

No. K-43016/11/2023-SEZ  
Government of India  
Ministry of Commerce and Industry  
Department of Commerce  
(SEZ Section)

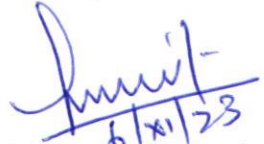
Vanijya Bhawan, New Delhi  
Dated the 6<sup>th</sup> November, 2023

**OFFICE MEMORANDUM**

**Subject:** 117<sup>th</sup> Meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) scheduled to be held on 18<sup>th</sup> November, 2023 - Agenda regarding.

The undersigned is directed to refer to this Department's O.M. of even number dated 1<sup>st</sup> November, 2023 on the subject cited above and to inform that the 117<sup>th</sup> meeting of the BoA for SEZs is scheduled to be held on 18<sup>th</sup> November, 2023 at Pune, Maharashtra under the Chairmanship of Commerce Secretary in hybrid mode.

2. The agenda for the 117<sup>th</sup> meeting of the BoA for SEZs is enclosed herewith.
3. The Venue and meeting link of the aforesaid meeting will be shared shortly.

  
(Sumit Kumar Sachan)

Under Secretary to the Government of India  
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To

1. Central Board of Excise and Customs, Member (Customs), Department of Revenue, North Block, New Delhi. (Fax: 23092628).
2. Central Board of Direct Taxes, Member (IT), Department of Revenue, North Block, New Delhi. (Telefax: 23092107).
3. Joint Secretary, Ministry of Finance, Department of Financial Services, Banking Division, Jeevan Deep Building, New Delhi (Fax: 23344462/23366797).
4. Shri Sanjiv, Joint Secretary, Department of Promotion of Industry and Internal Trade (DPIIT), Udyog Bhawan, New Delhi.
5. Joint Secretary, Ministry of Shipping, Transport Bhawan, New Delhi.
6. Joint Secretary (E), Ministry of Petroleum and Natural Gas, Shastri Bhawan, New Delhi
7. Joint Secretary, Ministry of Agriculture, Plant Protection, Krishi Bhawan, New Delhi.
8. Ministry of Science and Technology, Sc 'G' & Head (TDT), Technology Bhavan, Mehrauli Road, New Delhi. (Telefax: 26862512)
9. Joint Secretary, Department of Biotechnology, Ministry of Science and Technology, 7<sup>th</sup> Floor, Block 2, CGO Complex, Lodhi Road, New Delhi - 110 003.
10. Additional Secretary and Development Commissioner (Micro, Small and Medium Enterprises Scale Industry), Room No. 701, Nirman Bhavan, New Delhi (Fax: 23062315).
11. Secretary, Department of Electronics & Information Technology, Electronics Niketan, 6, CGO Complex, New Delhi. (Fax: 24363101)

12. Joint Secretary (IS-I), Ministry of Home Affairs, North Block, New Delhi (Fax: 23092569)
13. Joint Secretary (C&W), Ministry of Defence, Fax: 23015444, South Block, New Delhi.
14. Joint Secretary, Ministry of Environment and Forests, Pariyavaran Bhavan, CGO Complex, New Delhi – 110003 (Fax: 24363577)
15. Joint Secretary & Legislative Counsel, Legislative Department, M/o Law & Justice, A-Wing, Shastri Bhavan, New Delhi. (Tel: 23387095).
16. Department of Legal Affairs (Shri Hemant Kumar, Assistant Legal Adviser), M/o Law & Justice, New Delhi.
17. Secretary, Department of Chemicals & Petrochemicals, Shastri Bhawan, New Delhi
18. Joint Secretary, Ministry of Overseas Indian Affairs, Akbar Bhawan, Chanakyapuri, New Delhi. (Fax: 24674140)
19. Chief Planner, Department of Urban Affairs, Town Country Planning Organisation, Vikas Bhavan (E-Block), I.P. Estate, New Delhi. (Fax: 23073678/23379197)
20. Director General, Director General of Foreign Trade, Department of Commerce, Udyog Bhavan, New Delhi.
21. Director General, Export Promotion Council for EOUs/SEZs, 8G, 8<sup>th</sup> Floor, Hansalaya Building, 15, Barakhamba Road, New Delhi – 110 001 (Fax: 223329770)
22. Dr. Rupa Chanda, Professor, Indian Institute of Management, Bangalore, Bennerghata Road, Bangalore, Karnataka
23. Development Commissioner, Noida Special Economic Zone, Noida.
24. Development Commissioner, Kandla Special Economic Zone, Gandhidham.
25. Development Commissioner, Falta Special Economic Zone, Kolkata.
26. Development Commissioner, SEEPZ Special Economic Zone, Mumbai.
27. Development Commissioner, Madras Special Economic Zone, Chennai
28. Development Commissioner, Visakhapatnam Special Economic Zone, Visakhapatnam
29. Development Commissioner, Cochin Special Economic Zone, Cochin.
30. Development Commissioner, Indore Special Economic Zone, Indore.
31. Development Commissioner, Mundra Special Economic Zone, 4<sup>th</sup> Floor, C Wing, Port Users Building, Mundra (Kutch) Gujarat.
32. Development Commissioner, Dahej Special Economic Zone, Fadia Chambers, Ashram Road, Ahmedabad, Gujarat
33. Development Commissioner, Navi Mumbai Special Economic Zone, SEEPZ Service Center, Central Road, Andheri (East), Mumbai – 400 096
34. Development Commissioner, Sterling Special Economic Zone, Sandesara Estate, Atladra Padra Road, Vadodara - 390012
35. Development Commissioner, Andhra Pradesh Special Economic Zone, Udyog Bhawan, 9<sup>th</sup> Floor, Siripuram, Visakhapatnam – 3
36. Development Commissioner, Reliance Jamnagar Special Economic Zone, Jamnagar, Gujarat
37. Development Commissioner, Surat Special Economic Zone, Surat, Gujarat
38. Development Commissioner, Mihan Special Economic Zone, Nagpur, Maharashtra
39. Development Commissioner, Sricity Special Economic Zone, Andhra Pradesh.
40. Development Commissioner, Mangalore Special Economic Zone, Mangalore.
41. Government of Andhra Pradesh, Principal Secretary and CIP, Industries and Commerce Department, A.P. Secretariat, Hyderabad – 500022. (Fax: 040-23452895).
42. Government of Telangana, Special Chief Secretary, Industries and Commerce Department, Telangana Secretariat Khairatabad, Hyderabad, Telangana.
43. Government of Karnataka, Principal Secretary, Commerce and Industry Department, Vikas Saudha, Bangalore – 560001. (Fax: 080-22259870)



