

No. K-43022/40/2022-SEZ  
Government of India  
Ministry of Commerce and Industry  
Department of Commerce  
(SEZ Section)

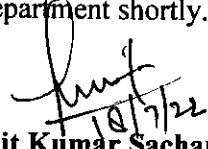
Udyog Bhawan, New Delhi  
Dated the 18<sup>th</sup> July, 2022

**OFFICE MEMORANDUM**

**Subject:** 111<sup>th</sup> Meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) scheduled to be held on 28<sup>th</sup> July, 2022 - Agenda regarding.

The undersigned is directed to enclose herewith the Agenda for the 111<sup>th</sup> meeting of the BoA for SEZs scheduled to be held on 28<sup>th</sup> July, 2022 under the chairmanship of Commerce Secretary for information and necessary action. The agenda has also been hosted on the website: [www.sezindia.gov.in](http://www.sezindia.gov.in).

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

  
(Sumit Kumar Sachan)

Under Secretary to the Government of India

Tel: 2306 2496

Email: [sumit.sachan@nic.in](mailto:sumit.sachan@nic.in)

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. 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, 7<sup>th</sup> Floor, Block 2, CGO Complex, Lodhi Road, New Delhi - 110 003.
10. Additional Secretary and Development Commissioner (Micro, Small and Medium Enterprises Scale Industry), Room No. 701, Nirman Bhavan, New Delhi (Fax: 23062315).

11. Secretary, Department of Electronics & Information Technology, Electronics Niketan, 6, CGO Complex, New Delhi. (Fax: 24363101)
12. Joint Secretary (IS-I), Ministry of Home Affairs, North Block, New Delhi (Fax: 23092569).
13. Joint Secretary (C&W), Ministry of Defence, Fax: 23015444, South Block, New Delhi.
14. Joint Secretary, Ministry of Environment and Forests, Pariyavaran Bhavan, CGO Complex, New Delhi – 110003 (Fax: 24363577)
15. Joint Secretary & Legislative Counsel, Legislative Department, M/o Law & Justice, A-Wing, Shastri Bhavan, New Delhi. (Tel: 23387095).
16. Department of Legal Affairs (Shri Hemant Kumar, Assistant Legal Adviser), M/o Law & Justice, New Delhi.
17. Secretary, Department of Chemicals & Petrochemicals, Shastri Bhawan, New Delhi
18. Joint Secretary, Ministry of Overseas Indian Affairs, Akbar Bhawan, Chanakyapuri, New Delhi. (Fax: 24674140)
19. Chief Planner, Department of Urban Affairs, Town Country Planning Organisation, Vikas Bhavan (E-Block), I.P. Estate, New Delhi. (Fax: 23073678/23379197)
20. Director General, Director General of Foreign Trade, Department of Commerce, Udyog Bhavan, New Delhi.
21. Director General, Export Promotion Council for EOUs/SEZs, 8G, 8<sup>th</sup> Floor, Hansalaya Building, 15, Barakhamba Road, New Delhi – 110 001 (Fax: 223329770)
22. Dr. Rupa Chanda, Professor, Indian Institute of Management, Bangalore, Bennerghata Road, Bangalore, Karnataka
23. Development Commissioner, Noida Special Economic Zone, Noida.
24. Development Commissioner, Kandla Special Economic Zone, Gandhidham.
25. Development Commissioner, Falta Special Economic Zone, Kolkata.
26. Development Commissioner, SEEPZ Special Economic Zone, Mumbai.
27. Development Commissioner, Madras Special Economic Zone, Chennai
28. Development Commissioner, Visakhapatnam Special Economic Zone, Visakhapatnam
29. Development Commissioner, Cochin Special Economic Zone, Cochin.
30. Development Commissioner, Indore Special Economic Zone, Indore.
31. Development Commissioner, Mundra Special Economic Zone, 4<sup>th</sup> Floor, C Wing, Port Users Building, Mundra (Kutch) Gujarat.
32. Development Commissioner, Dahej Special Economic Zone, Fadia Chambers, Ashram Road, Ahmedabad, Gujarat
33. Development Commissioner, Navi Mumbai Special Economic Zone, SEEPZ Service Center, Central Road, Andheri (East), Mumbai – 400 096
34. Development Commissioner, Sterling Special Economic Zone, Sandesara Estate, Atladra Padra Road, Vadodara - 390012
35. Development Commissioner, Andhra Pradesh Special Economic Zone, Udyog Bhawan, 9<sup>th</sup> Floor, Siripuram, Visakhapatnam – 3
36. Development Commissioner, Reliance Jamnagar Special Economic Zone, Jamnagar, Gujarat
37. Development Commissioner, Surat Special Economic Zone, Surat, Gujarat
38. Development Commissioner, Mihan Special Economic Zone, Nagpur, Maharashtra
39. Development Commissioner, Sricity Special Economic Zone, Andhra Pradesh.
40. Development Commissioner, Mangalore Special Economic Zone, Mangalore.
41. Government of Andhra Pradesh, Principal Secretary and CIP, Industries and Commerce Department, A.P. Secretariat, Hyderabad – 500022. (Fax: 040-23452895).

