

No. K-43014(22)/15/2020-SEZ  
Government of India  
Ministry of Commerce and Industry  
Department of Commerce  
(SEZ Section)

Udyog Bhawan, New Delhi  
Dated the 22<sup>nd</sup> May, 2020

**OFFICE MEMORANDUM**

**Subject:** 98<sup>th</sup> Meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) scheduled to be held on 29<sup>th</sup> May, 2020 at 11.00 A.M in Room No. 141 - forwarding of Supplementary Agenda thereof – Reg.

In continuation to this Department's O.M. of even number dated 20<sup>th</sup> May, 2020 on the above mentioned subject, the undersigned is directed to enclose herewith the Supplementary Agenda for the 98<sup>th</sup> meeting of the BoA for SEZs scheduled to be held on 29<sup>th</sup> May, 2020 at 11:00 A.M. for information and necessary action. Soft copy of the agenda has also been hosted on the website: [www.sezindia.gov.in](http://www.sezindia.gov.in).

2. The addressees are requested to make it convenient to attend the meeting through VC.

  
(Sumit Kumar Sachan)

Under Secretary to the Government of India

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To

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

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

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

**Copy to: PPS to CS / PPS to SS (BBS)**

**Supplementary Agenda for the 98<sup>th</sup> meeting of the Board of Approval to be held on 29<sup>th</sup> May, 2020 at 11:00 A.M. in Room No. 141, Udyog Bhawan, New Delhi**

**98.9 Increase in area of SEZ (one proposal)**

**98.9(i) Request of M/s. Divyasree NSL Infrastructure Private Limited, an IT/ITES SEZ at Raidurga Village, Serilingampally Mandal, Ranga Reddy District, Telangana for an increase in area of 1.36 Ha (beyond 10%) to their existing notified area of 10.52 Ha.**

M/s. Divyasree NSL Infrastructure Private Limited was granted formal approval on 22.08.2006 for setting up of an SEZ for IT/ITES at Raidurga Village, Serilingampally Mandal, Ranga Reddy District, Telangana. The SEZ was later notified over an area of 10.52 Ha vide Gazette notification dated 18.05.2007.

Now, DC, Visakhapatnam-SEZ has forwarded the request of the developer for an increase in an area of 1.36 Ha which is beyond 10% of the existing notified area i.e. 10.52 Ha of the SEZ.

In 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. 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 all the documents required for additional area notification and the status thereof are as follows: -

S. No.	Documents/Details Required	Status
	Certificate from concerned State Government or its authorized agency stating that the developer has irrevocable rights to the said area as SEZ.	Yes, provided
	Form-C4 along with DC's recommendation	Yes, provided
	Inspection Report in prescribed format	Yes, provided
	Developer's Certificate Countersigned by DC	Yes, provided
	Legal Possession Certificate from Revenue Authorities	Yes, provided
	Non-Encumbrance Certificate from Revenue Authorities	Yes, provided
	Land details of the area (with clearly specified survey numbers) to be notified duly certified by revenue authorities	Yes, provided
	Colored Map clearly indicating Survey numbers and duly certified by revenue authorities	Yes, provided
	Copy of Registered Lease/Sale deed	Yes, Deed of Sale provided

Further, in compliance of DoC's Instruction No.102 regarding contiguity and physical inspection, DDC, VSEZ vide Inspection Report dated 14.05.2020 has stated that the physical inspection was conducted on 14.05.2020 in the presence of DDC, Specified Officer & Authorised Officer, VSEZ and the officials from the Revenue/Land Department were also present during the inspection. DDC has certified that after the proposed addition of area of 1.36 Ha of land the total area of the SEZ is 11.88 (10.52+1.36) Ha. As regards contiguity, DC has informed that by constructing a structural bridge (sky-walk), additional area of 1.36 Ha would be contiguous and complying with the SEZ Rules 5 & 7.

In respect of vacant land, DChas informed that the developer is constructing a building structure on the additional land, and the said building is expected to be completed and occupied by

March, 2021. **No commercial activity is being undertaken in this building.** Further, the additional land is being connected to the Notified Land by way of a structural bridge (sky-walk). Pursuant to the completion of the construction of the sky-walk, the Additional Land will become contiguous to the notified land.

**Rule Position:**

Rule 2(zf) of the SEZ Rules, 2006, the definition of Vacant land is as follows: -

"Vacant land" means the land where there are no functional ports, manufacturing units, industrial activities or structures in which any commercial or economic activity is in progress;

Further, rule 7(2) of the SEZ Rules, 2006 may also be read as below: -

"The identified area shall be contiguous and vacant and it shall have no public thoroughfare.