44. Government of Maharashtra, Principal Secretary (Industries), Energy and Labour Department, Mumbai – 400 032.
45. Government of Gujarat, Principal Secretary, Industries and Mines Department Sardar Patel Bhawan, Block No. 5, 3rd Floor, Gandhinagar – 382010 (Fax: 079-23250844).
46. Government of West Bengal, Principal Secretary, (Commerce and Industry), IP Branch (4<sup>th</sup> Floor), SEZ Section, 4, Abanindranath Tagore Sarani (Camac Street) Kolkata – 700 016
47. Government of Tamil Nadu, Principal Secretary (Industries), Fort St. George, Chennai – 600009 (Fax: 044-25370822).
48. Government of Kerala, Principal Secretary (Industries), Government Secretariat, Trivandrum – 695001 (Fax: 0471-2333017).
49. Government of Haryana, Financial Commissioner and Principal Secretary), Department of Industries, Haryana Civil Secretariat, Chandigarh (Fax: 0172-2740526).
50. Government of Rajasthan, Principal Secretary (Industries), Secretariat Campus, Bhagwan Das Road, Jaipur – 302005 (0141-2227788).
51. Government of Uttar Pradesh, Principal Secretary, (Industries), Lal Bahadur Shastri Bhawan, Lucknow – 226001 (Fax: 0522-2238255).
52. Government of Punjab, Principal Secretary Department of Industry & Commerce Udyog Bhawan), Sector -17, Chandigarh- 160017.
53. Government of Puducherry, Secretary, Department of Industries, Chief Secretariat, Puducherry.
54. Government of Odisha, Principal Secretary (Industries), Odisha Secretariat, Bhubaneswar – 751001 (Fax: 0671-536819/2406299).
55. Government of Madhya Pradesh, Chief Secretary, (Commerce and Industry), Vallabh Bhavan, Bhopal (Fax: 0755-2559974)
56. Government of Uttarakhand, Principal Secretary, (Industries), No. 4, Subhash Road, Secretariat, Dehradun, Uttarakhand
57. Government of Jharkhand (Secretary), Department of Industries Nepal House, Doranda, Ranchi – 834002.
58. Union Territory of Daman and Diu and Dadra Nagar Haveli, Secretary (Industries), Department of Industries, Secretariat, Moti Daman – 396220 (Fax: 0260-2230775).
59. Government of Nagaland, Principal Secretary, Department of Industries and Commerce), Kohima, Nagaland.
60. Government of Chattishgarh, Commissioner-cum-Secretary Industries, Directorate of Industries, LIC Building Campus, 2<sup>nd</sup> Floor, Pandri, Raipur, Chhattisgarh (Fax: 0771-2583651).

**Copy to:** PPS to CS / PPS to AS (LSS) / PPS to JS (VB)/ PPS to Dir (SNS).

**Agenda for the 117<sup>th</sup> meeting of the Board of Approval for Special Economic Zones to be held on 18.11.2023 at Pune, Maharashtra**

**117.1: Ratification of the minutes of the 116<sup>th</sup> meeting of the Board of Approval held on 5<sup>th</sup> September, 2023.**

**117.2: Request for extension of validity of formal approval of Developer (1 proposal)**

**Rule position:** In terms of Rule 6(2) of the SEZ Rules, 2006, the letter of approval of a Developer shall be valid for a period of three years within which time at least one unit has commenced production and the SEZ become operational from date of commencement of such production. The Board may on an application by the developer for reasons to be recorded in writing extend the validity period.

**117.2(i) Request of M/s. Cyber Corporation Manipur Limited (formerly M/s. Manipur IT SEZ Project Development Company) for further extension of the validity period of formal approval, granted for setting up of Manipur IT SEZ at Mantripukhri, Imphal, Manipur, beyond 31.10.2023.**

Name of the developer : M/s. Cyber Corporation Manipur Limited  
Sector : IT/ITES  
Location : Mantripukhri, Imphal, Manipur  
Extension : Formal approval to the Developer was granted by BOA on 29<sup>th</sup> October 2013. The Developer has been granted 3 (Three) extensions, last extension on 29<sup>th</sup> October 2021, validity period of which was upto 31<sup>st</sup> October 2023. The Developer has requested for further extension upto 31<sup>st</sup> October 2026 (3 Years). The SEZ stands notified as on date.

Present Progress:

a. **Details of business Plan:-**

S. No.	Type of cost	Proposed Investment (Rs. in lakhs/crores)
1.	Land Cost	3.7 crores
2.	Construction Cost	1300 crores
	Total	1303.7 crores

b. **Incremental investment since last extension:-**

S. No.	Type of Cost	Total Investment made so far (Rs. in lakhs/crores) up to 19 <sup>th</sup> October 2023	Incremental investment (Rs. in crores) since last extension
1.	Land cost	3.7 crores	0

2.	Material Procurement	-	-
3.	Construction	230 crores	175 crores
	Total	233.7 crores	175 crores

**( c ) Details of physical progress till date:-**

S. No.	Authorised activity	% completion	% completion during last one year	Deadline for completion of balance work
1.	Building 1	90%	60%	31 <sup>st</sup> December 2023
2.	Boundary Wall (Renovated from existing wall)	90%	95%	31 <sup>st</sup> October 2023
3.	Approach Road	10%	10%	To be developed in Phases
4.	Internal Roads	0%	0%	To be developed in Phases
5.	Water Supply	10%	10%	Connection source ready. To be developed in Phases
6.	Electrical Works	30%	30%	Process for installation of Power substation underway – independent power supply to Building 1, CIIT & MTI-HUB ready. To be developed in Phases
7.	Site Development	70%	50%	To be developed in phases
8.	Sewage System, CPET, & Waste Management	10%	10%	To be developed in phases
9.	MTI-HUB	95%	80%	30 <sup>th</sup> November 2023
10.	Residential Apartments	15%	15%	Mid 2025
11.	Hotel	0	0	Expected completion period – 2 years from date of commencement of construction. At RFP stage
12.	Hospital	0	0	Expected completion period – 2 years from date of commencement of construction. At RFP stage
13.	CIIT Shed	60%	60%	Early 2024
14.	IT Building 2 & 3	0	0	Expected completion period – 2 years from date of commencement of construction. Awaiting funds from PM-DevINE and SACI.
15.	IT Building 4 & 5	0	0	Expected completion period – 3 & 2 years respectively from date of commencement of construction. To be developed in PPP.

**Detailed Reasons for delay:**

Components	Reasons for Delay
Hotel	Low participation of interested Bidders leading to multiple calls for Expression of Interest for development of Hotel in PPP mode.
Hospital	Low participation of interested Bidders leading to multiple calls for Expression of Interest for development of Hotel in PPP mode.
Building 2 & 3	Proposed for funding under PM Dev INE and SACI respectively. Awaiting approval and funding.
Common Infrastructure	Will be developed under World Bank's funding which is currently at Legal Agreement Signing stage.

**Recommendation by DC, FSEZ:**

DC, Falta SEZ has recommended the request of extension of LoA for a period of 01 year up to 31<sup>st</sup> October, 2024.

**117.3: Request for extension of validity of In-principal approval of Developer (1 proposal)****117.3(i) Request of M/s. Dahej SEZ Limited for extension of In-principle approval granted for setting up of a Multi-Product SEZ at Pakhajan, Tal. Vagra, Dist. Bharuch, Gujarat over an area of 650 Ha.**

M/s. Dahej SEZ Ltd. was granted "In-Principle" approval on 03.11.2021 for setting up of a Multi-Product SEZ at Pakhajan, Tal. Vagra, Dist. Bharuch over an area of 650 Ha. The first extension of the validity of "In-Principle" approval was granted by the BoA and the LoA is valid upto 02.11.2023.

M/s. Dahej SEZ Ltd. has now requested for further extension of the validity of "In-Principle" approval for one year. In this regard, the Developer has informed that out of the total proposed land area of 650 Ha, they have got 647.1663 Ha in their possession. As far as progress project and land acquisition is concerned, remaining land acquisition is in process. Hence, they require more time to implement the same.

DC, Dahej has informed that Specified Officer, Dahej SEZ was asked to visit the proposed site and it has been reported that infrastructure work such as, road, water supply network, trunk line for discharge of Effluent, etc. is in progress. Further, the Developer has submitted EIA application for Environmental Clearance to MoEF&CC.

**Recommendation by DC, Dahej SEZ:**

DC, Dahej SEZ has recommended the proposal.

**117.4: Request for extension of LoA of Unit (2 proposals)****Rule position:**

- As per Rule 18(1) of the SEZ Rules, the Approval Committee may approve or reject a proposal for setting up of Unit in a Special Economic Zone.