42. Government of Telangana, Special Chief Secretary, Industries and Commerce Department, Telangana Secretariat Khairatabad, Hyderabad, Telangana.
43. Government of Karnataka, Principal Secretary, Commerce and Industry Department, VikasSaudha, Bangalore – 560001. (Fax: 080-22259870)
44. Government of Maharashtra, Principal Secretary (Industries), Energy and Labour Department, Mumbai – 400 032.
45. Government of Gujarat, Principal Secretary, Industries and Mines Department Sardar Patel Bhawan, Block No. 5, 3rd Floor, Gandhinagar – 382010 (Fax: 079-23250844).
46. Government of West Bengal, Principal Secretary, (Commerce and Industry), IP Branch (4<sup>th</sup> Floor), SEZ Section, 4, Abanindranath Tagore Sarani (Camac Street) Kolkata – 700 016
47. Government of Tamil Nadu, Principal Secretary (Industries), Fort St. George, Chennai – 600009 (Fax: 044-25370822).
48. Government of Kerala, Principal Secretary (Industries), Government Secretariat, Trivandrum – 695001 (Fax: 0471-2333017).
49. Government of Haryana, Financial Commissioner and Principal Secretary, Department of Industries, Haryana Civil Secretariat, Chandigarh (Fax: 0172-2740526).
50. Government of Rajasthan, Principal Secretary (Industries), Secretariat Campus, Bhagwan Das Road, Jaipur – 302005 (0141-2227788).
51. Government of Uttar Pradesh, Principal Secretary, (Industries), Lal Bahadur Shastri Bhawan, Lucknow – 226001 (Fax: 0522-2238255).
52. Government of Punjab, Principal Secretary Department of Industry & Commerce Udyog Bhawan), Sector -17, Chandigarh- 160017.
53. Government of Puducherry, Secretary, Department of Industries, Chief Secretariat, Puducherry.
54. Government of Odisha, Principal Secretary (Industries), Odisha Secretariat, Bhubaneswar – 751001 (Fax: 0671-536819/2406299).
55. Government of Madhya Pradesh, Chief Secretary, (Commerce and Industry), VallabhBhavan, Bhopal (Fax: 0755-2559974)
56. Government of Uttarakhand, Principal Secretary, (Industries), No. 4, Subhash Road, Secretariat, Dehradun, Uttarakhand
57. Government of Jharkhand (Secretary), Department of Industries Nepal House, Doranda, Ranchi – 834002.
58. Union Territory of Daman and Diu and Dadra Nagar Haveli, Secretary (Industries), Department of Industries, Secretariat, Moti Daman – 396220 (Fax: 0260-2230775).
59. Government of Nagaland, Principal Secretary, Department of Industries and Commerce), Kohima, Nagaland.
60. Government of Chattishgarh, Commissioner-cum-Secretary Industries, Directorate of Industries, LIC Building Campus, 2<sup>nd</sup> Floor, Pandri, Raipur, Chhattisgarh (Fax: 0771-2583651).

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

**Agenda for the 111<sup>th</sup> meeting of the Board of Approval to be held on  
28<sup>th</sup> July, 2022 through Video Conferencing**

**111.1 Ratification of the minutes of the 110<sup>th</sup> meeting of the Board of Approval held on 26.05.2022.**

**111.2 Request for extension of LoA of the unit (two 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 3<sup>rd</sup> year (in cases where two-third activities are not complete) and onwards are granted by BoA.
- BoA can extend the validity for a period of one year at a time.
- There is no time limit up to which the Board can extend the validity.

**111.2(i) Request of M/s JBF Petrochemicals Limited, a Unit in Mangalore SEZ for extension of validity of Letter of Approval beyond 15.09.2022.**

- LoA issued on (date) : 16.09.2011
- Nature of business of the unit : Manufacture and export of 'Purified Terephthalic Acid' (PTA) and 'Polyethylene Terephthate' (PET)
- No. of extensions granted : Nine (upto 15.09.2022)
- Request : Extension of validity of LoA for a further period of one year upto 15.09.2023.