PROVIDED that the Board may relax any or all of the conditions, except the condition regarding identified area to be a vacant land."

As per Instruction no. 27 issued by DoC on 18.08.2009, the condition of contiguity can be relaxed by the Board.

**DC's recommendation:**

DC, VSEZ has recommended that the proposal for increase in area.

The proposal is placed before BoA for its consideration.

**98.10 Miscellaneous case (one proposal)**

**98.10(i) Proposal of M/s Syndicate Innovations Ltd. for addition of 'restricted items' in the list of LoA of the unit in the FTWZ of M/s Arshiya Northern FTWZ Ltd. at Village Ibrahimpur, Junaidpur urf Maujpur, Khurja Distt., Bulandshar(UP).**

The unit was granted an LoA dated 25.01.2018 for warehousing, trading with or without labelling, packing or re-packing without any processing, Assembly of Completely Knocked Down or Semi Knocked Down Kits for such items except Prohibited items and Restricted items.

DC, NSEZ vide letter dated 01.01.2018 forwarded the proposal of the unit for consideration of the Board of Approval for allowing import/export of certain items that came under the 'Restricted/Prohibited' category and in view of the sensitivity involved in its handling/movement as these items primarily belong to defence sector and were restricted/prohibited for import. DC, NSEZ did not recommend the inclusion of those items in LoA, but for consideration of the BoA. The BoA in its 81st meeting held on 05.02.2018 decided to defer the proposal with directions that the proposal may be examined by DGFT and MHA for further inputs.

Subsequently, the matter was deliberated with the DGFT and as regards the military weapons/arms/armaments, the DGFT clarified that BoA has to take a decision after security clearance from MHA and MOD. The clarification received from DGFT was shared with DC, NSEZ. Subsequently, a revised proposal was received from the unit through DC, NSEZ in December, 2018 informing that the unit have no intention to export/import any kind of Military weapons/arms/armaments but to produce/handle only Sports Arms and Ammunition for the purpose of Olympics Shooting wherein all the items shall be below 12.7 mm caliber, falling under the

domain of MHA and not MoD. The revised proposal was also taken up with the DGFT on 28.02.2019.

DGFT vide their OM dated 02.04.2019 stated that adjudication proceedings against the firm was withdrawn, however, it would be appropriate to get opinion of MHA as there was security implication with the proposed project. Further, vide OM dated 22.04.2019, DGFT abstained from offering any further comments in the matter. DC, NSEZ was requested on 02.05.2019 to provide exact justification for not recommending the proposal given the fact that the adjudication proceedings against the firm were already withdrawn. DoC was informed that it has been decided that the matter would be placed again before the UAC for consideration and appropriate decision. DC, NSEZ vide letter dated 18.06.2019 informed that the proposal was placed before the Approval Committee in its meeting held on 07.06.2019.

The Approval Committee observed that M/s Syndicate Innovations International Ltd. has confirmed that they are only interested in following 6 ITC (HS) Codes of items as per the table given below. Unit had also mentioned security protocol for each 06 HS Codes which shall be followed for the protection and safety of the items traded through FTWZ Unit, as given below-

S.No.	HS Code	Description and comments as given by the Unit	Security Protocol
i.	93040000	Description: Air Pistols/Air Rifles of 0.177 caliber - Less than 20 Joules - Exempted from Arms Act 1959.  Comments: Air Guns to be traded by FTWZ are exempted under GSR 991 issued by Ministry of Home Affairs. But at the same time they also have license to manufacture air gun which require license No.01/M.S/2018(Ghaziabad)is issued by Home Department, Uttar Pradesh	Unit has mentioned that as these articles are exempted from Arms Act and are freely allowed to be possessed by every citizen of the Country there is no special security measure required for this product. However, security as per standard protocol of Arshiya Northern FTWZ Limited shall be provided.
ii.	93020000	Description: Revolvers and Pistols, other than those of heading 9303 or 9304 with caliber less than 12.7mm.  Comments: Security Clearance already done.  License No. M/New/007/MHA/2018 issued by Ministry of Home Affairs on 12.03.2018	Unit has mentioned that Free Trade Warehousing Zone at present is maintained by Arshiya Northern FTWZ Limited. They maintain 4 tier security system. Detailed Security Systems maintained by them are attached with this letter. In addition to it, Unit has also assured to install Special Vault at the location for these items as additional security measure. In case of air shipments transportation shall be done by the service provider in Secured Vehicles.
iii.	93032000	Description: Other sporting and target-shooting shotguns, including combination shotgun-rifles with caliber less than 12.7mm.  Comments: Security Clearance already done.  License No. M/New/007/MHA/2018 issued by Ministry of Home Affairs on 12.03.2018	
iv.	93033000	Description: Other sporting and target-	