- Cases for consideration of extension of Letter of Approval i.r.o. units in SEZs are governed by Rule 19(4) of SEZ Rules.
- Rule 19(4) states that LoA shall be valid for one year. First Proviso grants power to DCs for extending the LoA for a period not exceeding 2 years. Second Proviso grants further power to DCs for extending the LoA for one more year subject to the condition that two-thirds of activities including construction, relating to the setting up of the Unit is complete and a Chartered Engineer's certificate to this effect is submitted by the entrepreneur.
- Extensions beyond 3<sup>rd</sup> year (in cases where two-third activities are not complete) and onwards are granted by BoA.
- BoA can extend the validity for a period of one year at a time.
- There is no time limit up to which the Board can extend the validity.

**117.4(i) Request of M/s Anthea Aromatics Private Limited, a Unit in Mangalore SEZ, Karnataka for extension of LoA beyond 30<sup>th</sup> October 2023.**

LoA issued on (Date)	:	31 <sup>st</sup> October, 2018
Nature of Business of the Unit	:	Manufacture and export of Undecavertrole, Anethole, Boisamber, Cyclamenaldehyde-Hydroxy Bezaldehyde, Sylvial, Mesityl Oxide, Tonalid, Kephalis, Raspberry Ketone, Ethyl Safranate, Herbanate, Peonile, Karanal, Tops and Higher Boiling fractions of above products.
No. of Extensions	:	1 <sup>st</sup> extension (2 years) up to 30.10.2021 by DC, CSEZ and 2 extension by BoA upto 30.10.2023
Request	:	Extension of validity of LoA for a further period of two years upto 30.10.2025 (4 <sup>th</sup> extension)

**Progress of Project from the last LOA extension:**

**a. Production, employment generation and estimated investment in plant and machinery**

<b>Products proposed to be manufactured.</b>	<b>Employment proposed to be generated</b>	<b>Estimated Investment in plant and machinery.</b>
Undecavertrole, Anethole, Boisamber, Cyclamenaldehyde, P-Hydroxy Bezaldehyde, Sylvial, Mesityl Oxide, Tonalid, Kephalis, Raspberry Ketone, Ethyl Safranate, Herbanate, Peonile, Karanal, Tops and Higher Boiling fractions of above products.	150 Nos.	201.00 crore

**Investment:-**

The Unit had already invested Rs.14.00 crore for acquiring 10 acres of land and they are planning to invest Rs. 201.00 crore in the future.

### **Estimated Net Foreign Exchange Earnings:-**

The Unit has projected Rs.16,510/- crore for exports with NFE to the tune of Rs.11,097- crore during the first block of five year period.

### **Reasons for delay in implementing the project:**

- The unit applied for the Environment Clearance from the State Environment Impact Assessment Agency, Govt. of Karnataka on 6<sup>th</sup> January 2017 and got the approval only on 3<sup>rd</sup> March 2021 followed by an amendment dated 22<sup>nd</sup> June 2021.
- On receipt of Environment Clearance, they submitted application on 20<sup>th</sup> July 2021 to the Karnataka State Pollution Control Board (KSPCB) for consent for construction of plant & building. The approval was obtained on 10<sup>th</sup> August 2023. Due to delay in receiving the consent, the project activities continued to remain severely hampered, and the progress was minimal and slow.

### **Recommendation by DC, CSEZ:**

M/s. Anthea Aromatics is a Unit in Mangalore SEZ, holding LoA dated 31<sup>st</sup> October 2018 and the validity of LoA is upto 30.10.2023. Delay in getting Environmental Clearance and consent from the State Pollution Control Board were the main reasons for the delay in the project. These factors predominantly hampered the project activities. Considering the above, the request for extension of the validity of the LoA for a further period of one year from 31.10.2023 to 30.10.2024 (4<sup>th</sup> extension) is recommended and forwarded for consideration of the BoA.

### **117.4(ii). Request of M/s Sands Infrabuild Private Limited, a unit in Smartcity (Kochi) Infrastructure Private Limited SEZ for extension of validity of Letter of Approval beyond 26.09.2023.**

LoA issued on (Date)	:	26.09.2017
Nature of the Business of the unit	:	Backup Power Generation for IT Units
No. of extensions	:	2 extensions by DC, CSEZ (for a period of 3 years) 2 extensions by BoA upto 25.09.2023
LoA valid up to (Date)	:	25.09.2023
Request	:	Extension of validity of LoA for a further period of one year (5 <sup>th</sup> extension) upto 25.09.2024

### **Details of Business Plan:**

Sl. No.	Description	Space allotted for DG Room	Proposed Investment (Rs. in Cr.)
1	Land & Building (Leasehold land) Area allotted for Power Plant/DG Room	12997 Sq Ft	22.83
2	Machinery: DG sets installed	12 Nos.	

### **Details of allotted land area of DG Unit:**



Sl. No.	Location & Type	DG Room Tower-I	DG Room Tower-II
1	Land & Building	7367 Sq Ft	5630 Sq Ft
2	Machinery-DG	8 Nos.	4 Nos.
3	Accessories	Related Accessories	Related Accessories

#### Investment made so far and incremental investment since last extension

Sl. No.	Description	Total proposed investment	Investment made upto 25.09.2022 (Rs. in crore)	Incremental investment since last extension upto 31.07.2023 (Rs. in crore)	Total Investment made so far (Rs. in crore)	% completion
1	Land & Building	Leasehold land				97%
2	Machinery-DG (revised)	14.82	14.82	Nil	14.82	100%
3	Accessories	8.01	6.55	1.01	7.56	94%
	<b>Total</b>	<b>22.83</b>	<b>21.37</b>	<b>1.01</b>	<b>22.38</b>	<b>98%</b>

#### Details of physical progress as on 31.07.2023:

Sl. No.	Activity	% completion	% completion during last one year	Deadline for completion of balance work
1	Land & Building	97%	2%	25.09.2024
2	<b>Machinery (revised)</b>			
	DG	100%	--	
	Accessories	90%	4%	

#### Reason for delay

- Delay in basement works due to the heavy monsoon, landslide, and flood in past years 2018 and 2019.
- The construction activities were severely affected during COVID-19 pandemic due to acute shortage of manpower.
- Exorbitant temperatures in the day time due to an unexpected fire-breakout at the Brahmapuram waste Plant and also the spread of communicable diseases like Dengue in 2023 resulted delay in progress of the projects.
- All 12 DG Sets are installed in position and 98% of the overall works have already been completed. In this regard, they have been submitted a certificate from the Chartered Engineer.

#### Recommendation by DC, CSEZ:-

Considering the investment made by the unit and 98% of the work has already been completed, the request for extension of validity of the LoA for a further period of one year

from 26.09.2023 to 25.09.2024 (5<sup>th</sup> extension) is recommended and forwarded for consideration of the BoA.

### 117.5: Request for Co-developer status (2 proposals)

**Relevant provision:** In terms of sub-section (11) under Section 3 of the SEZ Act, 2005, any person who or a State Government which, intends to provide any infrastructure facilities in the identified area or undertake any authorized operation after entering into an agreement with the Developer, make a proposal for the same to the Board for its approval.

#### 117.5(i) Request of M/s. SYB Shilp LLP, Ahmedabad for approval as Co-Developer within the processing Area in GIFT-Multi Services SEZ at Ratanpur, District Gandhinagar, Gujarat, developed by M/s. GIFT SEZ Limited.

