

No. K-43022/73/2022-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)

Vanijya Bhawan, New Delhi
Dated the 7th January, 2023

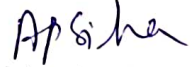
OFFICE MEMORANDUM

Subject: 113rd meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs)
- Agenda - regarding.

The undersigned is directed to enclose herewith the Agenda for the 113rd meeting of the BoA for SEZs scheduled to be held on 17th January, 2023 at 11.00 A.M., Conference Room No. 427, Vanijya Bhawan, New Delhi. The agenda for the meeting has also been hosted on the website: www.sezindia.gov.in.

2. The time and weblink for the said meeting will be shared by this Department shortly.

Encl : As above



(Ashish Prakash Sinha)

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 Anil Agarwal, Additional 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, 7th 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, 8th 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, 4th 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, 9th 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 (4th 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, 2nd 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 113th meeting of the Board of Approval
for Special Economic Zones to be held on 17th January, 2023**

113.1 Ratification of the minutes of the 112th meeting of the Board of Approval held on 29th October, 2022.

Comments of DGEP on the minutes of the 112th BoA in connection to the renewal of LoA of the plastic recycling units: DGEP vide OM dated 25.11.2022 has stated that on examination of the conditions imposed by the BoA, while extending the validity of LoA on temporary basis, the following issues have emerged for consideration/action:

(i). Customs is mandated to enforce the allied acts as notified. Notification dt. 27.01.2021 issued by Ministry of Environment and Forest is still in force as on date, which prescribes fulfillment of certain conditions for Plastic Recycling Units of SEZ/EOU. Further, DoC's policy instructions dt. 27.05.2021, based on said MoEF Notification, is also in existence. In order to get the BoA decision implemented, for the units which have not fulfilled these conditions, it appears that MoEF/DoC need to make suitable retrospective modification/amendment in their notification/policy instruction so as to avoid future legal complications.

(ii). For units to fulfill the short fall of NFE and other export obligations, Development Commissioner concerned shall need to look into the feasibility, and their evaluation reports require to be placed in the next BoA, as stipulated in the Minutes and thereafter the matter is to be monitored on regular basis, for ensuring strict compliance of the conditions imposed by the BoA.

113.2 Request for extension of validity of formal approval for developers (4 proposals)

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 as the case may be, for reasons to be recorded in writing expand the validity period.

113.2(i) Request of M/s Phoenix Tech Zone Pvt. Ltd. (formerly M/s. Phoenix Embassy Tech Zone Pvt. Ltd.) for extension of validity of formal approval granted for setting up of IT/ITES SEZ at Nanakramguda Village, Serilingampally Manda, Ranga Reddy District, Telangana beyond 06.12.2022.

Name of the Developer	: M/s Phoenix Tech Zone Pvt. Ltd. (formerly M/s Phoenix Embassy Tech Zone Pvt. Ltd.)
Sector	: IT/ITES
Location	: Sy. No. 118 (P), 120 (P), 121 (P), 122 (P) & 138 (P), Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Telangana
Extension	: The Developer was issued Formal approval on 07.12.2016 and

granted extension of validity of the same (3 extensions) upto 06.12.2022. The present request is for further extension of validity of LoA upto 31.12.2023 (4th extension). The SEZ stands notified as on date.

Present Progress:

a. Details of Business plan:

Sl. No.	Type of Cost	Proposed Investment (Rs. in crores)
1	Project Cost	1030.00

b. Incremental Investment made so far and incremental investment since last extension:

Sl. No.	Type of Cost	Investment made upto 31.08.2021 (Rs. in crore)	Incremental Investment since last extension i.e., from 01.09.2021 to 30.09.2022 (in Rs crore)	Total investment made so far upto 30.09.2022 (In Rs. crore)
1	Development Cost	220.20	151.22	371.42

c. Details of physical progress till date:-

Sl. No.	Activity		% completion	% completion during last one year	Deadline for completion of balance work
1.	Project Development	Tower-1	85	20	30.09.2023
		Tower-2	45	35	31.12.2023

Status of construction of the IT buildings: 10,88,355 sq ft and Tower-2 sq ft as 15,81,833

Tower-1 is completed 85%, and the remaining 15% will be completed by 30.09.2023. The total built-up area in the first tower is 10,88,355 sq. ft. The remaining works, such as installation of Lift, plastering of Common area etc. are to be completed. Further, the Developer has informed that they will be starting the interior works of the building as per the requirement of their client and according to their business model. Moreover, the minimum time required to get a power line from the State Electricity Authority is six months. Hence, the works may prolong, and they expect to complete the project by 30.09.2023.

Tower -2 is planned in sequence with tower -1. 45% of the block works in Tower 2 has completed. Total built up area in Tower 2 is 15,81,833 sq. ft. The remaining works relating to Electrical, Plumbing, HVAC, IBMS, installation of Lifts and External works are pending completion. The Developer has given an undertaking that they will complete the building at the earliest so that they can showcase the same to clients about their preparedness.

Recommendation of DC, VSEZ:

The request of the Developer for an extension of the validity of the Letter of Approval for a further period of one year from 07.12.2022 to 06.12.2023 (4th extension) is recommended for consideration of the BoA.

113.2(ii) Request of M/s Laxmi Infobahn Aquaduct Pvt. Limited (formerly M/s. GAR Corporation Pvt. Ltd.) for extension of the validity of formal approval granted for setting up of IT/ITES SEZ at Kokapet Village, Gandipet Mandal, Ranga Reddy District, Telangana beyond 18.01.2023.

Name of the Developer : M/s Laxmi Infobahn Aquaduct Private Limited (formerly M/s GAR Corporation Pvt. Ltd.)

Sector : IT/ITES

Location : Sy. No. 21 (P), 22 (P), 23 and 24, Kokapet Village, Gandipet Mandal, Ranga Reddy District, Telangana

Extension : Formal approval to the Developer was granted on 19.01.2017. Further 3 extensions granted and the validity of the LoA is upto 18.01.2023. The Developer sought approval for extension of validity of LoA for another one year from 19.01.2023 to 18.01.2024. The SEZ stands notified as on date.

Present Progress:

a. Details of Business plan:

Sl. No.	Type of Cost	Proposed Investment (Rs. in crore)
1	Land Cost	0.76
2	Construction Cost	850.00
3	Completion of project	18.01.2024
	Total	850.76

Note: Expenditure made so far for the development of site is Rs. 197.57 crores (i.e., for payment of various fees like building application, land conversion, Earth Work, Environmental Clearance, Project Consultants, Construction Expenses, DTA procurement, Advance to suppliers, Advance to Contractors and Finance Expenses and Cost)

b. Incremental Investment made so far and incremental investment since last extension:

Sl. No.	Type of Cost	Total investment made so far (Rs. in crore) upto 18.10.2021	Incremental Investment since last extension from 19.10.2021 to 30.09.2022 (Rs. in crore)	Total investment made upto 30.09.2022 (Rs. in crore)
1	Land cost	0.76	NIL	0.76

2	Material procurement from DTA & Services	72.05	13.03	85.08
3	Construction Expenses	75.72	23.07	98.79
	Total Construction /Cost including (DTA procurement and services (They constructed G+5 Floors)	147.77	36.10	183.87
4	Expenditure made for site development for various fees like Building Application, Land Conversion, Earth Work and Environmental Clearance, Admin Expenses, Project Consultants, Construction Expenses, Advance to Suppliers, Advance to Contractors and Finance & Cost	3.88	9.82	13.70
	Total	152.41	45.92	198.33

c. Details of physical progress till date:-

Sl. No.	Activity	% completion	% completion during last one year	Deadline for completion of balance work
1	Excavation is completed	100	--	NA
2	Compound wall is completed	100	--	NA
3	Completion of the project	41.58	26.02	18.01.2024

- The Developer commenced construction activity during the month of June 2019 with a proposal to construct 27 floors admeasuring an area of 27 lakh Sq.ft. plus 5 basements having area of 5 lakh Sq.ft. So far, construction in respect of G+5 floors with 5 basements admeasuring an area of 5,22,814 sq. ft. have been completed.
- Obtained partial occupancy certificate for 1st to 2nd Floors, 3rd Floor (Part), Basements 1 (part) and Ground Floor (part) from M/s TSIIC Limited, Hyderabad.
- It is pertinent to state that the Developer has taken interest to bring units in the SEZ. LoA was issued to M/s Capgemini Technology Services India Limited for setting up of a unit in the SEZ. Since the prospective clients of the unit changed their business plan from offshore model to onsite, fixing of the interiors got delayed. Hence, the unit could not commence their operation within the initial validity period of LoA and sought further extension. The validity of the LoA of the unit, M/s Capgemini Technology Services India Limited is extended upto 06.09.2023.

Detailed reasons for delay: a) Non-availability of workmen (Skilled and Unskilled) due to Covid-19, b) Non-availability of Cement and Steel in the market due to lockdown since February, 2020 and Second time lockdown in the month of May, 2021 due to Covid-19 and c) Construction activity is going slowly due to shortage of skilled workmen.

Recommendation by DC, VSEZ:

The request of M/s Laxmi Infobahn Aquaduct Private Limited, the Developer, for extension of the validity of the Letter of Approval for a further period of one year from 19.01.2023 to 18.01.2024 (4th extension) is recommended for consideration of the BoA.

113.2(iii) Proposal of M/s. Infosys Ltd. for (i) extension of the validity period of formal approval granted for setting up of IT/ITES SEZ at Noida (U.P.) beyond 14.04.2020 & (ii) extension in time to construct minimum built-up area in terms of Rule 5(7) of SEZ Rules, 2006.

Name of the developer : M/s. Infosys Ltd.

Sector : IT/ITES

Location : Plot No. A-01 to A-06, Sector-85, Noida (U.P.)

Extension : Formal approval to the developer was granted on 15.04.2015. SEZ was notified vide Notification dated 10.07.2015. The developer has been granted 03 extensions by BoA. Last extension was valid upto 14.04.2021. The developer has requested for further extension upto 14.04.2025.

