

No. F.2/3/2019-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)

Udyog Bhawan, New Delhi
Dated the 27th June, 2019

OFFICE MEMORANDUM

Subject: 90th (Ninetieth) Meeting of the Board of Approval on Special Economic Zones (SEZs) held on 18th June, 2019 at 11.00 A.M. – Reg.

Please find enclosed herewith Minutes of the 90th meeting of the Board of Approval for SEZs held on 18th June, 2019 under the Chairmanship of Shri Anup Wadhawan, Secretary, Department of Commerce for information and necessary action.

2. The Development Commissioners are requested to take urgent necessary action, on the directions of BoA requiring follow up action on their part, before the next meeting of the BoA.



(Aditya Narayan)

Under Secretary to the Government of India
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Email: aditya.n@gov.in

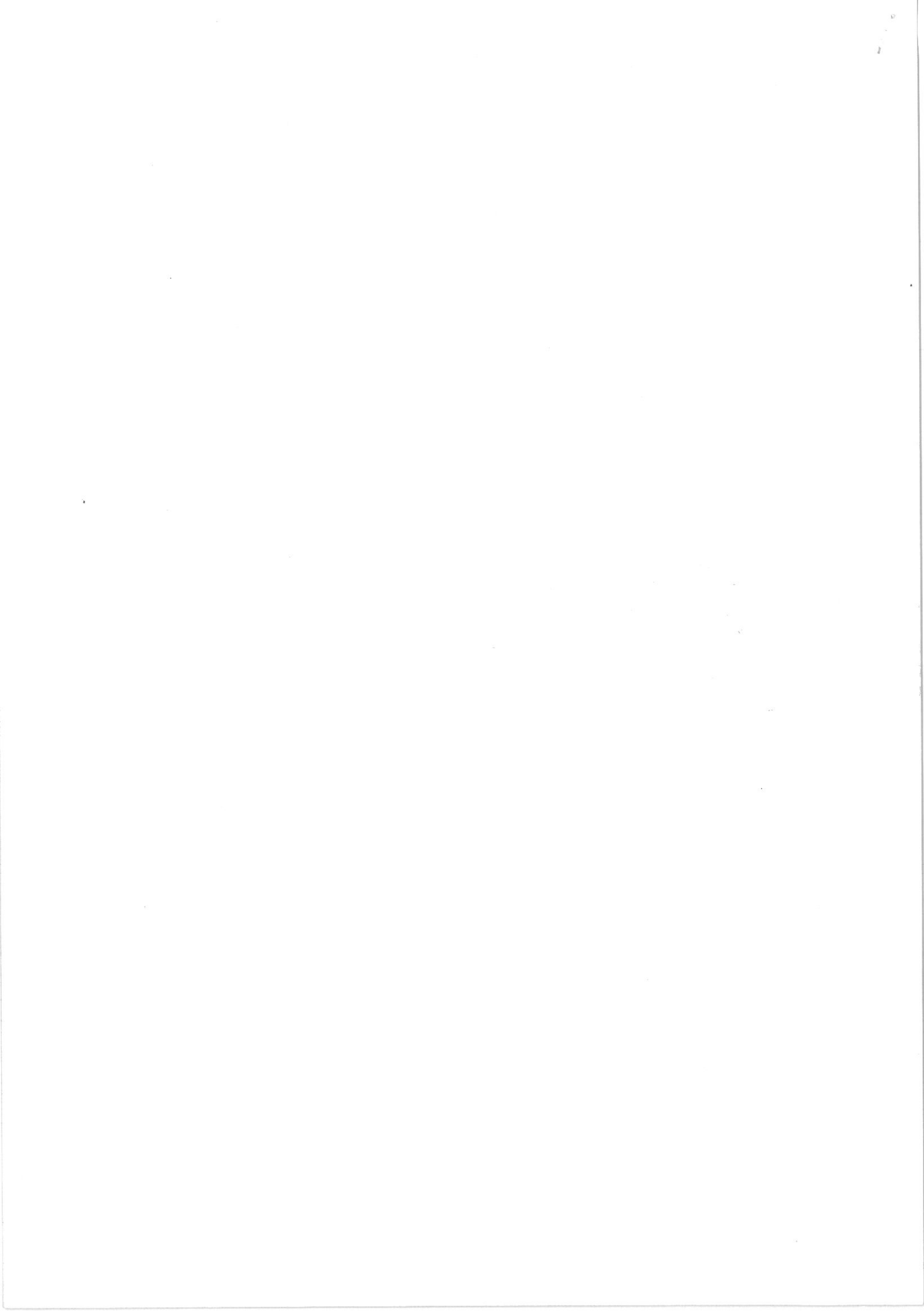
To

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. Joint Secretary, Department of Industrial Policy and Promotion, 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, Bhubaneshwar – 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 (BBS) / PPS to DS (SNS).