1.	Name of the Developer & Location	M/s. GIFT SEZ Limited, Gandhinagar, Gujarat.
2.	Date of LoA to Developer	07-01-2008
3.	Sector of the SEZ	Multi-services-SEZ
4.	Date of Notification	18-08-2011
5.	Total notified area (in Hectares)	105.4386 Hectares
6.	Whether the SEZ is operational or not	SEZ operational
	(i) If operational, date of operationalization	21-04-2012
	(ii) No. of Units	Functional – 232 units Under implementation – 302 units
	(iii) Total Exports & Imports for the last 5 years (Rs. in Cr.)	Exports – 26291.62 Imports - 783.17
	(iv) Total Employment (In Nos.)	4792
7.	Name of the proposed Co-developer	M/s. SYB Shilp LLP, Ahmedabad
8.	Details of Infrastructure facilities / authorized operations to be undertaken by the co-developer	Development, construction, maintenance and operation of commercial building in Block-15 in the processing area.
9.	Total area (in Hectares) on which activities will be performed by the co-developer	5028 square meters.
10.	Proposed investment by the Co-developer (Rs. in Cr.)	Rs. 210.00 crores
11.	Net worth of the Co-developer (Rs. in Cr.)	Rs. 238.27 crores
12.	Date of the Co-developer agreement	22-08-2023

#### **Recommendation by DC, GIFT SEZ:-**

In view of the increase in economic activity and other developments at GIFT-SEZ, Gandhinagar, DC, GIFT SEZ has recommended the proposal of M/s. SYB Shilp LLP, Ahmedabad as a Co-Developer, development, construction, maintenance and operation of commercial building in Block-15 within the processing area in GIFT-SEZ, Gandhinagar.

**117.5(ii) Request of M/s. Dr Dayton SEZ Developer Joint Venture for Co-developer status in "Agro based Food Processing" at Paschim Jalefa, Sabroom, South Tripura being developed by M/s. Tripura Industrial Development Corporation Limited.**

1.	Name of the Developer & Location	M/s. Tripura Industrial Development Corporation Limited Paschim Jalefa, Sab room, South Tripura.
2.	Date of LoA to Developer	09.12.2019
3.	Sector of the SEZ	Agro based Food Processing
4.	Date of Notification	16.12.2019
5.	Total notified area (in Hectares)	16.35 Ha.
6.	Whether the SEZ is operational or not	N.A.
	(i) If operational, date of operationalization	N.A.
	(ii) No. of Units	N.A.
	(iii) Total Exports & Imports for the last 5 years (Rs. in Cr.)	N.A.
	(iv) Total Employment (In Nos.)	N.A.
7.	Name of the proposed Co-developer	M/s Dr Dayton SEZ Developer Joint Venture
8.	Details of Infrastructure facilities / authorized operations to be undertaken by the co-developer	Water distribution system, Sewage Treatment Plant, Public Toilet, Helipad, Truck lay areas, Parking, Drainage system, Gas & Fuel Stations, Hotel, Convention & Business Centre, Internal Roads, Warehouses, Utility Buildings (Security, Telecom, Admin), Common facility area (Convention Centre, Guest House, Hostels), Shopping Complex, Power Distribution, Telecom & IT and Primary Health Centre.
9.	Total area (in Hectares) on which activities will be performed by the co-developer	16.35 Ha.
10.	Proposed investment by the Co-developer (Rs. in Cr.)	7.5 Cr.
11.	Net worth of the Co-developer (Rs. in Cr.)	8.26 Cr.

12.	Date of the Co-developer agreement	18.03.2023
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**Recommendation by DC, FSEZ:**

In light of above, Board of Approval may consider the proposal of M/s Dr Dayton SEZ Developers Joint Venture, Tripura as Co-developer in Paschim Jalefa, Sabroom, South Tripura, Tripura SEZ under Rule 3A of SEZ Rules, 2006.

**117.6: Request for addition area of the Developer (beyond 10%) (2 proposals)**

**Relevant provision:** In the 40<sup>th</sup> meeting of the BoA held on 08.06.2010, the Board had directed that the proposals for increase in area upto 10% of the notified area of the SEZ need not be brought before the Board. Consequently, the proposals for increase in area upto 10% are being processed on file and the proposals beyond 10% are placed before the BoA for its approval and subsequently, processed on file for notification.

**117.6(i) Request of M/s. State Industries Promotion Corporation of Tamil Nadu Limited a Multi-sector SEZ at Panapakkam Village, Ranipet District, Tamil Nadu for addition area of 29.1497 Ha (beyond 10%) to their existing area of 52.20 Ha.**

M/s. State Industries Promotion Corporation of Tamil Nadu Limited was granted formal approval on 04.07.2023 for setting up of a Multi-Sector SEZ at Panapakkam Village, Ranipet District, Tamil Nadu over an area of 52.20 Ha (129 acres).

M/s. State Industries Promotion Corporation of Tamil Nadu Limited has requested for increase in area of 29.1497 Ha / 72 Acres (beyond 10%) to their existing area of 52.20 Ha / 129 Acres. It is informed that the proposed additional land of 72 acres shall bring a substantial FDI in the Non-Leather footwear manufacturing sector and generate additional FDI Investment of ₹ 500 Crores from the earlier projected of ₹ 1,000 Crores. Also, this will create an additional employment to the extent of 10,000 persons which will boost the economic development of the region.

As per DoC's O.M. dated 14.07.2016 documents required for additional area notification and the status thereof in the instant case is as below: -

S. No.	Documents/Details Required	Status
(i)	Certificate from concerned State Government or its authorized agency stating that the developer has irrevocable rights to the said area as SEZ.	Yes, provided
(ii)	Form-C4 along with DC's recommendation	Yes, provided
(iii)	Inspection Report in prescribed format	Yes, provided
(iv)	Developer's Certificate Countersigned by DC	Yes, provided
(v)	Legal Possession Certificate from Revenue Authorities	Yes, provided
(vi)	Non-Encumbrance Certificate from Revenue Authorities	Yes, provided



(vii)	Land details of the area (with clearly specified survey numbers) to be notified duly certified by revenue authorities	Yes, provided
(viii)	Colored Map clearly indicating Survey numbers and duly certified by revenue authorities	Yes, provided
(ix)	Copy of Registered Lease/Sale deed	Yes, provided (Note below may be seen)

Note: - Vide Certificate dated 06.07.2023, Tahsildar Nemili Taluk has certified that the lands measuring 86.05 Ha is held by M/s. SIPCOT with irrevocable rights to develop the lands. The lands are contiguous and are lying vacant and free from encumbrances. Further, Vide letter dated 14.06.2023, Additional Chief Secretary, Govt. of Tamil Nadu has recommended the proposed additional area of 29.1497 Ha.

In compliance of DoC's Instruction No.102 regarding physical inspection and contiguity condition, physical inspection was conducted on 06.07.2023. As per the report, the Developer fulfills the Contiguity condition stipulated under Rule 5 (Read with Rule 7) of the SEZ Rules, 2006.

#### **Recommendation by DC MEPZ SEZ:-**

DC, MEPZ has recommended the proposal for its consideration by the BoA.

#### **117.6(ii) Request of M/s. Tata Steel SEZ Limited, a multi-sector SEZ at Gopalpur, Odisha (Developer) for increase in area of 50.80 Hectares (beyond 10%) to the existing area of 500.15 Ha.**

M/s. Tata Steel SEZ Limited (formerly M/s. Gopalpur SEZ Limited) was granted Formal Approval on 18.06.2007 for setting up of a multi-sector SEZ at Gopalpur, District Ganjam, Odisha. The SEZ stands notified over an area of 500.15 Ha.