Present Progress:

(a) Details of business plan:-

S. No.	Type of Cost	Proposed Investment (Rs. in Crore)
1	Land Cost	Already acquired
2	Construction Cost	300.00
3	Plant & Machinery	183.00
4	Other Overheads	0.00
	Total:	483.00

(b) Investment made so far & incremental investment since last extension:-

S. No.	Type of Cost	Total Investment made so far (Rs. in Crore)	Incremental investment since last extension (Rs. in Crore)
1	Land Cost	161.00	7.00
2	Material Procurement	0.00	0.00
3	Service Cost	14.66	1.91
4	Other Overheads (lease rent)	14.94	6.28
	Total:	190.60	15.19

(c) Details of Physical progress till date :-

S. No.	Authorised activity	% completion as on date	% completion during last one year	Deadline for completion of balance work
1	- Yet to commence construction activity -			
2				

Reasons for seeking extension:

The Developer has mentioned that the reason for delay in start of the project include changes in business scenario and global challenges for IT sector, delay in permission from state bodies etc. Their journey in Noida has been slower over last 8 years, as the IT/ITES Ecosystem itself is evolving at a slow pace and the ongoing Covid-19 pandemic crisis, which started in beginning of 2020 had worsened the situation and compelled to re-align the business operations for this campus. Large campus will need time to evolve and has to be flexibly developed and holistically curated to meet the requirements of a varied set of clientele with international standards and global expectations. Considering this, they have compelled to shrink their earlier projections and plan and come with a revised plan at small level. The Developer has mentioned in Phase-1 they wish to construct 7,91,600 Sqft. of area as bifurcated below:-

SDB-1: 5,68,000 Sqft. (G+17)

Food Court-1: 53,600 Sqft.

Basement area: 1,37,000 Sqft.

Service Block: 26,100 Sqft.

Security Block 01: 4,050 Sqft.

Security Block 02: 2,850 Sqft.

The developer has mentioned that they are expecting to achieve completion of Phase-1 plan by the end of September, 2025.

Observations of DC, NSEZ:-

- i. Extended validity of formal approval was valid upto 14.04.2021. As per Condition No. (xvii) of formal approval, the developer needs to submit application for extension 6 months before its expiry. However, the developer had not applied for further extension within stipulated time.
- ii. The said SEZ was notified on 10.07.2015, hence the extended validity of construction of minimum built-up area granted by BoA under Rule 5(7) was valid upto 09.07.2021. However, the developer has not applied for further extension of timeline for construction of minimum built-up area.

Rule position: In terms of Rule 5(7) of the SEZ Rules, 2006:

“The developer or co-developer shall have to construct the minimum built up area specified in this rule within a period of ten years from the date of notification of the Special Economic Zone in which at least fifty percent of such area to be constructed within a period of five years from the date of such notification:

Provided that the Board of Approval may, upon request in writing by the Developer, and after being satisfied that it is necessary and expedient to do so, grant extension beyond the said period

of ten years for a further period of not exceeding one year, at a time, subject to maximum upto ten such extension.”

Recommendation by DC, NSEZ:

DC, NSEZ has recommended the request of the developer for extension of formal approval of M/s. Infosys Ltd. and also extension in timeline for completion of minimum built-up area.

113.2(iv) Request of M/s Rudradev Township Private Limited for extension of validity of formal approval, granted for setting up of IT/ITES SEZ at Solankurini Village, Madurai Taluk, Madurai District, Tamil Nadu beyond 31.07.2022

Name of the developer : M/s. Rudradev Township Private Limited

Sector : IT/ITES

Location : Solankurini Village, Madurai Taluk, Madurai District, Tamil Nadu

Extension : Formal approval to the developer was granted on 26.07.2007. SEZ was notified vide Notification dated 22.04.2008. After the expiry of three years, the validity period of LOA for the SEZ was extended 6 times by Ministry of Commerce i.e., up to 31.07.2022. The developer has requested for further extension upto 31.07.2024.

The Developer stated that they have a built up area of 2,69,150 Sq.mtr and have so far completed 38% of the project. They have submitted Chartered Engineer’s Certificate in this regard. The details are listed below :

a. Proposed Investment:

S. No	Type of Cost	Proposed Investment (in Rs)
1	Land Cost	10,00,00,000/-
2	Construction Cost	325,00,00,000/-
3	Plant & Machinery	295,00,00,000/-
4	Other Overheads	20,00,00,000/-
	Total	650,00,00,000/-

b. Investments made so far & Incremental Investment since last extension:

S. No	Type of Cost	Total Investment made so far (in Rs.)	Incremental Investment since last extension (in Rs.)
1	Land Cost	12,47,98,000/-	12,50,000/-

2	Construction/ Material Procurement	58,01,84,000/-	45,50,500/-
3	Service Cost	10,15,08,000/-	--
4	Other Overheads	75,60,000/-	25,35,000/-
	Total	81,40,50,000/-	83,35,500/-

c. Details of Physical progress till date;

S. No	Authorised Activity	% completion as on date	% completion during last one year	Dead Line for completion of Balance work
1	Roads	48%	2%	31.03.2024
2	Built-up Processing area	38%	--	31.12.2024
3	Electrical Works	5%	1%	31.03.2024
4	Tele-Communications	--	--	31.03.2024
5	Air Conditioning & Others	--	--	31.03.2024

Recommendation by DC, MEPZ:

The proposal of M/s. Rudradev Township Private Limited for seventh extension of LOA up to 31.07.2024 is recommended for consideration in the upcoming BOA meeting.

113.3: Request for extension of validity of in-principle approval for developer (one proposal)

Rule 6 (2)(b) of SEZ Rules, 2006 states that *"The letter of approval of a Developer granted under clause (b) of sub-rule (1) shall be valid for a period of one year within which time, the Developer shall submit suitable proposal for formal approval in Form A as prescribed under the provisions of rule 3:*

Provided that the Board may, on an application by the Developer, for reasons to be recorded in writing, extend the validity period:

Provided further that the Developer shall submit the application in Form C2 to the concerned Development Commissioner, as specified in Annexure III, who, within a period of fifteen days, shall forward it to the Board with his recommendations."

113.3(i) Request of M/s. Dahej SEZ Limited for extension of validity period of In-Principle Approval granted for setting up of Multi Product SEZ at Pakhajan, Tal. Vagra, Dist. Bharuch, Gujarat, beyond 02.11.2022.

M/s. Dahej SEZ Limited (DSL) was granted In-Principle Approval for setting up of "Multi-Product SEZ" at Pakhajan, tal. Vagra, Dist. Bharuch, Gujarat vide LoA dated 03.11.2021. The in-principle approval is valid upto 02.11.2022. DSL has informed that as far as progress of the project and land acquisition is concerned, remaining land acquisition is in process. Hence, DSL requires more time for land acquisition of the project. In the application, the Developer has mentioned that as so far they have acquired 640.4147 Hectares of area of land out of the total proposed area of the land

of 650 Hectares. The Developer has requested for extension of validity of in-principle approval for two years i.e. upto 02.11.2024.

Specified Officer along with Preventive Officer Dahej SEZ visited the proposed site and factual report/observation made by the team is as under;

- Approach road to the proposed site is at very initial state and neither it has been connected with the main road. (Dahej Bharuch State Highway). Only Kuccha road has been noticed
- At the said Kuccha road some pipes were found to be lying there apparently of the site/contractor which were looked after by two private security guards posted by DSL.
- One incomplete left over weighbridge was noticed at the proposed site.
- No electricity line, sewerage, drainage, water line among others were observed.

It has been concluded in their report that no infrastructure has been developed by the DSL. DSL vide letter dated 09.12.2022 has informed that required infrastructure in the proposed SEZ will be developed after receipt of requisite approvals.

Recommendation by DC:

DC Dahej SEZ has recommended the proposal for extension of validity of in-principle approval.

113.4: Request for extension of LoA of unit (4 proposals)

- 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 3rd 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.

113.4(i) Request of M/s Rusan Pharma Ltd. a unit in Indore SEZ for extension of Letter of Permission (LoA) beyond 01.12.2022 for one year up to 01.12.2023.

LoA issued on	: 02.12.2016
Nature of business of the Unit	: Manufacturing of API, Bulk Drugs
No. of Extensions	: (02) by DC Indore SEZ beyond original validity and (03) by BoA (SEZs)
LoA valid upto	: 01.12.2022

Request

: Further extension for one year, up to 01.12.2023

Details of Business plan:

S. No.	Type of Cost	Proposed Investment (Rs. in crores)
1.	Land	3.19
2.	Site Development — Road works, Boundary walls, Facade and Landscaping etc.	6.27
3.	Civil Construction Work — Main Production Blocks, Miscellaneous Building (including structure, partition walls and floor finishing) utility, security office, security cabin, ETP/STP and Pump house + UG/OG Tanks, Fuel Yard, HT Yard, Solvent Tank Farm	37.36
4.	Plant & Machinery (including of Electrical Installation, Utilities and process equipment & QC lab etc.)	60.02
5.	Other Pre-Operative Expense	6.36
	Total	113.20

(b) Incremental Investment made so far and incremental investment since last extension —

As per the Certificate issued by the Chartered Accountant, M/s Gupta Saharia & Co., Mumbai, is as under:

S.No.	Type of Cost	Total investment made so far	Incremental Investment since last extension up to 01.12.2022
1.	Land	3.19	0.00
2.	Building & Construction	29.20	19.46
3.	Computer, Printer and Server	0.20	0.17
4.	Plant & Machinery	16.22	15.08
5.	Utility Equipment Cost	13.43	12.86
6.	Fire & Safety	0.69	0.63
7.	Motor vehicle	0.19	0.00
8.	Electricity installation	5.54	5.30
	Total	68.66 crores	53.50 crores

(c) Details of physical progress till date :-

As per the Certificate issued by the Chartered Engineer, M/s Doshi Consultant Pvt. Ltd., Indore, 70% work has been completed out of which 45% has been completed in last one year:

S.No	Activity	% completion	% completion during last one year	Deadline for completion of balance work
1.	Acquisition of Land	100%	100%	--
2.	Civil Work — Land excavation, cutting filling and leveling of plot done and internal roads has been excavated. The slab casting of major building — Production Block has already been completed for 3 modules and for remaining 2 modules, it will be done in next 15 days. Other Ancillary Building like utility block, R&D, So 1 and So 2 are already completed Other work like drain and road work has also been intimated and is under process	70%	45%	3 months
3.	Water & Temporary electrical connections	100%	Already done	--
4.	Major Ordering completed and delivered on site — Items delivered at site 1. Chiller 2. Boiler 3. Chimney 4. Fire Pump 5. UG Solvent tank 6. Solvent Recovery Column 7. File Compactor 8. Lab furniture (R&D) 9. DG Sets 10. Cable 11. UPS and Batteries 12. VCB 13. Transformer 14. UG Tanks 15. GLR Ordered and Work in Progress 16. Network and LV 17. C22 ANFD 18. Process Pumps 19. Lift 20. Scrubber	Ordering completed, Delivered on site	Items delivered on site from Nov. 2021 to till date.	3 months (in Installation and Commissioning)

5.	Major Orders in queue — (bought out items, to be procured and installed) 1. RCVD Accessories 2. HDPE/MS tanks 3. MS Structure for pipeline and utilities 4. Server and computers 5. Automation Cable 6. NFLP and Street Light 7. QC and R&D Equipments	In process	--	1 month
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(d) Detailed reasons for delay —

- i. The Company has submitted that they were allotted plot No. M-21 in SEZ Phase II for which payment was made to the MPIDC Ltd., Regional Office, Indore, the Developer on 05.07.2017, while the lease deed was registered in December 2017. While registering the lease deed, the concerned Sub-Registrar Office was erroneously imposing Rs. 77,15,112/- as stamp duty on the allotted plot and owing to this legal issue the Company represented before the State Govt., and the matter was finally heard and decided by the Commissioner, Indore Division in favour of the Company on 11.09.2019. Accordingly, the registered lease deed could only be handed over to the Company in the month of November, 2019.
- ii. As the company has planned implementation of a Bulk Drug and Active Pharmaceutical Ingredient (API) manufacturing unit in Indore SEZ, it is required to obtain Environment Clearance from the State Environment Impact Assessment Authority (SEIAA) before starting the project implementation activities. As per the norms of MP Pollution Control Board (MPPCB), no Bulk Drug and Active Pharmaceutical Ingredient (API) manufacturing unit can start its project implementation at its site in the Industrial area before taking Environment Clearance from the Competent Authority i.e. the SEIAA-M.P., Ministry of Environment, Forest and Climate Change (MoEF&CC). The unit received the Environment Clearance on 21.08.2020.
- iii. The total investment made by the Company till date is Rs. 68.66 crores, out of which Rs. 24.93 crores has been invested from its own funds and balance of Rs. 43.73 crores through Bank finance. According to the Company, the process was almost in final stage but due to increased demand in Pharma sector the Company decided to increase its capacity and as a result the project cost has also increased from the earlier proposed Rs. 58.94 crores to Rs. 113.20 crores. Due to this, the process of allocation of funds from Bank got delayed by six months and finally in the month of September 2021, the bank has disbursed the funds to the Company.
- iv. Due to the Covid-19 pandemic, initially the project implementation was delayed by 6-7 months last year. Thereafter, the company started project implementation in September - October 2020 and then again due to second wave the project was further delayed by another 5-6 months. Further, due to heavy rainfall during the current year, there was water logging at site due to sloppy terrain which affected the construction work. According to the unit, being a rocky terrain, rock cutting was a major time consuming part in civil work. Therefore, on account of delay in environment clearance, delay in lease deed registration, Covid-19 pandemic situation and heavy rainfall etc., the project implementation activities of the company got delayed.

(e) Steps taken to implement the project:

- i. The Company has received Environment Clearance from the State Environment Impact Assessment Authority (SEIAA-M.P.), Ministry of Environment, Forest & Climate Change (MoEF&CC) on 21.08.2020 and Consent to Establish from M.P. Pollution Control Board on 04.09.2020.
- ii. The Company has obtained financial sanction from its Bank.
- iii. The Company has obtained approval of building plans.
- iv. The Company has obtained GST Registration certificate.
- v. The Company has appointed the Civil Contractor, M/s Eco Build and the civil work will be completed by December 2022.
- vi. Temporary electricity connection and permanent water connection has been installed at site.
- vii. The Company has obtained registration as Principal Employer under Contract Labour Act.
- viii. The Company has amended IEC and taken membership of Pharma council.
- ix. The Company has executed Bond-cum-Legal Undertaking under SEZ Rules.
- x. The Company has procured almost all major plant & machinery and utilities.

Recommendation by DC, ISEZ:

In this case, the requisite two-third of activities as per Rule provisions were not completed and therefore the last three extensions i.e. beyond 2nd, 3rd and 4th year were granted by the Board of Approval for SEZs. Pursuant to allotment of land and registration of lease deed of the allotted plot No. M-21 in SEZ Phase II in December 2017, due to stamp duty issues the lease deed was handed over to the unit in November, 2019, and the unit has could start its construction activities only in the month of October, 2020. The constructions activities are presently ongoing at site. A Chartered Accountant Certificate showing the expenditure incurred in the project and a Chartered Engineer's certificate regarding the physical progress made in the project is also enclosed with the proposal of the unit.

As per the project profile, M/s Rusan Pharma Ltd. is an established entity in the Pharma sector. The company was incorporated in the year 1994 and is having one manufacturing facility of formulations in Kandla SEZ and one at Dehradun besides one API facility at Ankleshwar. The company is also having one formulation and one API facility in Europe.

DC Indore SEZ has therefore recommended the request of extension of LoA for a further period of one year up to 01.12.2023 in view of the following:-

The unit has been allocated land in the SEZ by the Developer and the lease deed has also been registered. Since the unit has made an investment of Rs. 68.66 crores in the project and has also obtained the Environment Clearance from the State Environment Impact Assessment Authority (SEIAA-M.P.), Ministry of Environment, Forest & Climate Change (MoEF&CC) and Consent to Establish from M.P. Pollution Control Board apart from other approvals, they appear to be serious to implement the proposed project. Accordingly, the proposal for extension of validity of LoA dated 02.12.2016 for a further period of one year up to 01.12.2023, as requested by the unit, is recommended for approval of the BoA as per Rule 19(4) of SEZ Rules, 2006.

113.4(ii) Request of M/s HLE Engineers Pvt Ltd in the Plot No Z/96/B, Dahej SEZ Ltd, Dahej, Village: Luvara, Tal: Vagra, Dist: Bharuch, Gujarat for the Extension of the Letter of Approval (LOA) by one more year i.e. upto 14.10.2023

LOA issued on (Date) : 15.10.2015

Nature of business of the unit : Manufacturing of items under Chapter 29 & 38.

No. of Extensions : 1(One) by DC Dahej SEZ and 1(One) by BOA

LoA valid upto : 14.10.2022

Request : For further extension for 1 (One) year upto 14.10.2023.

Present Progress furnished by applicant unit:-

a. Details of Business Plan:

Sr.No	Type of Cost	Proposed Investment(INR in Cr)
1	Land, Plant & Machinery, Etc	95.4861
2	Pre-Operative Expenses, Contingencies, Etc	15.0951
Total		110.5812

b. Incremental Investment made so far and incremental investment since last extension:

Sr No	Type of cost	Total Investment made So far (INR in Cr)	Incremental investment since last extension
1	Land	6.1556	NIL
2	Civil Construction		1.44
Total		6.1556	1.44

c. Details of the physical progress till date:

Sr. no.	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	Shrub Cutting	50%	20%	28.02.2023
2	Leveling	10%	NIL	30.04.2023
3	Land filling	10%	NIL	30.04.2023
4	Compound Wall		50%	31.12.2022
5	Warehouse		5%	31.03.2023

M/s. HLE Engineers Pvt Ltd vide their letter dated 26.09.2022 informed that on 24.03.2020 a national lockdown in the wake of COVID-19 was clamped. Gujarat Government lifted the COVID restrictions subject to mask and social distancing only with effect from 02.03.2022. These 2 years no activities were allowed by the Government. The skilled and unskilled labourers reached safely at their homes either or not returned due to paranoia or stopped to do so by their beloved ones.

M/s. HLE Engineers Pvt Ltd vide their email dated 20.10.2022 further informed that they are waiting for the Environment Clearance from the Ministry of Environment & Forests and Consent to Establish from GPCB, and Explosives License from PESO (Petroleum Explosives and safety organization). They have also informed that the encroachment of the plot and the subsequent eviction, the permissions and licenses delayed the completion of the plant commissioning.

Further, the unit also informed that the SEZ boundary wall was demolished by miscreants and obstructing construction activities and the gap is enough to pass a truck and the miscreants came in and out through this gap and threatening their construction, contractor and work men. The contractor and their men and women are not ready to work in their premises due to fear. As a consequence work is put up in abeyance umpteen times by the contractors fearing life and they had filed a police complaint.

Since last extension, they have already invested approx Rs. 8 crore on various activities in the plant including making an advance payment for Plant & Machinery.

Recommendation by DC, Dahej SEZ:

DC, Dahej SEZ has recommended the proposal to the Board of Approval, for extension in validity of LOA dated 15.10.2015 (extended upto 14.10.2022) for the further period of one year i.e. up to 14.10.2023.

113.4(iii) Request of M/s. Futuristic LED Pvt. Ltd. in the Noida SEZ for extension of Letter of Approval (LOA) beyond 19/11/2022 upto 19/11/2023

LoA issued on : 20/11/2019

Nature of business of the Unit : Licensing Services for the Right to use Computer Software and Database, Information Technology Design and Development Services, Hosting and Information Technology (IT) Infrastructure Provisioning Services, Other IT Service.