**Minutes of the 90th meeting of the Board of Approval for SEZs
held on 18th June, 2019**

The Ninetieth (90th) meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) was held on 18th June, 2019 under the Chairmanship of Shri Anup Wadhawan, Secretary, Department of Commerce, at 11:00 A.M. in Room No. 108, Udyog Bhawan, New Delhi. The list of participants is Annexed (Annexure-1).

Item No. 90.1: Confirmation of minutes of the meeting of the 89th BoA held on 22nd April, 2019.

The Board, ratified the minutes of the 89th meeting of the BoA held on 22nd April, 2019.

Item No. 90.2: Requests for extension of validity of formal approval (one proposal)

90.2(i) Request of M/s. Jawaharlal Nehru Port Trust for further extension of the validity period granted for setting up of SEZ in an existing Port at Nhava Sheva, JNPT Port, Taluka Uran, Navi Mumbai, for one year beyond 15.07.2019 up to 15.07.2020.

The Board, after deliberations, approved extension of the validity of the formal approval up to 15th July, 2020.

Item No. 90.3 Requests for extension of LoA beyond 3rd Year onwards (Two proposals)

90.3(i) Request of M/s. Mundra Solar Limited (MSL) a manufacturing unit of M/s. Adani Ports & SEZ at Mundra for extension of the validity of Letter of Approval (LOA) beyond 19.04.2019 for one year up to 18.04.2020.

The Board, observed that the third extension of eight months has been granted to the unit by DC, M/s Adani Ports & SEZ beyond his powers as provided in the second proviso to Rule 19(4) of SEZ Rules, 2006. The Board, after deliberations, decided to grant post facto approval for the period upto 19th April, 2019 and approved extension of the validity of the LoA up to 18th April, 2020.

90.3(ii) Request of M/s Xenosoft Technologies (India) Pvt. Ltd. Unit in M/s. APIIC Ltd. Madhurwada IT/ITES SEZ at Visakhapatnam for extension of Letter of Approval beyond 3 Years for a period of 6 months up to 19th January, 2020.

The Board, after deliberations, approved extension of the validity of the LoA up to 19th January, 2020.

Item No. 90.4 Requests for co-developer (Eight proposals)

90.4(i) Request of M/s. ANSR Global Corporation Pvt. Ltd for co-developer status in M/s. Laxmi Infobahn Pvt. Ltd SEZ at Sy. No. 107 (P), Kokapet Village, Gandipet Mandal, Ranga Reddy District, Telangana for development, operation and maintenance of the SEZ and other activities.

The Board, after deliberations, approved the proposal of M/s. ANSR Global Corporation Pvt. Ltd for development, operation and maintenance of the SEZ and other

activities in an area of 8000 sq. ft. on 1st Floor of Tower-2 of the SEZ in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period does not exceed 30 years (Renewable).

90.4(ii) Request of M/s. IIC Technologies Limited for co-developer status in the M/s. APIIC Limited IT/ITES SEZ at Hill No. 3, Madhurwada, Visakhapatnam.

The Board, after deliberations, approved the proposal of M/s. IIC Technologies Limited for undertaking infrastructure facilities in the form of construction of building with 50,000 sq.ft. (approx.) for the unit including existing space and authorized operations in an area of 2.00 acres of SEZ in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period does not exceed 30 years (Renewable).

90.4(iii) Request of M/s. ANSR Global Corporation Pvt. Ltd for co-developer status in M/s. GAR Corporation Pvt. Ltd SEZ at Sy. No. 89 (P), Kokapet Village, Serilingampally Mandal, Ranga Reddy District, Telangana for development, operation and maintenance of the SEZ and other activities.

The Board, after deliberations, approved the proposal of M/s. ANSR Global Corporation Pvt. Ltd to undertake development, conversion of warm shell building into fully fitted office space, operation and maintenance in a space of (a) 1,28,594 sq.ft. in 9th and 10th floor and (b) 1,22,619 sq.ft. in 11th & 12th Floor, Tower-8 of the SEZ and other activities as may be authorized by the SEZ authorities in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period does not exceed 30 years (Renewable).

90.4(iv) Request of M/s. Tata Consultancy Services Ltd. for co-developer status in M/s. Maharashtra Airport Development Company Ltd. at Nagpur, Maharashtra.