M/s. Tata Steel SEZ Limited has requested for increase in area by 50.80 Hectares to their existing SEZ area of 500.15 Hectares. In this regard, the Developer has informed that the additional area notification is moved primarily to facilitate sub-leasing of land selected by M/s. Avaada GreenH2 Pvt Ltd and M/s. ACME Clean Energy Pvt. Ltd. with them MoU has already been signed by M/s. Tata Steel SEZ Ltd. for setting up 0.5 MTPA and 1.3 MTPA Green Ammonia manufacturing Unit respectively at TSSEZL. These two projects are first of its kind in India with an estimated investment of Rs. 8,000 crores and Rs. 27,000 crores respectively. TSSEZL is also under discussion with few more prospective vendors for setting up units at the said SEZ.

As per DoC's guidelines dated 14.07.2016, required documents for additional area notification and the status of the instant case are as below: -

<b>S. No.</b>	<b>Documents/Details Required</b>	<b>Status</b>
(i).	Certificate from concerned State Government or its authorized agency stating that the developer has irrevocable rights to the said area as SEZ.	Yes, provided
(ii).	Form-C4 along with DC's recommendation	Yes, provided

(iii).	Inspection Report in prescribed format	Yes, provided
(iv).	Developer's Certificate Countersigned by DC	Yes, provided
(v).	Legal Possession Certificate from Revenue Authorities	Yes, provided
(vi).	Non-Encumbrance Certificate from Revenue Authorities	Yes, provided
(vii).	Land details of the area (with clearly specified survey numbers) to be notified duly certified by revenue authorities	Yes, provided
(viii).	Colored Map clearly indicating Survey numbers and duly certified by revenue authorities	Yes, provided
(ix).	Copy of Registered Lease/Sale deed	Yes, provided

In compliance of DoC's Instruction No.102 dated 18.11.2019 regarding physical inspection and contiguity condition, Physical Inspection was conducted on 01.11.2023 by a team of DC, DDC, ADC FSEZ, along with Revenue Authority and the representative of the Developer. It is noted that the land is in possession of the Developer and have Vacant and Contiguous.

Further, it is noted that at present, two manufacturing Units are operating in the SEZ, both the Units have taken 0.809 Ha of land each. The said SEZ is in odd shape which creates difficulties to sub-lease the land as per the requirement of the investors and after proposed addition of 50.80 Ha areas the said SEZ will be in proper usable shape.

Furthermore, there is an old temple occupying an area of 11.23 Acres (4.54 Ha) of DTA land under possession of the Developer. Considering the religious sensitivity, the Developer is under discussion with relevant stakeholders to relocate the temple outside the SEZ area. Post shifting of the temple outside the SEZ area, the Developer will propose for additional area notification of the said 11.23 Acres of land into the SEZ, which may take around six-month time. However, in the meantime, to sub-lease the above patches of 343 acres and 120 acres of land to M/s. ACME and M/s. AVAADA who will be investing Rs. 27,000 crores and 8,000 crores, respectively, the proposed additional area notification of 50.80 Hectares is urgently required. In the event that relocation of the temple does not materialised, the Developer has given an undertaking that they will apply for partial de-notification of the adjoining DTA area of 11.23 acres.

**Recommendation by DC, FSEZ: -**

The proposal has been recommended by DC, FSEZ for consideration of the BoA.

**117.7: Request for Relaxation of Contiguity Criteria (1 proposal)**

**117.7(i) Request of M/s. DLF Info City Chennai Limited, IT/ITES SEZ at Ramapuram, Chennai, for relaxation of contiguity criteria for Partial de-notification of 1.7782 Hectares (4.39393 Acres).**

M/s. DLF Info City Chennai Limited was granted formal approval on 22.06.2006 for setting up of an IT/ITES SEZ at Ramapuram, Chennai. The SEZ stands notified over an area of 17.4292 Ha.

Now, the Developer has submitted a proposal for relaxation of contiguity criteria in terms of DoC's Instruction No. 27 dated 18.08.2009 to enable them to process their proposed partial de-notification of 1.7782 Ha. In this regard, they have proposed a Foot Over Bridge (FOB) connecting the SEZ land parcel (Built-up area) with SEZ OSR (Open Space Ratio) land parcel. The OSR land parcel is divided by the Road proposed for partial de-notification. The FOB is constructed to access the OSR land area for maintaining its greenery / gardening, as per the requirement of the Tamil Nadu Government.

**Rule Position and guidelines:**

- In terms of sub-rule (2) of the rule 7 of the SEZ Rules, 2006:

(2) The identified area shall be contiguous and vacant and it shall have no public thoroughfare.

Provided that the Board may relax any or all of the conditions, except the condition regarding identified area to be a vacant land, specified in this sub-rule on a case to case basis on merits for reasons to be recorded in writing and with such conditions as the Board may decide.

- Further, as per DoC's Instruction No. 27 dated 18.10.2009, condition of contiguity may be relaxed by the Board in respect of SEZs subject to the following conditions:
  - (i) The developer shall maintain contiguity by dedicated security gates/over bridges/underpass/culverts and also fence side of the road facing the processing area,
  - (ii) No tax benefits would be available for measures taken to establish contiguity,
  - (iii) The entire processing area would be located on one side of the National Highway,
  - (iv) The formal approval from authorities concerned like NHA and others would be submitted to the Department of Commerce and work for establishing contiguity would be started only after obtaining the requisite approvals.
  - (v) No LoA for any SEZ unit will be issued till the entire measures to establish contiguity and securitization of the processing area are completed.
  - (vi) the movement shall be restricted between the two SEZs till contiguity is established and the present systems will continue.

In the instant case, the Developer has proposed to construct Foot Over Bridge connecting to the OSR land area in the SEZ as indicated in the Colored map. Further, they undertake that they will not be availing the SEZ benefits for proposal of construction of Foot Over Bridge.

**Recommendation by DC, MEPZ: -**

The proposal of M/s. DLF Info City Chennai Limited, for relaxation of Contiguity Criteria in SEZ area to construct Foot Over Bridge to connect the SEZ land parcels with OSR land parcel that are divided by the road proposed for partial de-notification has been recommended by DC, MEPZ for consideration of the BoA.

## 117.8: Request for approval of 'Restricted' item (1 proposal)

### 117.8(i) Proposal of M/s. HCL Technologies Limited. Developer for approval of 'Restricted' item to carry on authorized operations in the IT/ITES SEZ at Plot No. 3A, 38 & 2C, Sector-126, Noida (U.P.).

M/s. HCL Technologies Limited, Developer vide its letter dated 29.09.2023 had submitted a proposal for approval of list of material to carry on following authorized operation in the IT/ ITES SEZ at Plot No. 3A, 3B & 2C, Sector-126, Noida (U.P.):-

S. No.	Authorized Operation	Sl. No. at default list of Autho. Opr. as per Inst. No. 50 & 54	Estimated Cost (Rs. in lakhs)
i.	Air Conditioning of processing area.	21	19.00

The proposal of the Developer was placed before the Approval Committee in its meeting held on 05.10.2023. The Committee observed that the Developer has proposed duty free procurement of **'2000 Kg R134a HFC Refrigerant Gases' from DTA, which is 'Restricted' for Export. as per Notification No.62/2015- 2020 dated 23.03.2022 issued by DGFT.**

As per Section 2(m)(ii) of the SEZs Act, 2005, supplying goods, or providing services, from the Domestic Tariff Area (DTA) to a Unit or Developer shall be treated as 'Export'.

The Developer has stated that they have been using chiller machines(s) for their authorised operation in which 2000 KG R134A HFC Refrigerant Gas is required to be used as these existing chiller machines(s) are compatible with aid refrigerant gas only. They need to procure the said gas on urgent basis, otherwise the whole operations related to chiller machine / plant will come to a halt which will affect their business and may also result in huge loss to the business.