No. of Extensions : 2 by DC, Noida SEZ

LOP valid upto : 19/11/2022

Request : For further extension upto 19/11/2023

Present Progress:

(a) Details of Business plan

S. No.	Type of Cost	Proposed Investment (Rs. in Lakhs)
1	Capital Goods	525
2	Operational Expenses	55
	Total:	580

(b) Investment made so far & incremental investment since last extension

S. No.	Type of Cost	Total Investment made so far (Rs. in Crore)	Incremental investment since last extension (Rs. in
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			Lakhs)
1	Building	1.47	-
2	Building WIP	4.59	4.59
	Total:	6.06	4.59

(c) Details of Physical progress till date :-

S. No.	Type of cost	% completion as on date	% completion during last one year	Deadline for completion of balance work
1	Building	20%	20%	December 2024

Detailed reasons for delay:-

Unit has stated following reasons:

- That they acquired property via Auction from ICICI Bank (*Plot no. 126/127, NSEZ Noida was acquired in this reference where operations are planned to start*) on 20-02-2020.
- But they were stuck up in COVID in Feb, 2020 and hence they could not start any activity.
- They then approached NSEZ for transfer of property and they got physical possession of Plot on 29-12-2021.
- Unit has further stated that first of all due to COVID, construction could not be started and people were working from home and hence activities like Lease Deed could not happen. Lease deed from NSEZ was delayed due to issues of unpaid Custom duty on said plot which NSEZ wanted them to take responsibility of. They disputed this and with multiple meetings at level of senior officials of NSEZ, they finally got the permission and hence Lease Deed was executed on 21-02-2022.
- On execution of lease deed, they approached with Fire Department, UP Police for NOC followed by Noida Authority for approval of building drawings. All these activities took lot of time and they finally got approval from Noida authority only in Oct 2022.
- After getting approval from Noida Authority, their building construction is going on extremely fast pace. As of now basement and ground floor work of the project is under progress. Further, the deadline for completion of construction work has been mentioned as December' 2024.

Recommendation by DC:

DC, Noida SEZ has recommended the request of extension of LOA beyond 19.11.2022 for a period up to 19.11.2023.

113.4(iv) Request of M/s. Atar Mohd Saeed Dawood Private Limited in the JNPT-SEZ for extension of Letter of Permission (LOP) beyond 20.08.2022 for 4th extension upto 20.08.2023.

LoP issued on (date) : 21.08.2018.

Nature of business of the Unit : Manufacturing and Export of Attar, Perfume & Perfumery Compounds (with Alcohol & without Alcohol), Agarbatti Bakhoor, Agarbatti

& Dhoop, Sandalwood Handicraft article for packing, Sandalwood Oil, Agarwood & Agar wood oil, Natural Essential Oils, Refused Dust, Synthetic Cosmetics, Other Packing Material for export.

No of Extensions : 2 extensions granted by DC SEEPZ SEZ. 1 extension granted by BOA.

LOP valid upto : 20.08.2022.

Request : For further extension for one year, up to 20.08.2023.

Present Progress:

a. Details of business Plan:-

S. No	Type of cost	Proposed Investment (Rs. in lakhs)
1.	Land Cost	274.26
2.	Construction Cost (Civil, Electrical, Mechanical, Structural, ETP, Fire, etc)	121.09
3.	Plant & Machinery	100.00
4.	Computers, Software's, Licenses etc.	4.00
5.	Office Capital Goods includes AV Equipment's, PA Systems, Access Control systems, etc	4.00
6.	Office Furniture, Chairs, Workstation and other fit out related items such as carpets etc	3.75
	Total	476.14

b. Incremental investment since last extension:-

S. No.	Type of Cost	Total Investment made so far (Rs. in lakhs)	Investment made during last one year (Rs. in lakhs)
1.	Land Cost	258.38	15.08
2.	Construction Cost (Civil, Electrical, Mechanical, Site exps etc)	294.02	267.64
3.	Plant & Machinery	NIL	NIL
4.	Computers, Software's, Licenses	NIL	NIL
5.	Office Capital Goods includes AV Equipment's, PA Systems, Access Control systems etc	3.70	3.70

6.	Office Furniture, Chairs, Workstation and other fit out related items such as carpets etc	4.20	3.70
7.	Other pre-operative expenses	20.65	16.00
	Total	580.95	306.12

C. Details of physical progress till date:-

S. No.	Authorised activity	% completion	% completion during last one year	Deadline for completion of balance work
1.	Generator Room/Electric Substation/FO Generators (To augment MSEB Power)/UPS Room/Distribution substation/HSD Yard	50%	50%	30.11.2022
2.	Internal Roads with street Lighting and signage's	25%	25%	31.12.2022
3.	Boundary walls/Gates/Fencing/Security office/Security Posts	100%	0%	-
4.	All civil and Interior work/Electrical work/BMS/Air Conditioning/Fire Protection system	Nil	Work Awarded	31.03.2023
5.	Development of Landscaping/Garden space	Nil	Work awarded	31.03.2023
6.	Recruitment of Employees	Nil	They will hire once construction complete	31.03.2023
7.	Building Completion certification and occupancy certificate	Nil	To be obtained after completion of work	31.03.2023

Detailed Reason for delay: M/s. Atar Mohd Saeed Dawood Private Limited has stated that they are unable to complete the unit under specified time due to Covid, Nationwide Lockdown and Non availability of Labour etc., however, the company has discussed the whole situation with their civil contractor M/s. Aahan Associates and reassessed the construction period that may go up to March 2023.

Recommendation by DC

DC SEEPZ-SEZ has recommended the request of extension of LOP for a period of one year up to 20.08.2023.

113.5: Request for co-developer status (3 proposals)

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. Such proposal shall be made to the Board of Approval for consideration.

113.5(i) Request of M/s Topnotch IT Developers LLP for Co-Developer status in M/s. Phoenix Tech Zone Pvt. Ltd SEZ, Telangana.

(i)	Name of the Developer & Location	M/s. Phoenix Tech Zone Pvt. Ltd. at Telangana
(ii)	Date of LoA of Developer	17.02.2017
(iii)	Sector	IT/ITES SEZ
(iv)	Date of notification	17.03.2017
(v)	Total notified area	2.02 Ha
(vi)	Proposed Co-developer	M/s Topnotch IT Developers LLP
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the co-developer	Operation and maintenance, upgradation of Infrastructure in relation to 47010 SFT on 11th floor, Tower-B of SEZ project
(viii)	Total area on which activities will be performed by the co-developer	Leasable Area admeasuring 47010 SFT along with proportionate undivided share in project land located at 11th floors of Tower B of the SEZ Project
(ix)	Proposed investment by the co-developer	40 cr
(x)	Net worth of the co-developer	1,00,000
(xi)	Whether entered into a Co-developer agreement, if so date	Yes, 27.10.2022

Recommendation by DC, VSEZ:

On scrutiny of the application, it was noticed by VSEZ that the net worth of M/s Topnotch IT Developers LLP is only Rs.1.00 lakh. In this connection, it is brought to the notice that in one of the proposals of M/s IGTPL, CSEZ sought clarification from Department of Commerce regarding the applicant's net worth. The Department of Commerce vide letter dated 13th May 2022 forwarded the legal opinion obtained from the Department of Legal Affairs in which it is clarified that there is no provision prescribed in the SEZ Act 2005 & Rules 2006 for requirement of minimum net worth for obtaining Co-Developer status at the time of filing application.

Considering that the Co-Developer would raise bank finance for the proposed investment after obtaining Co-Developer status, the request for granting Co-Developer status to M/s Topnotch IT Developers LLP in Phoenix Tech Zone Pvt. Ltd SEZ is recommended for consideration of BoA.

113.5(ii) Request of M/s. Nila Spaces Limited, Ahmedabad for approval as Co-Developer in Multi Services SEZ at Ratanpur, District Gandhinagar, Gujarat, developed by M/s. GIFT SEZ Limited.

(i)	Name of the Developer & Location	M/s. GIFT SEZ Limited, Villages Ratanpur and Phiropur, District Gandhinagar, Gujarat
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(ii)	Date of LoA of Developer	07.01.2008
(iii)	Sector	Multi-services
(iv)	Date of notification	18.08.2011
(v)	Total notified area	105.4386 Ha
(vi)	Proposed Co-developer	M/s. Nila Spaces Limited
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the codeveloper	Development, Construction, Maintenance and operation of Commercial spaces/office/building in the processing area of GIFT SEZ
(viii)	Total area on which activities will be performed by the co-developer	5000 sq. mt. (Land area) & 7500 sq.mt. (Built-up area)
(ix)	Proposed investment by the co-developer	Rs.30 cr
(x)	Net worth of the co-developer	Rs.50.97 cr
(xi)	Whether entered into a Co-developer agreement, if so date	No. It will be executed once letter of approval will be issued by Development Commissioner, SEZ. Draft co-developer agreement is provided.

DC, GIFT SEZ has informed that at present in GIFT SEZ, Gandhinagar, there are three co-developers namely, (i) M/s Volupia Developers Private Limited (ii) M/s Brigade (Gujarat) Projects Private Limited and (iii) M/s ATS Savvy Developers LLP; these approved co-developers have constructed buildings for use by the SEZ units. The built-up space in these buildings are almost allotted/used, thus the need for new buildings have arisen.

The GIFT-multi-services SEZ, Gandhinagar is functional with over 400 plus broad sector services units approved including the financial services units of Banks, Insurance companies, Stock market entities, related units aviation products/services leasing companies, other ancillary services units, and upcoming areas of business (like Bullion) exchanges, maritime services units, which requires additional built-up area/premises for such approved entities.

Recommendation by DC, GIFT SEZ:-

In view of the increase in economic activity and other developments at GIFT-SEZ, Gandhinagar, this office recommends the proposal of M/s. Nila Spaces Limited, Ahmedabad as a Co-Developer, for construction of new commercial building over an area admeasuring 5000 square meters with built-up area of 7500 square feet within GIFT-SEZ, subject to approval by the Board of Approval.

113.5(iii) Request of M/s. Sangath Infrastructures Private Limited, Ahmedabad for approval as Co-Developer in Multi Services SEZ at Ratanpur, District Gandhinagar, Gujarat, developed by M/s. GIFT SEZ Limited.