**Present progress: -**

- a. **Details of investment made so far :** M/s JBF Petrochemicals Limited has made an investment of Rs.6680 crore for setting up of the Unit. The details are as under:-

Sl. No.	Description	Investment made upto 15.09.2021 (Rs. in crore)	Incremental investment since last extension (Rs. in crore)	Total Investment made so far (Rs. in crore)
1	Salaries & Wages	83.69		83.69
2	Staff Welfare Expenses	1.08		1.08
3	<b>Other Expenses</b>			
	Tangible Fixed Assets (including material and Civil work)	3529.83		3529.83
	Intangible Fixed Assets (Software Licence)	1.30		1.30
	Technology, Licence & Construction	545.05		545.05

related fees			
Legal & Professional fees and Guarantee Commission	293.22	NIL	293.22
Miscellaneous expenses (Power, Diesel, Admin Expenses, Tent, Travelling & Conveyance etc.)	450.77		450.77
Borrowing Cost (interest)	1466.90		1466.90
Foreign Exch. Fluctuation	148.02		148.02
Fixed Assets	160.14		160.14
<b>Total</b>	<b>6680.00</b>		<b>NIL</b>

- b. **Details of physical progress till date :** The status of completion of work is the same as during the last application.

Sl.No.	Description	Current status	
		% of work completed	% of work yet to complete
1	Engineering	100	NIL
2	Procurement	99.9	0.1
3	Construction	98.7	1.3
4	Overall	99.6	0.4

- **Progress in terms of investment made:-**

#### Some achievements

	Sl. No.	Package	Target Completion
<b>ISBL</b>	1	ISBL-PTA Unit Mechanical Completion	Mechanical work completed
	2	Commissioning trials	Commissioning trials of individual systems completed
<b>OSBL</b>	1	Nitrogen PSA	Commissioned
	2	FW System	Commissioned
	3	6 Nos. of bagging machine	Ready for trial
	4	Cooling Water systems	Commissioned
	5	Insulation & Painting	Completed

#### Details of completion of work :

Sl.No.	Package	Status
1	Solo run of process air compressor	Completed
2	Commissioning of oxidation system	Completed
3	Commissioning of vent gas system	Completed
4	Commissioning PTA feed & Filtration system	Completed
5	Commissioning of bagging system	Completed
6	Final commissioning i.e. PX cut-in	Yet to start

#### Reason for delay in implementation of the project:

- Due to financial issues and at present the Company is under proceedings in NCLT for bankruptcy.

- The NCLT while admitting the Insolvency Resolution process appointed Mr. Sundaresh Bhat as Interim Resolution Professional (IRP) vide Order dated 01.02.2022.
- The consortium of bankers led by IDBI Bank had declared the Unit as NPA and initiated the Insolvency proceedings under Section 7 of Insolvency and Bankruptcy Code (IBC) 2016 and filed application before the NCLT. As per Section 14 of IBC 2016, the Hon'ble NCLT declared a moratorium till completion of CIRP process, subject to prohibition of the following:-
  - a. the institution of suits or continuation of pending suits or proceedings against corporate debtor including execution of any judgement, decree or order in any court of Law, tribunal, arbitration panel or other authority;
  - b. transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
  - c. any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement Security Interest Act 2002 (54 of 2002);
  - d. the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

In accordance with provisions in the IBC 2016, the Insolvency Resolution Professional had published an advertisement inviting Expression of Interest (EOI) for resolution of M/s JBF Petrochemicals Limited. In response to this, 7 EOIs from eminent Prospective Resolution Application submitted their willingness for revival of the Unit, which is under process. The IRP has informed that they are expecting a positive and quick resolution in reviving the Unit. Further, if the Letter of Approval is not renewed, the financial obligation on the Prospective Resolution Applicant and Corporate Debtor would be significant and hamper the Resolution of the Unit. Hence, the IRP has sought extension of the validity of the LoA.

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

Considering the investment already made by the Unit and the ongoing bidding process for resolution of the Unit, the request of the Insolvency Resolution Professional for extension of the validity of LoA of M/s JBF Petrochemicals Limited for a further period of one year from 16.09.2022 to 15.09.2023 (10<sup>th</sup> extension) is recommended for consideration of the BoA.

#### **111.2(ii) Request of M/s. Nissi Engineering Solutions Pvt. Ltd., a Unit in the AMRL Hi Tech City Ltd., Multi Product SEZ, Nanguneri, Tirunelveli District, Tamil Nadu for extension of Letter of Approval (LOA) from 01.08.2022 to 31.12.2022.**

- LOA issued on (date) : 31.07.2017
- Nature of business of the Unit : Service Activities like Scientific & Technical Consultancy Services, Erection, Commissioning & installation services, maintenance of repair service/Technical inspection & certification agency service, Design service other than interior decoration & fashion designing, Supply of Tangible Goods Service, Information Technology Software service & other taxable services-other than the ones mentioned above.
- No of Extensions : 3 times by DC, MEPZ SEZ & 2 times by BOA

- LOA valid upto (date) : 31.07.2022
- Recommended: For further extension from 01.08.2022 to 31.12.2022.