		shooting rifles with caliber less than 12.7mm. Comments: Security Clearance already done. License No. M/New/007/M1-1A12018 issued by Ministry of Home Affairs on 12.03.2018
v.	93062100	Description: Cartridges Comments: Security Clearance already done. License No. M/New/008/MHA/2018 issued by Ministry of Home Affairs on 12.03.2018
vi.	93063000	Description: Other Cartridges and parts thereof Comments: Security Clearance already done. License No. M/New/008/MHA/2018 issued by Ministry of Home Affairs on 12.03.2018

As informed by DC, NSEZ, the unit had stated that relevant Security/Safety measures will be taken by them in respect of proposed additional items with request to reconsider the proposal as all articles which shall be treated falls under "Sports Category". It was also noted that the company has its manufacturing unit in Sahibabad Industrial Area, Ghaziabad and their customers are Sports Services Control Board (SSCB) of Army, Sports Authorities of various States like Bihar, Gujarat etc., Sports Authority of India (SAI) and International/Renowned Sportsman.

The Approval Committee decided to recommend the proposal to BoA for consideration specifically in view of the fact that MHA vide its Notification No. S.O. 5607(E) dated 01.11.2018 has delegated the powers to Secretary, Ministry of Commerce. The recommendation was subject to the condition that the unit shall only supply these items to Sports Services Control Board (SSCB), Sports Authorities of States, Sports Authority of India (SAI) and International/Renowned Sportsman, and shall provide documentary evidence against each of the transaction / supply, to Specified Officer.

Export of these goods are free under FTP. As per the Import Policy 2017, import of arms (including parts thereof) and ammunition is restricted, however, as per the policy conditions, it is permitted freely to sports persons/sport bodies viz. renowned shooters on the recommendations of National Rifle Association of India, National Rifle Association of India for its own use and for transfer to its State/district affiliates by NRAI; Sports Authority of India (SAI) or State Sport Authorities of concerned State by self certification and Services Sports Control Board (SSCB), Ministry of Defence, Respective recommending or certifying bodies to maintain the required records.

The Specified Officer, Arhiya Northern Free Trade & Warehousing Zone vide his letter dated 03.06.2019 stated that as per the Foreign Trade Policy 2015-20, 'restricted' is a term indicating the import or export policy of an item, which can be imported into the country or exported outside, only after obtaining an Authorisation from the offices of DGFT and fulfilment of other conditions. Once they are found to have complied with the regulations/restrictions in this regard, such items could be taken up for addition in the LoA. The free import of goods i.e. Air Pistols/Air Rifles of 0.177 caliber (restricted goods) will be allowed to the shooters registered with Rifle clubs or District/State/National Rifle Association and also to the National Rifle Association/Clubs and to the eligible shooters. The Specified Officer further stated that the license referred to by the unit both dated 12.03.2018 issued by MHA, GoI pertains to manufacturing of the listed fire arms and cartridges for their DTA unit situated at Sahibabad, Ghaziabad.

Accordingly, MHA was requested to clarify whether the proposal of the unit for trading and warehousing activity for listed fire arms and cartridges will require a separate license from MHA/any other authority. Further, on the advice of MHA, DGEP was also requested for their advice on the matter.

A meeting under the chairmanship of Jt. Secretary (IS-I), MHA was held on 20.03.2020 to deliberate whether the proposal of the unit requires a separate license from MHA or any other authority and what all prerequisites, clearances and statutory provisions they have to take into account while issuing the licence. The members from DoR and DoC also participated in the said meeting. As per the minutes, it was concluded that company may be permitted to stock the listed firearms and cartridges in the warehousing facility of the Free Trade Warehousing Zone of M/s Arshiya Northern FTWZ Ltd. at Khurja (UP) and undertake the activity of export/import fulfilling all the prerequisites, clearances and statutory provisions of the Ministry of Commerce & Industry, DoC (SEZ) relating to such storage and commercial activity, with emphasis on safety and security aspects of the items stored and humans, and no separate license or clearance would be required by them from MHA for such activities.

The proposal is placed before the BoA for consideration.

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