The Board, after deliberations, approved the proposal of M/s. Tata Consultancy Services Ltd. for infrastructure facilities for IT/ITES in an area of 50.85 acres in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period does not exceed 30 years (Renewable).

90.4(v) Request of M/s. Arshiya Data Centre Private Limited for co-developer status in M/s. Arshiya Limited at Panvel, Mumbai, Maharashtra.

The Board, after deliberations, approved the proposal of M/s. Arshiya Data Centre Private Limited for construction, operation & maintenance of one new building for Data Centre for an area of 1.3607 ha in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period does not exceed 30 years (Renewable).



90.4(vi) Request of M/s. Cella Warehousing Private Limited for co-developer status in M/s. J. Matadee Free Trade Zone Private Limited at Sriperumbudur Taluk, Kancheepuram District, Tamil Nadu.

The Board, after deliberations, approved the proposal of M/s. Cella Warehousing Private Limited for development of the SEZ area specifically to undertake construction-development of warehouses on the co-developer land area and to provide other infrastructure facilities for the operation and maintenance of the completed warehouse(s) in the FTWZ in an area of 7.91 acres in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period does not exceed 30 years (Renewable).

90.4(vii) Request of M/s. ANSR Global Corporation Pvt. Ltd for co-developer status in the M/s. Laxmi Infobahn Pvt. Ltd SEZ at Sy. No. 107 P, Kokapet Village, Gandipet Mandal, Ranga Reddy District, Telangana for development, operation and maintenance of the SEZ and other activities.

The Board, after deliberations, approved the proposal of M/s. ANSR Global Corporation Pvt. Ltd. for development of SEZ area specifically to undertake the authorized operations of conversion of bare shell buildings into warm shell buildings and to lease the built-up space in the SEZ in an area of 1,01,168 sq.ft.(49,977 sq.ft. in 14th Floor Tower 2 and 51,191 sq.ft. in 15th floor, Tower-2) in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period does not exceed 30 years (Renewable).

90.4(viii) Request of M/s. ANSR Global Corporation Pvt. Ltd for co-developer status in the M/s. Milestone Buildcon Pvt. Ltd. SEZ at Chokkanahalli Village, Bengaluru, Karnataka.

The Board, after deliberations, approved the proposal of M/s. ANSR Global Corporation Pvt. Ltd for development of the SEZ area specifically to undertake the authorized operations of conversion of bare shell buildings into warm shell buildings and to lease the built-up space in the SEZ in an area of 58868 sq. ft. (29,434 sq.ft. in 1st floor, Block-2 and 29,434 sq. ft. in 2nd Floor, block-2) in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period does not exceed 30 years (Renewable).

Item No. 90:5 Change of Shareholding Pattern/Change of name (Five proposals)

90.5(i) Request of M/s. Sierra Atlantic Software Services Limited a co-developer in M/s. TSIIC Ltd. an IT/ITES SEZ at Nanakramguda village, Serilingampally Mandal, Ranga Reddy District, Telangana for change in name to M/s. Hitachi Consulting Software Services India Pvt. Ltd.

The Board, after deliberations, approved the proposal for change in name from M/s. Sierra Atlantic Software Services Limited to M/s. Hitachi Consulting Software Services India Pvt. Ltd. with following conditions:-

- i. Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered co-developer entity;
- ii. Fulfillment of all eligibility criteria applicable to co-developer, including security clearances etc., by the altered co-developer entity and its constituents;



- iii. Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- iv. Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- v. The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- vi. The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- vii. The co-developer shall furnish details of PAN and jurisdictional assessing officer of the co-developer to CBDT.

90.5(ii) Request of M/s RattanIndia Nasik Power Limited co-developer of M/s. Indiabulls Industrial Infrastructure Ltd. SEZ at Village Musalgaon and Gulvanch, Taluka Sinner District, Maharashtra Jamnagar for change of name to M/s. Sinnar Thermal Power Limited.

The Board, after deliberations, approved the proposal for change in name from M/s RattanIndia Nasik Power Limited to M/s. Sinnar Thermal Power Limited with following conditions:-

- i. Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered co-developer entity;
- ii. Fulfillment of all eligibility criteria applicable to co-developer, including security clearances etc., by the altered co-developer entity and its constituents;
- iii. Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- iv. Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- v. The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- vi. The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- vii. The co-developer shall furnish details of PAN and jurisdictional assessing officer of the co-developer to CBDT.

90.5(iii) Proposal of M/s. NIIT Technologies Limited developer of IT/ITES SEZ at Plot No. TZ-02 & 2A, Sector-Techzone, Greater Noida (Uttar Pradesh) for change in shareholding pattern of the company.