(i)	Name of the Developer & Location	M/s. GIFT SEZ Limited, Villages Ratanpur and Phiropur, District Gandhinagar, Gujarat
(ii)	Date of LoA of Developer	07.01.2008
(iii)	Sector	Multi-services
(iv)	Date of notification	18.08.2011
(v)	Total notified area	105.4386 Ha

(vi)	Proposed Co-developer	M/s. Sangath Infrastructures Private Limited
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the codeveloper	Development, Construction, Maintenance and operation of Commercial spaces/office/building in the processing area of GIFT SEZ
(viii)	Total area on which activities will be performed by the co-developer	Total 2,500 sqmt (Office Building of 1,500 sq.mt. and Parking area of 1,000 sq.mt.)
(ix)	Proposed investment by the co-developer	Rs.9 cr
(x)	Net worth of the co-developer	Rs.139.89 cr (as on 31.03.2021)
(xi)	Whether entered into a Co-developer agreement, if so date	No. The agreement will be made on getting the mandatory approval from the Board of Approval, MOCI and the Development Commissioner, GIFT SEZ.

DC, GIFT SEZ has informed that at present in GIFT SEZ, Gandhinagar, there are three co-developers namely, (i) M/s Volupia Developers Private Limited (ii) M/s Brigade (Gujarat) Projects Private Limited and (iii) M/s ATS Savvy Developers LLP; these approved co-developers have constructed buildings for use by the SEZ units. The built-up space in these buildings are almost allotted/used, thus the need for new buildings have arisen.

The GIFT-multi-services SEZ, Gandhinagar is functional with over 400 plus broad sector services units approved including the financial services units of Banks, Insurance companies, Stock market entities, related units aviation products/services leasing companies, other ancillary services units, and upcoming areas of business (like Bullion) exchanges, maritime services units, which requires additional built-up area/premises for such approved entities.

Recommendation by DC, GIFT SEZ:-

In view of the increase in economic activity and other developments at GIFT-SEZ, Gandhinagar, DC has recommended the proposal of M/s. Sangath Infrastructures Private Limited, Ahmedabad as a Co-Developer, for construction of 1,500 square meters and parking area of 1,000 square meters within GIFT-SEZ, subject to approval by the Board of Approval.

113.6: Request for addition area of the SEZ (one proposal)

In the 40th 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.

113.6(i) Request of M/s. Cheyyar SEZ Developers Pvt. Ltd. for additional area notification of 34.82 Ha (more than 10%) to their Multi-sector SEZ at SIPCOT Industrial Park, Bargur, Tamil Nadu notified over an area of 59.398 Ha.

M/s. Cheyyar SEZ Developers Pvt. Ltd. was granted formal approval on 13.11.2015 for setting up of an SEZ for Footwear at SIPCOT Industrial Park, Bargur, Tamil Nadu. The SEZ was

notified on 30.03.2016 over an area of 59.398 Ha. The Developer has now requested for increase in area of 34.82 Ha (i.e., more than 10% to the already notified area of 59.398 Ha).

As the instant proposal of increase in area is beyond 10%, therefore, it is placed before the Board for its approval.

As per DoC's O.M. dated 14.07.2016 required documents for additional area notification and the status of the instant case are 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

Further, in compliance of DoC's Instruction No.102 dated 18.11.2019 regarding physical inspection and contiguity condition, an Inspection report has been provided. As per report, the site was inspected on 25.02.2022 by DDC, MEPZ along with Revenue Inspector, Pochampalli, VAO-Balethottam and representative of the Company. It is noted that the proposed additional area of 34.82 Ha was de-notified by SIPCOT, Bargur and the said area was allotted to M/s. Cheyyar SEZ Developers Ltd. by SIPCOT. The contiguity of the SEZ has been maintained.

Recommendation by DC:

DC, MEPZ has recommended the proposal for the consideration of the BoA.

113.7: Renewal of LoA of plastic recycling units

113.7(i) Request for renewal of LoA of the plastic recycling units in Kandla SEZ, Falta SEZ and Noida SEZ for a period of five years.

The request of plastic recycling units for renewal of their LoA for a period of five years was placed before the Board of Approval in its 112th meeting held on 29.10.2022. The BoA, by

consensus, decided to extend the validity of LoA on temporary basis of only those units which fulfil the following conditions:

1. Units should have been functional and carried out at least some production during the stipulated period of 18 months (i.e. 27th January, 2021 to 26th July, 2022).
2. Units should have made at least some exports during the stipulated period of 18 months (i.e. 27th January, 2021 to 26th July, 2022).
3. Units shall undertake not to carry out any DTA sales till they fulfil the shortfall of NFE and export obligations for the period upto their period of expiry of validity i.e. 26th August 2022. On fulfilment of shortfall in NFE and other export obligations as stipulated above which shall be confirmed by the jurisdictional DC, and the DC may allow DTA sale to units subject to fulfilling of policy dated 27.05.2021.
4. The extension would be granted for a further period upto five years from 27th August, 2022 onwards to align the validity with other units. Such extension shall be on temporary basis only, which will be reviewed by Development Commissioner concerned from time to time.

The Board further directed that all the concerned Development Commissioners shall take necessary action accordingly and submit a report to the BoA in the next meeting.

Report by Kandla, SEZ: In compliance of the BoA's above direction, DC, Kandla SEZ, vide letter dated 12.12.2022 has stated that out of 7 proposals sent to DoC for renewal of LoA, only 1 unit viz. M/s. New Plastomers India Ltd. has not carried out any production activity/exports during the stipulated period of 18 months (i.e., 27.01.2021 to 26.07.2022). The following 6 units have carried out production activity/exports during the stipulated period of 18 months (i.e., 27.01.2021 to 26.07.2022) and were granted renewal of LoA on temporary basis for further period of five years from 27.08.2022 to 26.08.2027: -

1. M/s. Blaze International
2. M/s. Polyrec Processors Pvt. Ltd.
3. M/s. Renew Plastics
4. M/s. Satguru Polyfab Pvt. Ltd.
5. M/s. R. R. Vibrant Polymers Ltd.
6. M/s. Ansa Polymers Ltd.

Further, KASEZ has informed that M/s. R. R. Vibrant Ltd. has approached the Hon'ble High Court of Gujarat and filed Special Civil Application No. 20374 of 2022 for non-renewal of their LoA as per 111th meeting of BoA held on 28.07.2022 and the Hon'ble Court vide Oral Order dated 07.10.2022 has granted relief to the Unit and to avoid contempt of Court, KASEZ has issued LoA to M/s. R. R. Vibrant Polymers Ltd. with "no DTA sale" condition in order to keep the said unit at par with other plastic recycling units.

Report by Falta, SEZ: DC, Falta SEZ vide letter dated 14.12.2022 has stated that on examination of the records available with them, Data of NSDL and the documents submitted by the 6 recycling plastic units, they have granted renewal of LoA to the following 3 plastic recycling units, fulfilling all the 3 terms and conditions, on temporary basis for further period of five years from 27.08.2022 to 26.08.2027: -

1. M/s. Amarnath Enviroplast Ltd.
2. M/s. Precision Polyplast Pvt. Ltd.
3. M/s. Sukhi India Pvt. Ltd.

Further, Falta has informed that three units namely M/s. Kalpana Industries (India) Ltd., M/s. Alps Overseas Pvt. Ltd. and M/s. Nara Exim Pvt. Ltd. have not been granted renewal of LoA as they are not fulfilling of all the three terms and conditions.

Report by Noida, SEZ: NSEZ have one plastic recycling unit namely M/s. Plastic Processors & Exporter Pvt. Ltd., the details related to BoA decision vis-à-vis details of the unit are as under:

Conditions mentioned by BOA for renewal of LoA	Corresponding details of Units					
1. Units should have been functional and carried out at least some production during the stipulated period of 18 months (i.e. 27 th January, 2021 to 26 th July, 2022)	Unit was lying non-functional and has not carried out any production during the stipulated period of 18 months (i.e. 27 th January, 2021 to 26 th July, 2022).					
2. Units should have made at least some exports during the stipulated period of 18 months (i.e. 27 th January, 2021 to 26 th July, 2022).	Performance of the unit during 2020-21, 2021-22 as per submitted APRs are as under:					
	In Rs. Lakhs.					
	Year	Export		Forex outgo	NFE Earning	
		Physical	Supplies under Rule 53A			
	2020-21	0.00	0.00	0.00	0.00	
2021-22	0.00	0.00	0.00	0.00		
3. Units shall undertake not to carry out any DTA Sales till they fulfil the shortfall of NFE and export obligations for the period upto their period of expiry of validity i.e. 26 th August, 2022.	Further, as per NSDL Data, unit has not made any export during 2022-23 (up to 26/07/2022)					
	Unit has submitted an undertaking not to carry out any DTA sales till they fulfil the shortfall of NFE and Export obligations.					

3. From the above, it may be noted that although the unit has undertaken not to carry out any DTA sales till they fulfil the shortfall of NFE and export obligations for the period up to their period of expiry of validity i.e. 26th August 2022, unit has not fulfilled other two conditions i.e. unit is neither functional nor has made any exports during the stipulated period of 18 months (i.e. 27th January, 2021 to 26th July, 2022).

3.1 Meanwhile, the unit vide its letter dated 23/11/2022 (copy enclosed) has stated that as their unit stood non-operational due to accidental fire in 2019, their application for renewal of LOA stood deficient as a result. However, they stressed on the fact that they had not closed operations at their unit on their own volition. Due to an unforeseen accident, which razed their manufacturing unit to the ground, they suffered huge financial loss amounting to Rs. 4 crores approx and that to invest substantially and reopen their unit again, they had ensured long term stability, which the Board, has not finally allowed to operational units.

3.2 Unit has further stated that such conditions laid down by the BOA was apparently with a view that the units which had ceased manufacturing activities on their own volition would not be inclined to comply with the strict compliances. However, in their case, they did not stop production on their own volition but for the accidental devastating fire incident discussed above. Unit has further stated that they are very keen on resuming operations and fulfilling all statutory obligations with long term stability and growth and requested to grant them extension of validity of LOA.