**Present Progress:**

**a. Details of Business Plan:**

S.No.	Type of Cost	Proposed (₹ in cr)
1.	Investment	₹ 2.06
2.	Plant & Machinery	₹ 3.66
3.	Raw Material	₹ 0.50
	<b>Total</b>	<b>₹ 6.22</b>
4.	FOB Value of Export	₹ 11.75
5.	FE Outgo	₹ 4.60
6.	NFEE	₹ 7.15

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

S.No.	Type of Cost	Total Investment made so far (₹ in lakh) up to	Incremental Investment (₹ in lakh) since last extension
1.	Building	₹ 78.75	₹ 25.41 (Additional)
	<b>Total</b>	<b>₹ 78.75</b>	<b>₹ 25.41 (Additional)</b>

**c. Details of physical progress till date:-**

S. No.	Authorized activity	% completion	% completion during last one year	Deadline for completion of balance work
1.	Infra-structure	75.00 %	75.00%	Proposed as 5 months i.e., 31.12.2022.

**Detailed reasons for delay:**

The reasons submitted by the Unit for not starting their activities given by them are as under:

1. The Unit got building plan approval only on 02.07.2021.
2. Consequent upon approval, the Unit has started the building construction. Due to Covid situation, there was shortage in material and manpower. Even though, they have the progress & completed till the roofing.

**Recommendations by DC, MEPZ:**

The Development Commissioner, MEPZ SEZ has recommended the request of extension of LOA for the period from 01.08.2022 to 31.12.2022.

### 111.3 Requests for co-developer status (four 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.

#### 111.3(i) Request of M/s. Ozone Vishwanath Developers, 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. Ozone Vishwanath Developers
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the codeveloper	Construct, development, maintenance and operation of SEZ building for units to undertake services/authorized operations in the processing area of GIFT SEZ.
(viii)	Total area on which activities will be performed by the co-developer	11,148.27 sq. Mtrs. foot print 14G in block 14
(ix)	Proposed investment by the co-developer	Rs.100 cr
(x)	Net worth of the co-developer	Rs.215 cr
(xi)	Whether entered into a Co-developer agreement, if so date	No. A draft co-developer agreement and draft Lease cum Development Agreement has been 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 300 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:-

The GIFT Multi services SEZ is functioning with around 300 units. There is a huge demand for office space from the financial sector. In view of the increase in economic activity and other developments at GIFT-SEZ, Gandhinagar, DC has recommended the proposal of M/s. Ozone



Vishwanath Developers, Ahmedabad for construction of new commercial building over an area admeasuring 11,148.27 sq.mts. within GIFT SEZ subject to approval by the Board of Approval.

**111.3(ii) Request of M/s. Bakeri Residences LLP, Ahmedabad for approval as Co-Developer within dual-use area of non-processing area in GIFT-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. Bakeri Residences LLP
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the codeveloper	Development of residential project consisting of two towers. Total number of floors would be approx.35(each tower) including 2 podiums(each tower) and with 2 basements with approximate 550 units (out of which 100 units, 300 units, 100 units, 50 units are of 1.5 BHK, 2 BHK, 3BHK, 5BHK respectively)
(viii)	Total area on which activities will be performed by the co-developer	6503 sq.mt. (land area) and 85,966 sq.mt. (built-up area)
(ix)	Proposed investment by the co-developer	Rs.449 cr
(x)	Net worth of the co-developer	Nil. Net worth of parent company is Rs.191.71 cr
(xi)	Whether entered into a Co-developer agreement, if so date	No. It has been stated that the agreement will be entered into once the formal permission is received from BoA and DC. A draft lease-cum development agreement has been provided.

DC, GIFT SEZ has informed that the developer has already obtained the requisite NoC from the Government of Gujarat on 07.10.2021 for the dual use area in the Non-processing area for 25.8353 Ha.

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

The GIFT Multi services SEZ is functioning with around 300 units and there is a huge demand for space. In view of the increase in economic activity and other developments at GIFT-SEZ, Gandhinagar, DC has recommended the proposal of M/s. Bakeri Residences LLP as a co-developer for development of residential project over an area admeasuring 6503 sq. mtrs. within the dual-use area of Non-processing area in GIFT SEZ, in terms of Rule 11(10) of the SEZ Rules read with Rule 11(A) (1) of the SEZ Rules, 2006 without any fiscal benefits, further subject to consideration and approval by the BoA.

