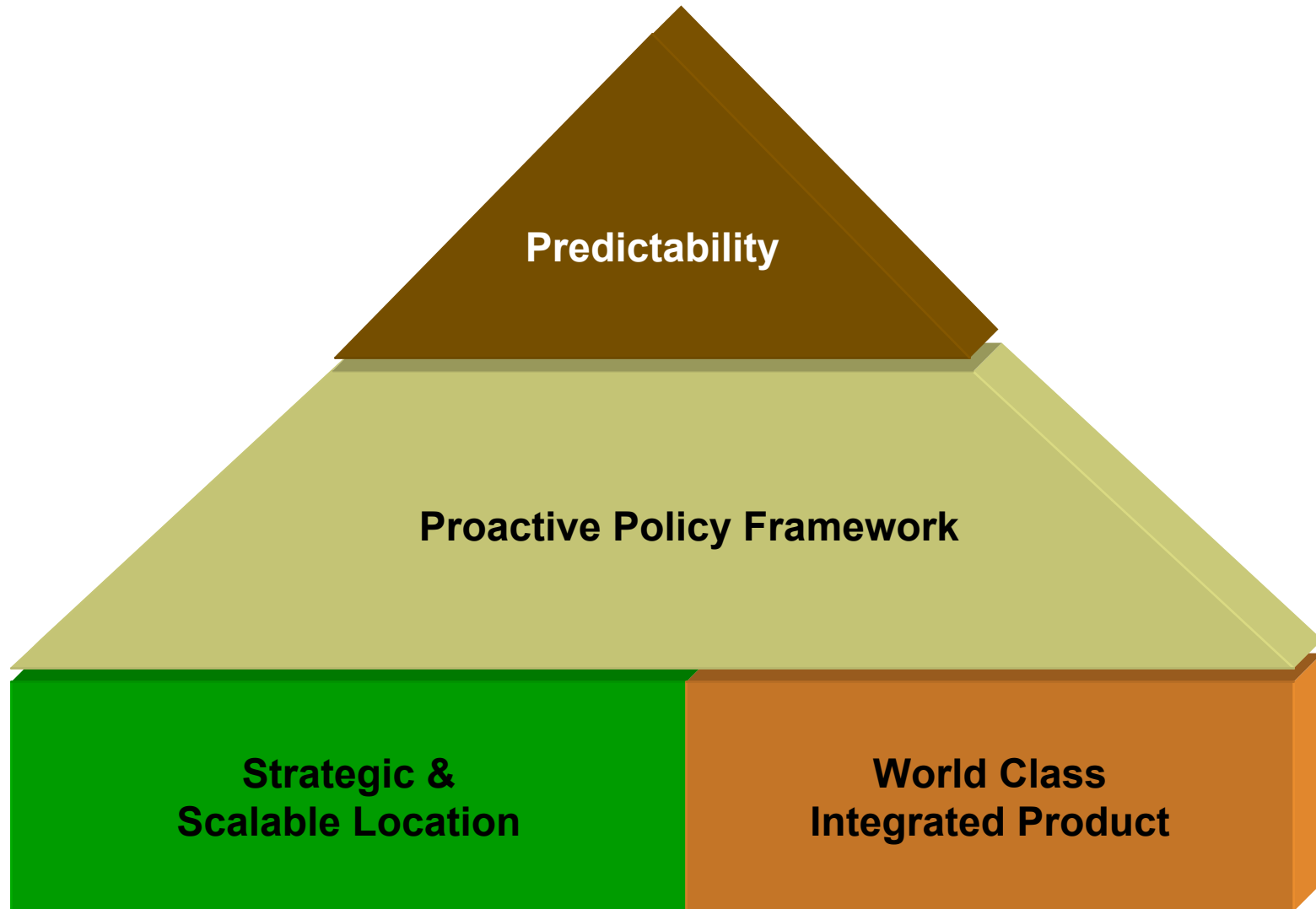


Making Special Economic Zones a Successful Reality in INDIA



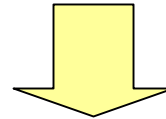
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The Value Pyramid



Strategic & Scalable Location

- Scalability of SEZ important
- Location advantage equally critical



- **Land Area of 1000 ha delays project implementation due to complex acquisition laws / poor land banks in strategic locations**
- **Minimum Processing Zone area of 250 ha should be the key reference criteria as purpose of SEZ is to create world class infrastructure for businesses and generate FDI / export earnings**
- **Project viability should determine incremental land requirements over and above the 250 ha**

World Class Integrated Product

- Successful SEZs deliver social infrastructure as part of the offering
- Industrial Parks allow for 33% Social Infrastructure whereas Product specific SEZs are allowed only 20%
- Need to create parity to allow creation of focused but integrated industry specific SEZs

Proactive Policy Framework

- Flexible Labour Laws critical for FDI inflow
- DTA sales not attractive – cap on quantum, but parity on taxation is the solution
- No homogeneity in State Acts - Central Draft Policy guideline needs to achieve uniformity at State level
- WTO compliance to be ensured vis-à-vis concessions and subsidies

- **Predictability and continuity of policy measures a top priority with investors**
- **Facilitates long - term planning and planned growth of the economy**

Thank You



29th April 2004