3.3 Moreover, DC had given a personal hearing to Mr Mukesh Tandon, General Manager on 15.12.2022 wherein the latter indicated that they require a large capital expenditure of around Rs 12.5 crores to restart the unit which had been devastated due to the fire. Hence, they wanted a longer period of LOA so as to have adequate comfort for recovery of this investment. They were targeting some specific markets like Spain, Netherlands and UAE. Mr Tandon also stated that they would do around 50% physical exports, 15% deemed exports and the rest as DTA sales. They were also exploring getting into a new variety of granules which are used for making water pipes.

4. NSEZ has stated that BOA while deliberating the matter was of the view that if the units have demonstrated their intent to comply with the obligations and have fallen short despite their best efforts, it is appropriate to give one more chance to fulfil their obligations rather than to close them abruptly on account of their shortfall.

5. In the instant case, the unit has requested to grant them a long term extension of validity of LOA in view of the following:

- i. it could not make any production/ export due to the fact that there was a fire incident in the unit's premises in 2019;
- ii. in view of the devastation, it would need to make a significant capital investment to reopen their unit again;
- iii. Nearly half of their exports would be physical with a focus on the European and UAE markets. The rest would comprise deemed exports and DTA sales.
- iv. They would explore a new type of granule for making water pipes.
- v. They are very keen on resuming operations and fulfilling all statutory obligations with long term stability and growth.

NSEZ has submitted the above facts along with representation of unit for the consideration of the BOA.

113.8: Miscellaneous cases (seven proposals)

113.8(i) Request of M/s. Reliance Industries Limited (DTA unit) for granting permission for laying of underground utility pipelines (appx. length 2.2 km) and power cable (appx. length 2.5 km) through the Reliance Jamnagar SEZ

M/s. Reliance Industries Limited, vide their letter dated 21.09.2022, have requested to grant permission for laying of underground utility pipelines (appx. length 2.2 km) and power cable (appx. length 2.5 km) which will pass through Reliance Jamnagar SEZ.

In the letter, they point out that in line with our national commitments to reduce carbon footprint and reduce global warming, they have planned massive new investments in the whole spectrum of 'new energy' / 'renewable energy' sector at Jamnagar. These new factories are to be set up in the land available with them, located adjacent to the north boundary of the existing SEZ at Jamnagar. Their existing factories and other industrial infrastructure of the Company in DTA at Jamnagar are located adjacent to the south boundary of the SEZ. As per their letter, they would need to supply certain necessary utilities [Nitrogen / Hydrogen / Natural Gas] and power from their existing DTA facilities [south of SEZ] to the new factories to be established in north of the SEZ, to optimise their investments. As per them, the safest and most economical way is to carry these pipelines / cables, under-ground through the SEZ. In this context, they further undertake that:

- i. These pipelines and cables, laid underground, would not cause any hindrance or movement restrictions within SEZ, impacting its operations in any adverse manner.
- ii. The proposed pipelines are fully welded and laid underground with no possibility of any interconnection with any SEZ facilities; and
- iii. They undertake not to take any SEZ benefits for laying of these pipelines / power cables passing through SEZ.

They have also pointed out that the Government has granted similar permissions in past also to help investment in the country.

Reliance Jamnagar SEZ Area (Developer) & M/s. Reliance Industries Limited (SEZ Unit) have also submitted their no objection certificate for the said work of laying of utility pipelines and power cable. As per their submission, it will not pose any kind of hindrances to their existing activities.

DC's observation: To examine their request, a site visit was conducted. Based on the site visit report, the submissions made by the Company and noting that similar permissions have been considered by BOA in past and to facilitate fresh investments in renewable energy sector, the proposal for laying of underground utility pipelines (appx. length 2.2 km) and underground power cable (appx. length 2.5 km), through the SEZ, is recommended to the Board of Approval for consideration, subject to the following conditions:

- i. The laying of these pipelines / cables would not cause any restrictions / hindrances to the free movement within SEZ and
- ii. M/s Reliance Industries Limited does not intend to claim any duty exception from Authority of SEZ for the pipeline laid for raw material transmission for this underground pipelines and cables project.
- iii. M/s Reliance Industries Limited has also given an undertaking to follow all the statutory Rules & Regulations.

Recommendation by DC, Jamnagar SEZ:

DC has recommended the proposal to the Board of Approval for consideration.

113.8(ii) Request of M/s. Estancia IT Park Private Limited, an IT/ITES SEZ at Vallanchery Village, Chengalpet District, Tamil Nadu for approval for Dual use of Infrastructure by the SEZ and DTA entities in the Non-Processing area of SEZ.

M/s. Estancia IT Park Private Limited–SEZ, Developer having LoA dated 25.10.2006 has requested approval for dual use of Infrastructure (Hospital) by the SEZ and DTA entities in the Non-Processing area.

The Developer has currently having 15.6943 hectares of Notified area in the Zone. Out of which 1.2343 hectares was demarcated as a Non-Processing Zone. Out of the 1.2343 hectares of Non Processing area, they have already constructed a school building in 0.6556 hectares on the demarcated Non-Processing area and leasing out the same to Vidya Mandir on 29.05.2020. Now, they requested approval for the proposed construction of a hospital for the dual use by SEZ and DTA entities in an area of 0.2901 hectares out of 0.5787 hectares of demarcated Non-Processing area which is to be leased-out.

Rule position: In terms of Rule 11A (1) and 11A (3) of SEZ Rules, 2006 regarding Approval for Dual use of Infrastructure by SEZ and DTA entities in the Non-Processing Zone:-

(1)Where the social or commercial infrastructure and other facilities are permitted to be used by both the Special Economic Zone and Domestic Tariff Area entities: No exemptions, concessions or drawback shall be admissible for creation of such infrastructure. The Customs duty, Central Excise duty, Central Goods and Services Tax, Integrated Goods and Services Tax and State Goods and Services Tax and such other Central levies and tax benefits already availed for creation of such infrastructure shall be refunded by the Developer in full, without interest.

However, in cases of short payment of the amount refundable to the Government on account of dual use permission, interest will have to be paid at the rate of fifteen per cent per annum from the day the said amount becomes payable to the date of actual payment. Utilisation of SEZ land shall be subject to following conditions:

- (a) the land is to be put to only such use which is as per the regulations of the concerned State Government or local bodies;
- (b) if any exemption or refund has been taken from State or local taxes like stamp duty 47[State Goods and Services Tax,], change of land uses, etc., the same shall be refunded back to State Government or local authorities and a certificate to this effect shall be produced from the concerned authorities;
- (c) No Objection Certificate (NOC) from the concerned State Government shall be produced before. the consideration of the request by Board of Approval (BoA). State Government may issue No Objection Certificate (NOC) taking into consideration (a) and (b) above.

(3)The Department of Commerce has provided the following norms with respect to areas to be earmarked for residential, commercial and other social facilities:-

- (a) The Developer or Co-developer shall submit an application in the format as specified by the Central Government to the Development Commissioner indicating therein the portion of the non-processing area where social or commercial infrastructure and other facilities are proposed to be used by both Special Economic Zone and Domestic Tariff Area entities and the said application shall be accompanied with a copy of the Infrastructure Plan and No Objection Certificate from the concerned State Government and supporting documents.
- (b) The Development Commissioner shall forward the said application to the Board of Approval (BoA) for approval.

- (c) The area restrictions for duty paid dual use non-processing area in the Special Economic Zones shall be as follows:
- (i) Housing - not more than twenty-five per cent of non-processing area;
 - (ii) Commercial- not more than ten per cent of non-processing area;
 - (iii) Open area and circulation area-not less than forty-five per cent of non-processing area;
 - (iv) Social and institutional infrastructure including schools, colleges, socio-cultural centres, training institutes, banks, post office, etc., in the remaining area.
- (d) Floor Area Ratio or Floor Space Index shall conform to the norms of the concerned local authorities.
- (e) No sale shall be permitted of such duty paid dual use infrastructure in the non-processing area and only lease hold rights can devolve upon the users or transferees of the said dual use duty paid infrastructure in Non Processing Area of Special Economic Zones; and
- (f) Any other conditions as may be specified by the Department of Commerce or Board of Approval.

In terms of above mentioned Rules, the Developer has submitted their application along with their Project report and NoC from the State Government of Tamil Nadu for the proposed construction of Infrastructure (Hospital) in the Non-processing area for the dual use.

Further, as regards area restrictions, Out of total Non-Processing area of 1.2343 hectares, the Developer has already used 0.6556 hectares. Now, the Developer has proposed for construction of a hospital for the dual use by SEZ and DTA entities in an area of 0.2901 hectares out of 0.5787 hectares remaining Non-Processing area.

Recommendation by DC, MEPZ:

DC has recommended the proposal for approval for construction of Infrastructure (Hospital) for dual use by the SEZ and DTA entities in an area of 0.2901 hectares out of 0.5787 hectares of demarcated Non-Processing area which is to be leased-out, for its consideration by the BoA.

113.8(iii) Request of M/s. Savvy ATS Realty LLP, Ahmedabad a Co-Developer in Multi Services Special Economic Zone at Village Ratanpur, District Gandhinagar, Gujarat, developed by M/s. GIFT SEZ Limited for approval of an additional area admeasuring of 2385 square meters.

M/s. Savvy ATS Realty LLP was approved and granted Co-Developer status on 08.02.2022 for construction development, maintenance and operation of commercial building over an area admeasuring 4461 square meters and additional area of 2385 square meters; within M/s. GIFT SEZ Limited vide letter dated 17.08.2022.

Now, M/s. Savvy ATS Realty LLP has sought an approval as a Co-Developer in GIFT-multi-services-SEZ, Gandhinagar, Gujarat, for construction and development maintenance and operation of commercial building for an additional area of 1355 square meters (0.1355 hectares) within GIFT-SEZ processing area. The applicant proposes to build office spaces over this land area for the approved SEZ units to undertake authorized operations. The said application is accompanied by Co-developer's agreement and Provisional Letter of Allotment from the Developer M/s. GIFT SEZ Ltd. for development of office spaces.

