

# Business Standard

## Special zones: SEZ policy demands all-round reform, not frequent changes

*In theory, the SEZ environment would be ideal for the requirements of semiconductor manufacture, which requires stable power, clean water, and access to a skilled workforce*

Business Standard Editorial Comment | [Mumbai](#)



premium

Recent policy relaxations to encourage the manufacturing of hi-tech items such as semiconductors and electronic components in special economic zones (SEZs) mark yet another effort by the Union government to strengthen a nearly two-decade-old effort to encourage exports of manufactured products. The new rules have reduced the minimum land requirement for SEZs from 50 hectares to 10 hectares, offered concessions in net foreign exchange calculations, allowed the sourcing of capital, raw materials, and components from domestic markets from the earlier provision of imports only, and eased stipulations for the movement of finished goods. These new rules, which came into effect recently, represent a proactive strategy to boost the four-year-old Indian Semiconductor Mission, which aims to develop a robust

semiconductor and display ecosystem and position India as a global hub for electronics manufacturing and design. It is an open question, however, whether the SEZ policy relaxations ca

First Published: Jun 09 2025 | 10:46 PM IST

Page URL :[https://www.business-standard.com/opinion/editorial/special-zones-sez-policy-demands-all-round-reform-not-frequent-changes-125060901311\\_1.html](https://www.business-standard.com/opinion/editorial/special-zones-sez-policy-demands-all-round-reform-not-frequent-changes-125060901311_1.html)