**111.3(iii) Request of M/s. Ishraj Infratech LLP for approval as Co-Developer in IT/ITES SEZ developed by M/s. Maharashtra Industrial Development Corporation at Rajiv Gandhi Infotech Park, Hinjewadi Phase III, Pune.**

(i)	Name of the Developer & Location	M/s. Maharashtra Industrial Development Corporation at Rajiv Gandhi Infotech Park, Hinjewadi Phase III, Pune
(ii)	Date of LoA of Developer	03.04.2006
(iii)	Sector	IT/ITES SEZ
(iv)	Date of notification	07.06.2007
(v)	Total notified area	223.56 Ha
(vi)	Proposed Co-developer	M/s Ishraj Infratech LLP
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the codeveloper	Construction of buildings and related infrastructure for IT/ITES units, development of space for IT/ITES unit and all default authorised operations.
(viii)	Total area on which activities will be performed by the co-developer	9000 sq.mtr.
(ix)	Proposed investment by the co-developer	17.0626 cr
(x)	Net worth of the co-developer	97.33 cr
(xi)	Whether entered into a Co-developer agreement, if so date	Yes, 30.06.2022

DC has informed that LoA was issued to M/s Ishraj Infratech LLP as an IT/ITES unit on the same plot, i.e. Plot no.22/4, MIDC SEZ on 13.01.2020. As the unit did not commence operations within one year period and also did not apply for extension of LoA, the LoA of the unit lapsed on 12.01.2021. The plot was initially allotted to M/s Ishraj Infratech LLP and the same has subsequently been transferred to M/s Ishraj Infratech LLP as co-developer by MIDC Plot transfer order dated 02.02.2022.

As regards exit and no dues w.r.t. M/s Ishraj Infratech LLP, the Specified Officer has on 08.11.2021 certified that there are no dues payable by the unit. The unit has been granted final exit order on 07.07.2022 under Rule 74 of SEZ Rules, 2006. It has been mentioned that no construction activity had been started on the said plot of land. The unit intend to become co-developer to construct and develop the existing and remaining land parcel for optimum utilization with available FSI and lease out plug and play spaces to prospective IT companies for running their business from the SEZ campus which will contribute to export growth and generate additional employment.

**Recommendation by DC, SEEPZ SEZ:-**

In pursuance of final exit order granted to M/s Ishraj Infratech LLP and based on the co-developer agreement entered between the developer i.e. MIDC and the proposed co-developer, DC, SEEPZ SEZ has recommended the proposal for grant of approval as co-developer to M/s Ishraj Infratech LLP under Section 3(11) of the SEZ Act, 2005.

**111.3(iv) Request of M/s. Kale Impex Pvt. Ltd. for approval as Co-Developer in Mihan SEZ, Nagpur.**

(i)	Name of the Developer & Location	M/s. Maharashtra Airport Development Company Ltd.
(ii)	Date of LoA of Developer	06.11.2006
(iii)	Sector	Multi product
(iv)	Date of notification	29.05.2007
(v)	Total notified area	1597.16 Ha
(vi)	Proposed Co-developer	M/s Kale Impex Private Ltd.
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the codeveloper	Constructed warm shell with plug and play facilities, internet facilities & wifi, Common Server Rooms, Common Meeting & conference Rooms, Common Cafeteria, Common Garden, Power Back-up facilities
(viii)	Total area on which activities will be performed by the co-developer	Plot no. 1R, (6070sq.mtrs) Sector 18, Mihan SEZ, Nagpur
(ix)	Proposed investment by the co-developer	Rs.15 cr
(x)	Net worth of the co-developer	Rs.6.03 cr
(xi)	Whether entered into a Co-developer agreement, if so date	No - The co-developer has stated that the lease deed will be executed with the developer as soon as the LoA is granted by the BoA.

DC has informed that initially the land was allotted to M/s Click2Cloud Technology Services India Pvt. Ltd. (earlier known as Rgen Software Solutions(I) Pvt. Ltd.) who had applied for setting up of SEZ unit at Mihan SEZ and were issued a LoA dated 08.06.2013 for Software Development & Consulting Services at Plot no. 1R, Sector-18, Mihan SEZ, Nagpur. The unit could not commence operation within the initial the initial validity of the LoA. The validity of the LoA has expired on 07.06.2014. The unit approached the developer for change of plot and was allotted Plot no. 5A, Sector -18 admeasuring 6714 sq. Mts. by the developer.

DC has further informed they have started the exit procedure of M/s Click2Cloud Technology Services India Pvt. Ltd. who has inter-alia submitted the cancellation of deed for the earlier plot.

**Recommendation by DC, Mihan SEZ:-**

The proposal is submitted before the Board of Approval for consideration.