DC has informed that since, the GIFT-multi-services SEZ, Gandhinagar is functional with over 400 broad sector services SEZ units approved including the financial services units of Banks, Insurance companies, Stock market entities, related units aviation products/services leasing companies, other ancillary services units, and upcoming areas of business (like Bullion) exchanges, maritime services units, which requires additional built-up area/premises for such approved and upcoming SEZ units.

Recommendation by DC, GIFT SEZ:

DC, GIFT SEZ has recommended the proposal of M/s. Savvy ATS Realty LLP, as a Co-Developer, for construction of commercial building over an additional land area admeasuring 1355 square meters in the above notified SEZ, subject to approval by the Board of Approval.

113.8(iv) Request of the developer M/s. GIFT SEZ Limited, Gandhinagar, Gujarat for Revision of existing demarcated area of GIFT-SEZ, Gandhinagar.

M/s. GIFT SEZ Limited, Gandhinagar, was granted LoA on 07-01-2008, for setting-up sector specific SEZ for multi-services at Villages Ratanpur and Phiropur, District Gandhinagar, Gujarat, and notified on 18-08-2011, over an area of 105-43-86 hectares.

Earlier, on the request of the Developer M/s. GIFT SEZ Limited, the Development Commissioner had ordered demarcation vide Order dated 26-11-2015 of the notified area as required under Rule-11 of the SEZ Rules, 2006, details as under:-

Processing Area demarcated	61.1829 hectares
Non Processing Area demarcated	44.2557 hectares
Total notified area	105.4386 hectares

Later, the Developer M/s. GIFT SEZ Limited vide the application dated 01-11-2021, and subsequent letter dated 19-01-2022 has sought revision of the above demarcation and creation of dual use area in the Non-processing area to build housing units within the SEZ area in order to boost Walk-to-Work. Accordingly, the Developer M/s. GIFT SEZ Limited has applied for revision of the demarcation and bifurcation of non-processing area for dual use of the notified area of SEZ as under:-

A. Revision of notified area of SEZ applied for:-

Processing Area demarcation	65.1897 hectares
Non Processing Area demarcation	40.2489 hectares
Total notified area	105.4386 hectares

B. Bifurcation of non-processing area applied for:-

Exclusive for SEZ entities (use)	14.4136 hectares
Dual use	25.8353 hectares
Total Non-Processing Area demarcation	40.2489 hectares

The proposal of the Developer, M/s. GIFT SEZ Limited at Para-3 above was recommended by this office, and the same was put-up before the Board of Approval for SEZs in its 108th meeting

held on 27-01-2022. The said proposal was approved by BoA in its 10th meeting, approval letter issued vide DoC's letter dated 08-02-2022.

II) **Revision of the existing demarcated area of GIFT-SEZ:-**

Now, the Developer, M/s. GIFT SEZ Limited vide their letter dated 27-11-2022 has proposed the following changes/revisions in the demarcation of SEZ area to accommodate the proposed 'Bullion Refinery' in the processing area:-

A. Proposed revision of notified area demarcation of SEZ applied for:-

Processing Area demarcation	70.7977 hectares
Non Processing Area demarcation	34.6409 hectares
Total notified area	105.4386 hectares

B. Proposed bifurcation of non-processing area applied for:-

Exclusive for SEZ entities (use)	14.5604 hectares
Dual use	20.0805 hectares
Total Non-Processing Area demarcation	34.6409 hectares

In terms of Rule-11 (1) of the SEZ Rules, 2006, the Development Commissioner has the powers to demarcate the SEZ area, and in respect of dual-use area under Rule-11A, the powers are with the BoA.

Recommendation by DC:

DC, KASEZ has recommended the request of the Developer M/s. GIFT SEZ Limited for revision of the existing demarcated area of SEZ and bifurcation of non-processing area for approval by the Board of Approval subject to full compliance of Rule-11A of the SEZ Rules, 2006.

113.8(v) Request of M/s. GIFT SEZ Limited for construction of Boundary wall between Processing Area, Non-processing Area – SEZ exclusive use and Non-processing area – dual use at GIFT-Multi Services SEZ at Ratanpur, District Gandhinagar, Gujarat.

M/s. GIFT SEZ Limited, Gandhinagar was granted formal approval for setting-up sector specific SEZ for multi-services on 7th January, 2008 and notified vide Notification No. S.O. 1910 (E) dated 18th August, 2011 over an area of 105.4386 hectares.

Thereafter, the developer had sought approval for creation of dual use area over 25.8353 hectares in the non-processing area of the notified SEZ. The said proposal was approved by the Board of Approval in its 108th meeting held on 27th January, 2022 under Rule 11A of the SEZ Rules, 2006.

Thereafter, the Developer, M/s. GIFT SEZ Limited, had sought approval for construction of Boundary wall, i.e. Chain Link Fencing with concertina wire between Processing Area, Non-Processing Area – SEZ exclusive portion and the approval Non-Processing Area – Dual Use.

The Board of Approval for SEZs in its 112th meeting, held on 29-10-2022, approved the said proposal to set-up the chain link fencing plus 0.60 meter concertina razor wire between processing area and non-processing area (SEZ exclusive area and dual use area), **provided that** in case of any manufacturing unit or service units involving supply of goods is permitted to be set up in the zone, the Development Commissioner had to apprise the same to the Board of Approval. **Gist of the discussions in BoA meeting was that if any manufacturing units are existing/ proposed to be allowed in Gift SEZ, then a rethink would be required on this issue.**

Upon taking up the matter further with the developer, it has been observed that there is manufacturing/trading activity proposed in the SEZ. As a result decision taken by BoA has been put on hold and developer intimidated.

M/s. GIFT SEZ Limited have now vide letter dated 14.12.2022 has requested to allow them to have a Boundary Wall of chain link fencing plus 0.60 meter concertina razor wire keeping in view of the following :

- a. They are in the final stage of discussions with the “India Bullion and Jewellery Association Ltd” (IBJA) for setting up a world-class Bullion Refinery in GIFT SEZ and most likely it will come up in the SEZ in near future.
- b. 5 Gem & Jewellery manufacturing entities have already been allowed within the SEZ, though un-operational as of now.
- c. The 112th Unit Approval Committee meeting had approved 3 trading entities.

In this regard, DC has stated that GIFT being an International Financial Services Centre, needs to have world-class infrastructure with eye-catching landscapes and aesthetics to attract global investors and talent pool for creating a world-class city with an elegant ecosystem. **A concrete boundary wall would make it a walled city and completely defeat the purpose for which it has been set up.**

In view of the above, it has been requested by the developer that the Board may consider their case favourably by allowing them to install:

- a. A Dense Chain Link Fencing with Concertina Wire
- b. CCTV Cameras at short distances along the boundary wall to enable 24 X 7 live monitoring
- c. Adequate number of security guards manning the entire stretch of the boundary walls of SEZ.

Since, the proposal of the Developer is not as per Rule 11(2) of SEZ Rules, 2005 the same needs to be put-up before the Board of Approval for its consideration. **Even though the request is not covered under extant SEZ Act/Rules, there is a merit in the request of the developer and they are willing to put all necessary security arrangements such as CCTV cameras and security guards in case they are allowed to construct chain link fencing as requested.**

It may further be noted that Dual use Area as is being requested by the Developer in Gift SEZ is probably not there in any other SEZ.

KASEZ stated that if required, an opportunity of Personal Hearing may also be given to the developer in the BoA to explain their request further.

Rule position: In terms of rule 11(2) of the SEZ Rules, 2006;

“The processing area and Free Trade and Warehousing Zone shall have specified entry and exit points and be fully secured by taking such measures as approved by the Board of Approval.

Provided that in case of a Special Economic Zone for information technology or information technology enabled services or electronic hardware or biotechnology , the Development Commissioner shall approve such measures and inform the Board accordingly:

Provided further that in case the developer proposes to create two hundred and forty centimeter high wall with top sixty centimeter being barbed wire fencing and single entry and exit point, no separate approval shall be required under this sub-rule.”

Recommendation by DC;

DC, KASEZ has recommended the proposal for consideration of the BoA.

113.8(vi) Request for renewal of Letter of Approvals of M/s Ambika Scrap Recycling Pvt. Ltd. for their plastic recycling and metal scrap recycling units in KASEZ.

M/s Ambika Scrap Recycling Pvt. Ltd. was granted two Letters of Approvals for setting up of unit in KASEZ as per the following details:

Business Activity	Metal Scrap Recycling Unit	Plastic Recycling Unit						
Date of LOA	20.10.1994	10.03.1998						
Annual capacity	18000 MT	8000 MT						
Commencement of activity	15.03.1996	No commencement of activity						
Details of activity performed	The unit started its activity of metal scrap recycling and cleared a total of 1752.011 MTs of Silicon Scrap valued at Rs.85,20,681/- during the period from 01.04.1996 to 31.03.2001. After expiry of LoA on 31.10.2005 no records of any activity by the unit are found.	Nil						
Investment made	At the time of setting up of unit, they had proposed to make an investment of Rs.25 lakhs. As per the APR submitted by the unit: <table border="1" data-bbox="518 1720 896 1989"> <thead> <tr> <th>F. Y.</th> <th>Amt invested</th> </tr> </thead> <tbody> <tr> <td>1995-96</td> <td>Rs.2.93 lakhs (indigenous capital goods)</td> </tr> <tr> <td>2001-02</td> <td>Rs.6.21 lakhs (indigenous capital goods)</td> </tr> </tbody> </table> After 2001, the unit has not made any	F. Y.	Amt invested	1995-96	Rs.2.93 lakhs (indigenous capital goods)	2001-02	Rs.6.21 lakhs (indigenous capital goods)	No such information
F. Y.	Amt invested							
1995-96	Rs.2.93 lakhs (indigenous capital goods)							
2001-02	Rs.6.21 lakhs (indigenous capital goods)							

	new investment in the said project as the unit had not carried out any commercial activity thereafter due to heavy cyclone in 1998 and earthquake in 2001 leading to destruction of their building and material etc.	
Proposed Investment	The unit proposes to invest Rs.10 crore for plant and machinery for their metal recycling plant and their annual capacity of production of metal scrap will be 54000 MT. From all type of metal scrap i.e., non-ferrous, ferrous, all type of used cables, all type of mixed metals they will produce brass, copper, aluminium Etc. and the same will be either exported directly or will be sold to the export units.	The unit proposes to invest Rs. 4 crores for plant and machinery and their annual capacity of production of plastic will be 8,000 MT. From the plastic industrial waste as raw materials, they will produce agglomerates and the same will be sold to export units or to manufacturers of agricultural pipes and other products.
Proposed Employment	1500 skilled and unskilled workers	500 skilled and unskilled workers
Proposed NFE (next 5 years period)	Rs.7642 lakhs	Rs.5642 lakhs

After passing of several years, the unit had requested for revival of their unit condoning inactive years which was due to the reason of natural calamity and problems to the then existing directors. The Unit has also undertaken that they will pay all the government dues before issuance of their (renewed) LoA.