The Board noted that the proposal does not indicate whether it has the approval under relevant statutes. The Board, after deliberations, approved the proposal subject to approval by relevant statutory authorities with following conditions:-



- i. Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered developer entity;
- ii. Fulfillment of all eligibility criteria applicable to developer, including security clearances etc., by the altered developer entity and its constituents;
- iii. Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- iv. Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- v. The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- vi. The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- vii. The developer shall furnish details of PAN and jurisdictional assessing officer of the developer to CBDT.

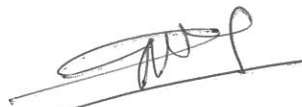
90.5(iv) Request of M/s RGA Infrastructure SEZ, Bangalore, Developer, for change in shareholding pattern.

The Board noted that proposal does not indicate whether it has the approval under relevant statutes. The Board, after deliberations, approved the proposal subject to approval by relevant statutory authorities with following conditions:-

- i. Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered developer entity;
- ii. Fulfillment of all eligibility criteria applicable to developer, including security clearances etc., by the altered developer entity and its constituents;
- iii. Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- iv. Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- v. The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- vi. The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- vii. The developer shall furnish details of PAN and jurisdictional assessing officer of the developer to CBDT.

90.5(v) Request of M/s Pritech Projects, Co-Developer, for change of shareholding pattern.

The Board noted that proposal does not indicate whether it has the approval under relevant statutes. The Board, after deliberations, approved the proposal subject to approval by relevant statutory authorities with following conditions:-



- i. Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered co-developer entity;
- ii. Fulfillment of all eligibility criteria applicable to co-developer, including security clearances etc., by the altered co-developer entity and its constituents;
- iii. Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- iv. Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- v. The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- vi. The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- vii. The co-developer shall furnish details of PAN and jurisdictional assessing officer of the co-developer to CBDT.

Item No. 90.6 Proposals for renewal of LoP for worn and used clothing units (one proposal).

90.6(i) Request of M/s. Gujarat Textiles, a garments re-cycling unit, for renewal of its LoA beyond 30.04.2019

The Board, after deliberations, decided to extend the validity of the unit upto 30.11.2019 as decided in the case of such other 15 worn clothing units in its 86th meeting held on 22.11.2018 in order to keep uniformity subject to the condition that DC should ensure compliance of other export obligations of 66.67% of total annual turnover with physical export obligation (by volume) of 50% as prescribed vide DoC's policy guidelines dated 13.02.2018 and other conditions as prescribed by the DoC from time to time.

The Board further directed that the extension shall be subject to the outcome on the recommendations of the Committee formed to examine plastic recycling and worn and used clothing units.

Item No. 90.7 Miscellaneous Cases (Eight proposals)

90.7(i) Proposal of M/s. DLF Cyber City Developers Ltd., Developer of Cyber City IT/ITES SEZ for approval for passage of proposed Skywalk through the area of the SEZ at Sector-24 & 25A DLF Phase-III, Gurugram (Haryana).

The Board noted that only 19 piers or columns of Skywalk will be located inside the SEZ boundary and the cost of constructing the same would be borne by the developer. During the construction process, the corridor would be barricaded and no benefit of SEZ would be availed in the construction of skywalk. Post completion of construction work, one would be able to move below the skywalk, hence maintaining the contiguity of the land. Land used for piers shall continue to be in ownership of the developer.

The Board, after deliberations, granted permission to M/s DLF Cyber City Developers Ltd. to allow passage of proposed Skywalk through the SEZ area.



90.7(ii) Judgment dated 02.05.2019 of the Hon'ble High Court of Gujarat in Special Civil Application No. 4765 of 2016 filed by M/s. World Window Infrastructure & Logistics Pvt. Ltd. (co-developer) Vs UOI regarding cancellation of co-developer approval by BoA.

The Board, after deliberations and taking cognizance of the judgment dated 02.05.2019 of the Hon'ble High Court, directed DC, KASEZ to issue Show Cause Notice to the Co-developer under Section 10 (3) of the SEZ Act, 2005 and the cause shown by the developer within the prescribed period of three months for the alleged irregularities along with the recommendations of the DC may be furnished to the Board for consideration.

90.7(iii) Request of M/s. Venus Garments, a unit in Surat Apparel Park SEZ, Surat for renewal of Letter of Approval (LoA).

The Board, noted that the LoA of the unit expired on 18.04.2011. The unit has applied for exit from the SEZ scheme and the application for renewal of LoA for the third block of five years is based upon the requirement to clear their capital goods, raw materials and finished goods lying at the unit from the SEZ.