**111.4 Setting up of new SEZ (one proposal)**

**111.4(i) Request of M/s. L & T Realty Developers Limited for formal approval for setting up of an IT/ITES SEZ at L&T Tech Park SEZ, L & T Campus, Bellary Road, Byatarayanapura Village, Next to GKVK, Bangalore District, Karnataka over an area of 2.361 Ha.**

As per DoC's letter dated 07.01.2019, documents/conditions required for setting up of new SEZ and the status thereof are as below: -

Sl. No.	Conditions/Documents required	Status
<b>A</b>	<b>Documents required for setting up of SEZ in terms of Rule 3 of SEZ Rules 2006</b>	
(i)	Completed Form A (with enclosures)  A. Total Proposed Investment : ₹ 950.00 crore B. FDI (in US\$) : NIL C. Source of FDI : NA D. Proposed Exports : ₹23812.05 crore (for 5 years) E. Proposed Employment (Nos.) : 8000 (Direct) & 1500 (Indirect)	Yes, provided
(ii)	DC's Inspection Report	Yes, provided
(iii)	State Government's Recommendation	Yes, provided
(iv)	Recommendation for National Security Clearance (NSC) from Ministry of Home Affairs as per Rule 3 of SEZ Rules 2006	DC has stated that the proposed SEZ is neither located in the vicinity of 50Kms from LOC/LAC/International Border nor in the proximity of nuclear, space, defence installation or installations notified under the Official Secret Act 1923. Hence, recommendation for NSC is not required. A self-declaration by the Developer has been provided.
<b>B</b>	<b>Minimum area requirement in terms of Rule 5 of SEZ Rules 2006</b>	Minimum land area requirement is not applicable to IT/ITES SEZ. However, minimum built-up area of 25,000 is required for Category 'A' City.
<b>C</b>	<b>Details to be furnished in terms of Rule 7 of SEZ Rules 2006</b>	
(i)	Certificate from the concerned State Government or its authorized agency stating that the Developer has  <ul style="list-style-type: none"> <li>• Legal Possession, and</li> <li>• Irrevocable rights to develop the said area as SEZ; and</li> <li>• That the said area is free from all encumbrances</li> </ul>	The Government of Karnataka vide letter dated 06.07.2022 has confirmed that the proposed land of 2.361 Ha is in the position of the Company and it has Irrevocable rights to develop the said area as SEZ.  Non-encumbrance certificate issued by the Revenue

		Authority certifying that the land of 2.361 Ha is in possession of the Applicant and the land is free from encumbrance provided.
(ii)	Whether the Developer has leasehold right over the identified area. The lease shall be for a period not less than twenty years	Title Deed provided.
(iii)	The identified area shall be Contiguous, Vacant and no thoroughfare	In the Inspection Report, DC has certified that the land is Contiguous and Vacant.

The Developer has constructed two towers (S1 & S2) consisting of 10 floors each including basement admeasuring 1.18 million sq.ft (approx.) in the proposed land for providing office space to their clients. The buildings are vacant and civil works are in progress. The details of the proposed project cost and investment already made in the proposed area are given below:-

**a) Total Investment proposed for the project:**

Sl. No.	Description	Amount (Rs. in crore)
1	Land	300.00
2	Land development cost including roads, boundary walls, office space etc.	650.00
	<b>Total investment plan</b>	<b>950.00</b>

**b) Investment made as on 31st March 2022**

Sl. No.	Description	Amount (Rs. in crore)
1	Land (Self owned)	300.00
2	Land development cost including roads, boundary walls, office space etc.	344.01
	<b>Total investment made</b>	<b>644.01</b>

DC has informed that the building is still under construction stage and there are no functional ports, manufacturing units or industrial activities in which any commercial or economic activity in progress. Further, the Developer has given an undertaking that they shall not claim any duty/tax benefits for the above investment made so far.

**Recommendations by DC, CSEZ :**

DC, Cochin SEZ has recommended the proposal for consideration of the BoA.

### 111.5 Miscellaneous cases (five proposals)

#### 111.5(i) Request for cancellation of Co-developer status of M/s Bhartiya Urban Pvt. Ltd. (formerly M/s Bhartiya Urban Infrastructure & Land Development Company Private Limited) in Milestone Buildcon SEZ .

M/s Milestone Buildcon Private Limited was granted LOA for setting up a sector specific SEZ for IT/ITES at Thanisandra Main Road, Chokkanahalli Village, Yelahanka Hobli, Bangalore North, Karnataka on 30.10.2008 and spreads over an area of 7.190 Ha. The SEZ became operational w.e.f. 01.02.2016.