**Rule position:** - As per proviso to Rule 27(1) of SEZ Rules, 2006, *'Supply of Restricted items by a Domestic Tariff Area Unit to Special Economic Zone Developer or Unit, the Domestic Tariff Area Unit may supply such items to a Special Economic Zone Developer or Unit for setting up infrastructure facility or for setting up of a Unit and it may also supply raw materials to Special Economic Zone Unit for undertaking a manufacturing operation except refrigeration, cutting, polishing and blending, subject to the prior approval of Board of Approval.'*

### **Recommendation by DC, NSEZ:**

M/s. HCL Technologies Limited, Developer for duty free procurement of '2000 Kg R134a HFC Refrigerant Gases' from DTA, to carry on authorized operation in the IT/ITES SEZ at Plot No. 3A, 38 & 2C, Sector-126, Noida (U.P.), is forwarded herewith for consideration by the Board of Approval, in terms of proviso to Rule 27(1) of SEZ Rules, 2006.



### **117.9: Request for full de-notification of SEZ (2 proposals)**

**Relevant provision:** In terms of first proviso to rule 8 of the SEZ Rules, 2006, the Central Government may, on the recommendation of the Board (Board of Approval) on the application made by the Developer, if it is satisfied, modify, withdraw or rescind the notification of a SEZ issued under this rule.

Further, in the 60<sup>th</sup> meeting of the Board of Approval held on 08.11.2013, the Board after deliberations specified the following conditions for partial/full de-notification of SEZs: -

- DC to furnish a certificate in the prescribed format certifying inter-alia that;
- the Developer has either not availed or has refunded all the tax/duty benefits availed under SEZ Act/Rules in respect of the area to be de-notified.
- there are either no units in the SEZ or the same have been de-bonded.
- The State Govt. has no objection to the de-notification proposal and
- Subject to stipulations communicated vide DoC's letter No. D.12/45/2009-SEZ dated 13.09.2013.

#### **117.9(i) Request of M/s. Genpact India Business Processing Pvt. Ltd., an IT/ITES SEZ at Jawahr Nagar Village, Shameerpet Mandal, Ranga Reddy District, Telangana for full de-notification of their SEZ.**

M/s Genpact India Business Processing Pvt. Ltd. was granted formal approval on 20.06.2007 for setting up of an IT/ITES SEZ at Jawahr Nagar Village, Shameerpet Mandal, Ranga Reddy District, Telangana. The SEZ was notified on 26.05.2008 over an area of 20.234 Ha. The Formal Approval has expired on 19.06.2010.

The Developer vide letter dated 07.03.2015 has stated that due to issues with the land on title and litigation, they were unable to develop the said SEZ. The issue was taken up with the local government but since it was not resolved, they were not able to proceed with the development. As on date, they have only constructed a boundary wall and not undertaken any development activity on the said land. Further, they confirmed that no benefits, either as envisaged under SEZ Act, 2005 read with SEZ Rules, 2006 or under the State Act have been availed by them. The Developer has submitted Form C-6 for full de-notification of their SEZ.

In terms of DoC's O.M. dated 14.07.2016, the Developer has submitted the following requisite documents for full de-notification: -

- (i). Form-C6 for full area de-notification along with DC's recommendation
- (ii). DC Certificate in prescribed format
- (iii). "No-Objection Certificate" from the State Government w.r.t. instructions issued by DoC vide its instruction No.D.12/45/2009-SEZ dated 13.09.2013 for full de-notification shall be complied with
- (iv). 'No Dues Certificate' from Specified Officer.

The State Govt. of Telanagana vide letter dated 30.05.2023 has recommended the proposal for the de-notification and conveyed the NoC stating that the said land after de-notification will conform to Land Use Guidelines/master plans of the State Government.

DC, VSEZ has certified that;

- a. There are no Units in the area proposed to be de-notified.
- b. The Developer has not availed any tax/duty benefits under the SEZ Act/Rules, in respect of the land being de-notified.

The Specified Officer vide letter dated 05.10.2023 has stated that they have not availed any duty exemption benefits in respect of above SEZ, as they have not executed any BLUT with VSEZ. Hence, no duty drawback/exemptions were availed.

**Recommendation by DC, VSEZ:**

DC, VSEZ has recommended the proposal.

**117.9(ii) Request of M/s. Kanai Technology Parks Private Limited for full de-notification of their SEZ at Sriperumbudur, Kanchipuram District, Chennai, Tamil Nadu.**

M/s. Velankani Technology Parks Private Limited was granted formal approval on 23.05.2007 for setting up of an Electronic Hardware and Software including Information Technology at Sriperumbudur, Kanchipuram District, Chennai, Tamil Nadu. The SEZ was later notified vide Gazette notification dated 11.12.2007 over an area of 57.46715 Ha. Subsequently, the name of the SEZ was changed from M/s. Velankani Technology Parks Private Limited to M/s. Kanai Technology Parks Private Limited.

The Developer has requested for full de-notification of the SEZ. As regards reasons for de-notification, the Developer has informed that owing to commercial considerations and unforeseeable circumstances due to COVID lockdowns and global recession, the project could not be implemented in the manner envisaged at the time of seeking approval for the project. Hence, they have applied for full de-notification of the area in the SEZ.

In terms of DoC's O.M. dated 14.07.2016, the Developer has submitted the following requisite documents for full de-notification: -

- (i). Form-C6 for full area de-notification along with DC's recommendation
- (ii). DC Certificate in prescribed format
- (iii). "No-Objection Certificate" from the State Government w.r.t. instructions issued by DoC vide its instruction No.D.12/45/2009-SEZ dated 13.09.2013 for full de-notification shall be complied with
- (iv). 'No Dues Certificate' from Specified Officer.

The State Govt. of Tamil Nadu vide letter dated 31.07.2023 has recommended the proposal for the de-notification and conveyed the NoC subject to the following conditions: -

- i. The Company will have to refund all the duties & tax concessions availed in respect of land, buildings and machinery in respect of the area proposed for de-notification.
- ii. Such de-notified parcels of land will be utilized toward creation of infrastructure which would sub-serve the objective of the SEZ as originally envisaged.
- iii. Such land parcels after de-notification will conform to Land Use Guidelines / master plan Tamil Nadu.

DC, MEPZ-SEZ has certified that;

- a. There are no Units in the area proposed to be de-notified.
- b. The Developer has not availed any tax/duty benefits under the SEZ Act/Rules, in respect of the land being de-notified.

The proposal was earlier placed before the 116<sup>th</sup> meeting of the BoA held on 05.09.2023. The Board noted that the SEZ was granted formal approval in 2007, however, it has not become operational yet even after 15 years of its approval. Further, it was not clear from the proposal, whether after the full de-notification, the land to be used by the Developer or the State Government and for what purposes. The Board, after deliberations, deferred the proposal with direction to DC, MEPZ to re-examine the case keeping in view the above aspects.

DC, MEPZ SEZ has now informed that the Developer has submitted the following clarification as sought by the BoA:

- i. As regards non-becoming of operational yet, the Developer has clarified that when they obtained SEZ approval, that time they were in active discussion with few of the customers. However, by the time they could obtain all allied approvals and were ready to start allotment MAT was made applicable for SEZ. This led to withdrawal of expression of interest by interested units.

Thereafter they started marketing for SEZ, however, since there was competition from other SEZs which were near to port and those were also having vacant land with them. Further, South Chennai was being developed and promoted as the primary IT/ITES corridor and west part of Chennai was being transformed into an industrial area, which dampened the demand for IT SEZ at their site. Additionally, the proposal of the Central Government to introduce a sunset clause for claiming income tax exemptions further adversely impacted the demand for their SEZ project.