Rule position:

As per Rule 18(4) of the SEZ Rules, no proposal shall be considered for recycling of plastic scrap or waste and import of other used goods for recycling provided that extension of Letter of Approval for an existing unit shall be decided by the Board.

Rule 19(5) of the SEZ Rules stipulates that if the unit has not commenced production or service activity within the validity period or the extended validity period under sub-rule (4), the Letter of Approval shall be deemed to have been lapsed with effect from the date on which its validity expired.

Rule 19(6A) (1) of the said rules, stipulates that the units which intend to renew the validity of Letter of Approval shall submit, before two months from the date of expiry of the Letter of Approval, the completed application in form F1 along with requisite document, to the Development Commissioner, duly signed by the proprietor or managing partner or if it is a company, by the Managing Director or the Director(s) or any person who has or have been duly authorized for this purpose by a resolution of the Board of Directors of the company. In terms of clause (2) of the said sub-rule, in case of non-compliance of the procedures specified in clause (1), the Letter of Approval shall not be considered for renewal.

Decision of the Board of Approval:

The matter was placed before the Board of Approval in its 110th meeting held on 26.05.2022, wherein, the Board noted the following:

- i. Shed no.394 was allotted to M/s Ambika Scrap Recycling Pvt. Ltd. However, due to non-activity the unit was evicted and the said shed was allotted to another unit of KASEZ i.e. M/s Kandla Exim Pvt. Ltd.
- ii. The validity of the LoA of metal recycling unit had expired on 31.10.2005 while the plastic recycling unit did not even commence its activity while the LoA was granted on 10.03.1998.
- iii. Neither the unit and nor the LoAs are in existence as on date.
- iv. The proposal is not tenable in terms of Rule 19(5)and Rule 19(6A) (1) & (2) of the SEZ Rules, 2006.

The Board, after deliberations, directed DC, KASEZ to initiate the process of exit of the unit.

Request and submissions of the unit in their representation dated 06.07.2022:

The unit has requested for re-consideration of their case on the following grounds -

- i. That the Shed number is wrongly mentioned as 394 whereas the actual no. of the Shed is Shed no. 294, Sector no. III, KFTZ.
- ii. That from inception till they stopped operations in 2004 due to economic and other internal problems they had achieved positive NFE as per policy applicable at that time.
- iii. The shed was given by their unit on sharing basis to M/s Jindal International with the due permission of the Development Commissioner, KASEZ on the request of Development Commissioner, KASEZ as there was an ongoing case pending in VAT Department, Gujarat and they were not able to run the business as the VAT Department had sealed their Books of Account and frozen their Bank account. Further, M/s Jindal International was willing to take the shed no. 294 on sharing basis from them as their allotted sheds no. 295 & 296 had caught fire and they were unable to fulfill their supply contracts with international and domestic buyers.
- iv. They also paid the outstanding rent of Rs. 8.94 lakhs as outstanding as on 31.03.2008 in respect of shed 294.
- v. A severe cyclone hit Kandla in 1998 and caused major disruption for their business and huge financial loss from which they were unable to recover. Further, the VAT Department started a case against their unit and the Gujarat VAT Tribunal ruled in their favour in January, 2016. The VAT Department went in further appeal to the Hon'ble High Court of Gujarat and the Hon'ble High Court was pleased to rule in their favour vide in judgment delivered in the year 2019 in Tax Appeal No. 238 of 2018.
- vi. Major disruptions were caused by the severe cyclone which hit Kutch region of Gujarat in 1998 and the VAT case foisted on them which has ultimately gone in their favour. Therefore, the disruptions caused to their business were due to circumstances beyond their control.
- vii. The provisions of Rule 19(5) is not applicable in their case as their unit had already gone into operation and the operations had to be stopped thereafter due to the circumstances as explained above whereas Rule 19(5) applies only to those units which have not commenced production.

As per information received from KASEZ in the past the position is as follows:

- i. Shed no. 324 & 325 was allotted to M/s R.R. Vibrant. Plot no. 419/A was allotted to M/s Anita Exports. Shed no. 394 was allotted to M/s Ambika Scrap Recycling. However, due to

non-activity the unit was evicted and the said Shed was allotted to other unit of KASEZ i.e. M/s Kandla Exim Pvt. Ltd.

- ii. M/s Ambika Scrap Recycling was NFE negative to the tune of Rs.81.67 lakhs during the period 1996-2001 and SCN dated 14.03.2002 was issued to the unit.
- iii. The plastic recycling unit did not commence operations and shall hence be hit by Rule 19(5). In so far as non consideration of request for renewal of metal scrap recycling unit, the same shall be governed under Rule 19(6A) (1) & (2).

The proposal was again considered in the 111th BOA meeting held on 28th July, 2022 and the Board decided to revert the matter to DC, KASEZ for further examination.

DC, KASEZ vide letter dated 06.1.2023 has submitted that there are no new facts information available with them apart from what has already been stated vide KASEZ's previous letters dated 15.12.2021 and 21.10.2022 on the subject matter:

With regard to the supposed expenditure made by M/s. Ambika Scrap Recycling Pvt. Ltd. on capital and machinery as stated by the unit's representative in his meeting with the Commerce Secretary, it is to submit that there are no records available with KASEZ pertaining to import/ DTA procurement of capital goods or machinery. Further, till date, no documentary evidence with regard capital investment has been received from the said unit. However, the unit vide their letter dated 26.08.2021 submitted a copy of offer of financial assistance of Rs. 10.00 Cr issued by Punjab National Bank.

The request is placed before the Board for its consideration.

113.8(vii) Request of M/s Motan Enterprises, a unit in KASEZ SEZ for renewal of LoA of their trading unit.

M/s Motan Enterprise, KASEZ was granted Letter of Approval on 09.08.2001 for trading activity with initial validity of one year upto 08.08.2002. The unit was allotted Shed No. 74 (CPWD Type), Sector – I, KASEZ by the Estate Management Section vide Allotment Order dated 27.09.2001.

Further, Shed No. 29 (CPWD Type), Sector – I, KASEZ was allotted to M/s. Motan Enterprise in lieu of Shed No. 74, which was required by the Administration for demolition to enable this office to demolish block of 4 sheds. Later Shed No. 29 was also surrendered by the unit vide letter dated 06.12.2006 and taken over by the Administration for demolition.

M/s. Motan Enterprise vide its letter dated 16.09.2021 requested for renewal of their LoA dated 09.08.2001.

The Unit Approval Committee in its 173rd meeting held on 30.12.2021 had observed that the list of such units given in the Agenda is not exhaustive since the Kandla SEZ is a very old SEZ set up in the year 1965 and therefore there may be several LoAs which have expired but have not been explicitly cancelled. In view of the same, the Approval Committee after due deliberations decided that LOAs of all units including the ones listed in their agenda, which have expired on or before 31.12.2020 and who have not applied for renewal, except those where cases are pending in any court of law/tribunal etc., will be deemed to have been cancelled and the Development Commissioner shall not consider the same for renewal in terms of Rule 19 (6A)(2) of the SEZ Rules 2006.

Further, the BoA in its 108th meeting held on 27.01.2022 had directed all Development Commissioners to make a list of such units in SEZs under their jurisdiction whose LoAs have expired for two years or more and to take necessary action for their cancellation of LoAs as well as exit from SEZs by following the due process in this regard.

As informed by KASEZ, M/s. Motan Enterprise vide their letter dated 22.02.2022 had submitted a new application for setting up Trading Unit in KASEZ and the UAC in its 176th meeting held on 08.03.2022 has approved the proposal of the unit and accordingly Letter of Approval dated 09.03.2022 for trading activity has been issued to the unit.

Meanwhile, the company has vide their representation dated 06.07.2022 stated that they do not fall under Rule 19(5) & Rule 19(6A) (1) &(2) to the SEZ Rules, 2006 because VAT return and Income Tax Return has already been filed regularly in the past and still filing procedure are active. That in the year 2007, their Shed no. 74, CPWD Type was taken by the Authority for the purpose of shed re-development and also agreed to return it back to them which is not yet been handed over to them. For the same reason they do not fall under Rule 19(5) & Rule 19 (6A)(1) &(2) to the SEZ Rules, 2006 therefore they request for renewal of their LoA.

The unit submits that they have also written to the Development Commissioner, KASEZ in the year 2009, 2010, 2012, 2015, 2017, 2019 & 2021. That in the old days they were not financially capable, but in current situation they are financially capable because of MSME schemes introduced by the government.

The matter was placed before the 111th BOA meeting held on 28th July, 2022 and the Board noted that M/s Motan Enterprises has been granted a fresh LoA on 09.03.2022 for trading activity. The Board, did not find any merit on the request for renewal of LoA granted to the unit on 09.08.2001.

DC, KASEZ vide letter dated 06.01.2023 has submitted that they have no additional facts/information are available with them. Further, till date, no documentary evidence with regard capital investment has been received from the said unit.

The request is placed before the Board for its consideration.