M/s Bhartiya Urban Infrastructure & Land Development Company Private Limited was granted co-developer status in Milestone Buildcon SEZ on 17.07.2012 for developing built-up area of 42,93,125.71 Sq.ft.. The Co-Developer has not executed Bond-Cum-Legal Undertaking and has not undertaken any authorised activities in the SEZ. M/s Bhartiya Urban Infrastructure & Land Development Company Private Limited merged with "Bhartiya Urban Pvt. Ltd. " as approved by the National Company Law Tribunal Board (NCLT) and the same was noted in the Unit Approval Committee.

#### A. Reasons for cancellation of Co-Developer status :

The Co-Developer has not carried out any activity under the Letter of Approval and has not availed any benefit or incentive. The Developer and the Co-Developer are sister concerns under Bharatiya Group. Due to financial constraints and changes in the business plan, they were not able to undertake any business activity as Co-Developer. The Developer itself has undertaken the development activities in the SEZ. Hence, the Co-Developer decided to surrender the LoA and requested for cancellation of the Co-Developer status.

#### B. NOC from the Developer of Milestone Buildcon SEZ

M/s Bhartiya Urban Pvt. Ltd. obtained NOC from the Developer, Milestone Buildcon SEZ, for cancellation of Co-Developer status vide letter dated 23.03.2022.

#### C. The comments from the Specified Officer of Milestone Buildcon SEZ

The Specified Officer, Milestone Buildcon SEZ informed that they have not done any activities in the SEZ and also not availed any tax benefits under SEZ Act/Rules and has issued a No Due Certificate.

#### Rule Position :

*Section 2 (g) of the SEZ Act 2005, defines Developer as, "a person who, or a State Government which, has been granted by the Central Government a letter of approval under sub-section(10) of section 3 and includes an Authority and a Co-developer";*

*Section 10 of the said Act provides for Suspension of Letter of Approval and sub-section (3) stipulates that no letter of approval shall be suspended under sub-section (1) unless the Board has given to the Developer not less than three months notice, in writing, stating the grounds on which it*

*proposes to suspend the letter of approval, and has considered any cause shown by the Developer within the period of that notice, against the proposed suspension.*

Since the Co-Developer is covered under the definition of Developer, the suspension of LoA of Co-Developer shall also be governed by Section 10 of the SEZ Act. There is no specific provision for cancellation of LoA, however, on the recommendation of the Development Commissioner for such cancellation on the ground of Co-Developer not fulfilling the necessary requirements/ obligations in terms of SEZ Act/ Rules or on the request by the co-developer, such cancellation has been considered by the BoA in earlier cases.

#### **Recommendations by DC, CSEZ :**

The Developer has no objection for cancellation of the LoA of the Co-Developer and the Specified Officer has issued no due certificate to them. Due to the change in business plans and financial constraints, the Co-Developer could not undertake any activities in the SEZ. The Developer and the Co-Developer are sister concerns. The Developer themselves have undertaken the development activities and the zone became operational. The Zone has generated employment of 4873 Nos. and made an export of Rs.2670.92 crore in 2021-22. The proposal for cancellation of the Co-Developer status is recommended for consideration of the BoA.

#### **111.5(ii) Proposal of M/s Balaji International for permission to import prohibited goods in their Moradabad SEZ unit for their authorized operations.**

M/s Balaji International has been granted LoA on 29.12.2021 for the following activities:

*“Manufacturing and export of Walnut Oil under ITC(HS) code 15159099, Almond Oil under ITC(HS) code 33012990 and Coconut Oil under ITC(HS) code 15131900 inter-alia subject to the following conditions:*

- i. *100% examination of Import and Export consignments.*
- ii. *Imported samples of Almonds, Walnuts and Coconut powder to be sent to CRCL, New Delhi on a regular basis from each imported consignment for testing purpose of oil content.*
- iii. *Finished products for export i.e. Almond oil, Walnut oil and Coconut Oil to be tested by CRCL, New Delhi for quality and contents.*
- iv. *No DTA sale of raw material or finished goods to be allowed for the unit unless pre-approved by UAC. Also, 100% examination of waste/by-products to be cleared in DTA.*
- v. *Stock verification to be conducted on a quarterly basis for unit and performance/NFE monitoring to be done on a yearly basis.”*

DC has informed that the unit has requested for permission for allowing import of Desiccated Coconut powder under ITC(HS) code 08011100 in the SEZ unit as it being “prohibited”. The unit has informed that the desiccated coconut has been imported from Vietnam vide BL no. GOSUHCM80268651 purchased at Rs.88.94/- per kg (CIF). The said consignment contains 15 M. Tons of desiccated coconut valued at USD 16995.00 (CIF value of approx. Rs.88.94 per kg). That the unit was not aware of prohibition policy since it is their first import as they have recently got their LoA.