They tried their best efforts to market SEZ and inspite of all their efforts they were not able to market SEZ and accordingly, management decided to de-notify the same in year 2016. Thereafter, customs no dues, State Government recommendation process are going on since then. In reality, it's not 15 years from the date of approval, they submitted their application for de-notification within 9 years only after putting serious efforts, thereafter Customs No dues and State Government Recommendation process was going on. They got State Government recommendation only on 31.07.2023.

- ii. With regard to utilisation of the land after de-notification, the Developer has clarified that the said land of 57.46715 Ha is under ownership/freehold land. It is not allotted by State Government on lease or otherwise. Therefore, State Government does not have any direct or Indirect interest on said area of land. Further, as expresses in their submission to State Government which is mentioned in para 2(v) of State Government NOC dated 31.07.2023 that after de-notification M/s. KTPPL (i.e. Developer Entity) proposing to put the land to use of Industrial Development by creating a Logistics

Park for DTA use of non-SEZ clients. Further, State Government also mentioned in para 3(iii) and (iv) of their letter as below:

*3(iii) Such de-notified parcels of land would be utilized towards creation of Infrastructure which would sub-serve the objective of the SEZ as originally envisaged.*

*3(iv) Such land parcels after de-notification will conform to land use Guidelines/ master plans of the Government of Tamil Nadu.*

Accordingly, the Developer has once again confirmed that the said SEZ land after de-notification shall be utilized for industrial development by creation of Logistics park and other infrastructure in accordance with State Government guidelines and zoning regulations and shall serve the purpose of SEZ as originally envisaged.

**Recommendation by DC, MEPZ: -**

In view of the above justification and also the SEZ land shall be utilized for industrial development by creation of Logistics Park and other infrastructure in accordance with State Government, the proposal for full de-notification of M/s. Kanai Technology Park Private Limited is once again recommended for consideration of BoA.

**117.10: Miscellaneous (2 cases)**

**117.10(i) Proposal of M/s. Prompt International Limited, an SEZ unit at Plot no. 119, NSEZ admeasuring 1000 sq. Mtrs. for revival of sick unit in terms of Rule 72(1) of SEZ Rules, 2006.**

The proposal of M/s. Prompt International Limited for revival of sick unit was earlier considered in the 114<sup>th</sup> meeting of the BoA held on 15.04.2023. The Board noted that the unit was granted LoA on 26.12.1991 for manufacturing of readymade garments and the LoA was last extended upto 31.03.2005. The unit was declared sick as per the certificate dated 12.02.2008 issued by the Joint Director, Directorate of Industries, Government of Uttar Pradesh, Meerut. The unit did not get its LoA extended after 31.03.2005 and now, it is more than 18 years since LoA has lapsed.

The Board, after deliberations, referred the matter back to the DC, Noida SEZ with direction to seek the following details from the unit: -

- (i) Unit should pay their full outstanding lease rent to NSEZ in one go;
- (ii) Details regarding future business plan, order etc;
- (iii) Details regarding investment plan;
- (iv) Details regarding bank approved investment plan, if any.

Further, the Board directed DC, NSEZ that this issue may also be examined by DC that LoA of the unit has lapsed more than 18 years back i.e. before the present SEZ Act 2005 was enacted, how the same LoA will be made operational within the legal ambit of present SEZ Act and Rules. Once matter is examined in detail by DC and he feels that it is possible legally, backed by proper data/plan/resolution, then only it shall be referred to BoA.



**Submissions of the Unit in reply to the points raised by the BoA:** the Unit has submitted the following point-wise reply on the points raised by the BoA:

Details sought by BoA	Reply of unit
(i) Unit should pay their full outstanding lease rent to NSEZ in one go;	<p>The Unit has stated that they undertake to pay the outstanding lease rent in full in a single shot at the renewal of lease deed and restoration of LOA. However, they still feel that some relief should be given in rent as the proposal to renew the LOA is pending for over several years.</p> <p>The Unit vide its email dated 07/06/2023 has further informed that they have deposited the entire lease rent dues of NSEZ amounting to Rs. 23,64,425/-.</p> <p>As per information received from EM Section, NSEZ, unit has deposited lease rent amounting to Rs. 6,00,000/- on 10/04/2023 &amp; Rs. 17,64,500/- on 30/05/2023. Further, <u>lease rent amounting to Rs.4,56,309/- (upto 30.09.2023) is currently outstanding against the unit.</u></p>
(ii) Details regarding future business plan, order etc;	<p>Unit has stated that the company has its own building on an area of 1000 sq.mtr. with a built area of 16500 sq.ft. and they do not need any funds for the same. With regard to implementation of already approved item of the lapsed LOA, they have already some stocks with which they can start their production activity immediately and within six months of approval of the LOA. The unit had been closed at that time due to abolition of quota system of garment and non-availability of drawback etc. from the zone. However, now the market is open to everyone and units do not look for incentives, like Income Tax etc. for their production activity. Once the unit becomes operational, they will revive the export as they have relations with buyers in UK who were in business of sale of garments and contacts are still there.</p> <p>The Unit has further stated <u>that they have confirmation from 'M/s. The Rice n Spice International Ltd. (A joint venture copy of JL Moneris, London)' for supporting them with export orders.</u></p>
(iii) Details regarding investment plan;	<p>The Unit has stated that <u>they already have the building to start the work and old machinery some of which will be refurbished and new machines will be added for which they do not require any outside financial assistance.</u> Fabric for starting the production is available for sufficient quantity to make the unit operational.</p> <p>The unit has also submitted details of equipment, raw material etc. required for first six months operations of unit as under:</p> <p><b>(A) Capital Goods:</b> Unit has stated that in addition to the old machineries that may be refurbished, they shall be adding following machines:</p> <p>(i) Sewing Machine (Juki) (84522900) – Worth Rs. 1.80 Lakhs.  (ii) Pressing table (8451300) – worth Rs. 0.80 Lakhs  (iii) Cloth cutting machine (84515000) – worth Rs. 0.30 lakhs.  (iv) Hand Tools, Scissors, working tools – available onsite.</p>

Unit has further stated that some of the old equipments will be refurbished with oiling and some nut and bolts changes.

**(B) Raw material:**

(i) Denim Fabric (52114200) – 20000 mtrs available value Rs. 40 Lakhs.

(ii) Cotton fabric (52094200) – as per requirement of order.

(iii) Woven Fabric (62046200) – as per requirement of order.

**(C) Finished Goods:**

(i) Cotton garment (61142000)

(ii) Denim Jeans (62046200)

The Unit has stated that out of their existing denim fabric, they have assessed that they shall achieve a production of approx. Rs. 35-40 Lakhs with use of electricity, manpower and some accessories. The Unit has further provided following projections/ requirements:

**(a) Utilities:** (i) Electricity connection – 25 KW; (ii) Plumbing and bathroom rework

**(b) Civil work:** One working hall of 5500 sq.ft. is ready for use as production hall. As the production plan will increase, they will utilize the entire factory for production and basement for storage of raw material, accessories etc. First floor is ready to use without any new investment. Minor repairs in ground floor will be made out of internal accruals with an estimated expense of Rs. 50000/-.

**(c) Manpower:** they shall be employing around 20 workers (15 male + 5 female) and 3 staff including security.

**(d) Funds:** It has been stated that they can start work with only additional funds to the tune of Rs. 5 Lakhs and they do not need any financial assistance from bank. They do not plan any loan from any financial institution. They will work based on some advance payments from the buyer and internal accruals. They have already inducted funds from their family sources and paid full lease rent in compliance to the last BOA minutes.

**(e) Lease rent:** the unit has stated that they have cleared all the outstanding lease rent in compliance to the last BOA minutes.

The Unit has requested to allow them to put the unit into operation and issue the LOA so that they start the unit within a period of 6 months, as the electricity connection is granted. They have to apply for GST, SEZ online and all these will start with the issue of LOA.

(iv) Details regarding bank approved investment plan, if any.	<p>The Unit has stated that <b><u>they do not need any financial assistance from the bank.</u></b> The major investment in any production unit is first need of built up area that takes 2-3 years to build with funds. They already have a building of 16500 sq.ft. which is worth Rs. 3 Crores in today's cost of construction and is immediately available with them without any loss of time for starting the production activity.</p> <p>The Unit has further stated that they have inducted a few more funds in the company so as to facilitate the initial functioning of the unit to cater the initial orders and submitted copies of Fund Flow statement and statement of their bank account.</p>
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**Observations of DC, NSEZ:** As regards operational legality of the LoA of the Unit after lapsing it of 18 years back, DC, NSEZ has observed as follows: -

- **Relevant provisions under SEZ Act & Rules:** -

In terms of Section 44 of the SEZ Act, 2005 “*All the provisions of this Act (except sections 3 and 4) shall, as far as may be, apply to every existing Special Economic Zone.*”

Further, in terms of Section 2(1) & 2(zc) of SEZ Act, 2005, every unit, which has been set up on or before the commencement of this Act, shall be considered as Unit.

Furthermore, Rule 72(1) of SEZ Rules, 2006 prescribes the procedure for revival of Sick unit. However, no time limit has been prescribed for revival.

In the instant case, although no extension was granted to unit after 31.03.2005, the unit was in existence as no exit order was issued. The unit was declared sick in 2008.

- **It is also mentioned that earlier in a similar case, LoA of M/s. R. R. Vibrant Polymers Ltd. was revived by BoA in 2015 after 15 years.**
- The export order submitted by the unit was verified from the client i.e. JL Morenis, London. M/s. JL Moneris, London vide its email dated 28/08/2023 has verified the export orders and stated that they are interested in developing export of garments specially jeans and have found Prompt International is suitable to manufacture jeans and have past track record of exporting denim garments to UK. Initially they will start with small quantities which will grow along with their production and Orders will be placed once their production starts. They can also provide them financial support to start their initial production if required.
- The export orders submitted by the unit have also been forwarded to the High Commission of India, London for verification of authentication of the export order. Reply is currently awaited.
- The matter may be considered in view of the following:
  - i. The unit has shown its funding for installation of new machinery.

- ii. The UK buyer has indicated they have placed an order. The High Commission of India, London may also provide their comments on the authenticity of the export order, prior to the meeting of the BOA.
- iii. A site inspection has been carried out on the unit.
- iv. A condition could be put that the unit would need to show exports over the next year during which no transfer would be permitted. An inspection can be carried out after 6 months.

**Rule position regarding revival of sick units: In terms of Rule 72(1) of the SEZ Rules, 2006:**

*"A unit which has been declared sick by the appropriate authority shall submit a revival package through Development Commissioner to Board for consideration and the Board shall consider the extension in the period for fulfillment of Positive Net Foreign Exchange for a further period up to a maximum of five years at the prevalent norms."*

**Recommendation by DC, NSEZ:**

In view the above facts and precedence of case of M/s. R.R. Vibrant Polymers Ltd., DC, NSEZ has recommended the proposal of M/s. Prompt International Limited for revival of sick unit in terms of Rule 72(1) of SEZ Rules, 2006 for its consideration.

The case was placed before the last 116<sup>th</sup> meeting of the BoA held on 05.09.2023. However, due to paucity of time, the case could not be discussed and deferred. The matter is being replaced before the BoA for its consideration.

**117.10(ii) Proposal for Ex-post facto approval for setting up of FTWZ within M/s. GMR Hyderabad Aviation SEZ Limited.**

M/s. GMR Hyderabad International Airport was granted formal approval on 26.07.2007 for setting up of an SEZ for Aviation Sector at Mamidipalli Village, Shamshabad Mandal, Ranga Reddy District, Telangana. The SEZ was later notified vide Gazette Notification dated 20.10.2009 over an area of 101.92 Ha. Subsequently, the request of the Developer for transfer of approval to their subsidiary, M/s. GMR Hyderabad Aviation SEZ Limited was considered and the approval was conveyed vide letter dated 03.03.2010. The Sector of the SEZ was later changed on 08.08.2011 from "Aviation" to "SEZ in existing Airport". Two partial areas of 8.92 and 8.90 Ha were later de-notified vide Gazette Notification dated 24.03.2014 and 05.12.2022, making the resultant area of the SEZ as 84.10 Ha.

As regards the performance of the SEZ, the details are as below: -

- i. Date of operationalization of FTWZ : 1.05.2015
- ii. Number of LoA given for setting up of unit in FTWZ : 3
- iii. Number of operational units in FTWZ : 3
- iv. Performance (Export and Import) of FTWZ since its operationalisation : Exports – Rs. 71.72 Crores  
Imports – Rs. 20.16 Crores

The CAG in their Performance Audit of ‘Warehousing including FTWZs’, at audit para 4.3, had observed that GMR Hyderabad Aviation SEZ Limited (Developer) approached the DC, VSEZ for grant of approval for setting up a FTWZ within the existing SEZ. The Approval was granted by DC, VSEZ in contravention to Section 9 of SEZ Act, 2005 and Rule 5 of SEZ Rules, 2006 without forwarding the proposal to the Board of Approval (BoA).

As regards the areas, the Developer has provided the following details: -

	<b>Sy. Nos.</b>	<b>Area</b>
Processing Area	99/1 (Part)	72.85 Ha (180 Acres)
Non-Processing Area	99/1 (Part)	3.22 Ha (7.95 Acres)
FTWZ	97, 98 & 99/1 (Part)	8.03 Ha (19.85 Acres)

**Relevant provisions under the SEZ law: -**

- **Section 9: Duties, powers and functions of Board**

(1) Subject to the provisions of this Act, the Board shall have the duty to promote and ensure orderly development of the Special Economic Zones

(2) Without prejudice to the generality of the provisions contained in sub-section (1), the powers and functions of the Board shall include –

(a) granting of approval or rejecting proposal or modifying such proposals for establishment of the Special Economic Zones;

- **Rule 5: Requirement for establishment of SEZ/FTWZ**

(2) The requirements of minimum area of land for a class or classes of Special Economic Zone in terms of subsection (8) of section 3 shall be the following, namely: -

(a) A Special Economic Zone or Free Trade Warehousing Zone other than a Special Economic Zone for Information Technology or Information Technology enabled Services, Biotech or Health (other than hospital) service, shall have a contiguous land area of fifty hectares or more:

(c) The minimum processing area in any Special Economic Zone cannot be less than fifty per cent. of the total area of the Special Economic Zone.

(d) All existing notified Special Economic Zone shall be deemed to be a multi-sector Special Economic Zone.

Explanation. – For the purpose of this clause, a “*multi-sector Special Economic Zone*” means a Special Economic Zone for more than one sector where Units may be setup for manufacture of goods falling in two or more sectors or rendering of services falling in two or more sectors or any combination thereof including trading and warehousing.”;

- **Rule 11: Processing and non-processing area of SEZ**

(1) The Development Commissioner shall demarcate the area and issue demarcation order under the provision of section 6, specifying the survey numbers and boundaries of area of the Special Economic Zone as specified in the notification issued under rule 8.

**Recommendation by DC, VSEZ: -**

The proposal has been recommended by DC, VSEZ for Ex-post facto approval for setting up of FTWZ within M/s. GMR Hyderabad Aviation SEZ Limited, in terms of Section 9 of the SEZ Act, 2005 for the consideration of the BoA.

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