The unit seeks permission from competent authority under provisions of Rule 27(1) of SEZ Rules, 2006 for allowing imported prohibited goods in the unit. The import policy for desiccated coconut is as follows:-

ITC(HS) Code	Description	Import Policy	Policy condition	Notification No. & dat
08011100	Coconuts:-- Desiccated	Prohibited	However, import is free if CIF Value is Rs.150/- and above per Kilogram	40/2015-20 dated 08.01.2020

**Rule position :**

2<sup>nd</sup> and 6<sup>th</sup> provisos under Rule 26 of the SEZ Rules, 2006 states as under:

*“Provided further that if any permission is required for import under any other law, the same shall be allowed with the approval of the Board of Approval.”*

.....

*“Provided also that items which are prohibited for import, Special Economic Zones Units shall be permitted to import the same if they export goods made out of the same but each such case shall be placed before Board of Approval for approval.”*

3<sup>rd</sup> proviso to Rule 27(1) of the SEZ Rules, 2006, provides as under:

*“Provided also that items prohibited for import can be procured by a Special Economic Zone unit or Developer from a place outside India to the Special Economic Zone with the prior approval of Board of Approval.”*

DC has further informed that the unit will use the desiccated coconut for manufacturing of Coconut oil. Further, the unit will not be undertaking DTA sale of imported goods i.e. desiccated coconut or finished product manufactured from the imported material as per condition laid down in LoA dated 29.12.2021 i.e. “No DTA sale of raw material or finished goods to be allowed for the unit unless pre-approved by UAC. Also, 100% examination of waste/by-products to be cleared in DTA.”

As regards not sourcing desiccated coconut from India, the unit submits that :

- The Desiccated coconut imported from outside India has better oil content which they finally need for their final product i.e. coconut oil.
- The prices of the raw material is far less in comparison to their Indian Market prices of the same product.
- The availability of the material is in abundance anywhere from Sri Lanka, Vietnam, Indonesia etc.
- Overall Foreign clients maintain better quality standards than their Indian raw material.

**Recommendations by DC, NSEZ:**

The request of M/s. Balaji International for permission to import prohibited goods i.e. Desiccated coconut under ITC(HS) code 08011100(CIF valued at Rs.88.94 per Kilogram)weighing 15.00



M.Tons valued at USD 16995.00 into SEZ for its authorized operations is forwarded for consideration by BOA in terms of provisions quoted above.

**111.5(iii) Proposal of M/s HPCL Rajasthan Refinery Ltd. for permission to lay 6 kms crude oil pipeline through APSEZ, Mundra.**

DC, APSEZ has informed that M/s HPCL Rajasthan Refinery Limited (HRRL) are setting up a 9 MMTA grass root refinery at Barmer, Rajasthan. The work commencement ceremony for this project was conducted by the Hon'ble Prime Minister and considering its importance, Government of Gujarat has formed a task force on 09.02.2021 for expanding the implementation of the project.

For meeting the crude oil requirement of the above refinery, a tank farm is being set up in Mundra by them in the Domestic Tariff Area. Further, HRRL informed that a pipeline of approximately 487 kms is being laid from Mundra to Barmer, Rajasthan for supply of crude oil and of this 487 kms pipeline approximately 6 kms of the pipeline passes through the APSEZ, Mundra.

DC has further informed that Adani Ports & SEZ Ltd., developer of APSEZ, Mundra has given their provisional offer letter for laying crude oil pipeline to HRRL. Being a DTA entity, HRRL has submitted that they shall not be entitled for any SEZ benefits and accordingly shall not avail the same. Further, based on the request of the HRRL, a site visit of the SEZ area, from which pipeline is proposed to pass through was carried out. It was observed that the 6 kms pipeline is proposed to run through in parallel to the SEZ boundary wall inside APSEZ, Mundra. The representative of the HRRL informed that the complete 6 kms of the pipeline shall be underground. In past, the proposal where a DTA entity intends to lay pipeline through an SEZ area are considered by the Board of Approval.

**Recommendations by DC, APSEZ :**

The request of M/s HPCL Rajasthan Refinery Limited is recommended for consideration of the Board of Approval with no entitlement of SEZ benefits to M/s HPCL Rajasthan Refinery Limited.

**111.5(iv) 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 as a Co-Developer and was granted a LoA on 08.02.2022 for construction development, maintenance and operation of commercial building over an area admeasuring 4461 square meters within M/s. GIFT SEZ Limited.

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 2385 square meters (0.2385 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. A Provisional Letter of Allotment (PLOA) from the Developer dated 17.05.2022 and a draft(template) co-developer for development of office space has been provided by the co-developer.