The Board, after deliberations, decided to extend the LoA of the unit for the 3rd block of five years i.e. upto 18.04.2021 subject to the condition that all terms and conditions for exit as provided under Rule 74 of the SEZ Rules, 2006 are complied with.

90.7(iv) Request of M/s. Reliance Industries Ltd., a unit in Reliance Jamnagar SEZ at Village- Meghpar/Padana, Tauka- Lalpur, Jamnagar for procurement of restricted items from the DTA for Infrastructure development & repairing facility of existing infrastructure facilities.

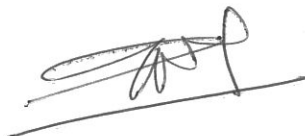
The Board, after deliberations decided to approve the proposal subject to the condition that DC, Reliance Jamnagar SEZ will ensure compliance of all other relevant conditions.

90.7(v) Request of M/s. Reliance Industries Ltd., SEZ (Developer) at Village- Meghpar/Padana, Tauka- Lalpur, Jamnagar for procurement of restricted items by SEZ developer for Infrastructure development & repairing facility of existing infrastructure facilities in terms of Rule 27 of SEZ Rules, 2006.

The Board, after deliberations decided to approve the proposal subject to the condition that DC, Reliance Jamnagar SEZ will ensure compliance of all other relevant conditions.

90.7(vi) Proposal of M/s. Orvi Design Studio for import / procurement of 'Mother of Pearl' as raw material in respect of its unit located in the Multi-Product SEZ of M/s. Mahindra World City (Jaipur) Ltd. at Village Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta, Tehsil-Sananer, Distt- Jaipur (Rajasthan).

The Board, after deliberations, decided to approve the proposal for import / procurement of 'Mother of Pearl' as raw material subject to the condition that DC, NSEZ will ensure compliance of all other relevant conditions.



90.7(vii) Proposal of M/s. M&G Impex (India) Pvt. Ltd. for setting up of unit in the Multi-Products SEZ of M/s Mahindra World City (Jaipur) Ltd. for manufacturing of 'Granite Slabs'.

The Board, after deliberations, decided to defer the proposal. The Board, was of the view that the Instruction No. 47 and the provisions of Rule 27(1) of the SEZ Rules, 2006 may be revisited and if required, a suitable amendment may be carried out in SEZ Rules, 2006.

90.7(viii) Request of M/s Jindal Fibres for extension of the period of one year for achieving NFE.

The Board, after deliberations, decided to reject the proposal for extension of the period for NFE calculation for being devoid of merits.

Item no. 90.8: Appeal before BoA (Three appeals)

90.8(i) Appeal of M/s Kaypee Exports against the decision of the UAC, Jaipur Special Economic Zone vide order dated 08.12.2017 for not accepting the request for withdrawal of in-principle exit permission and transfer of assets/liability in terms of Rule 74A.

The Board, heard the appellant and condoned the delay in filing the appeal. Further, it was noted by the Board that the unit intends to restart their business and have sufficient orders in hand. The Board, after deliberations, allowed the appeal for withdrawal of in-principle exit permission.

90.8(ii) Appeal filed by M/s Mahalaxmi Jewel Exports against the decision of the UAC for cancellation of their LoA as conveyed vide DC, NSEZ letter dated 20.02.2019.

The Board, noted that UAC, NSEZ observed as under;

- (a) The unit has been persistently violating the provisions of SEZ Act/SEZ Rules and terms & conditions of LOA/Bond-cum-LUT.
- (b) The unit has consistently failed to submit APRs within stipulated time.
- (c) The unit has grossly misused the provisions of SEZ Act, 2005 and SEZ Rules, 2006 & other exemption granted to the NSEZ units.
- (d) That the unit did not respond to SCN/notices issued to them.

The Board, heard the appellant, took cognizance of written submissions in appeal and during the course of hearing the appellant submitted that :

- (a) That the impugned order has been passed ex-parte by the Approval Committee without providing reasonable opportunity of being heard.
- (b) The unit of the appellant is lying closed since December, 2016 and other two properties addresses of which are mentioned in the order have been auctioned by the Bank towards a loan liability possession and therefore the notices could not be received by them.
- (c) That the adverse decision has been taken against the appellant merely on the basis of allegations made by DRI in the Customs proceedings initiated by them. That the allegations made in the Show Cause Notice dated 09.06.2017 issued by the DRI are



not sustainable and the same have neither been confirmed against the appellant till date.

- (d) That the appellant could not file APRs for the year 2016-17 and 2017-18 because the data/documents/records/electronic devices etc. were being taken over/seized/resumed by the DRI, though unit had requested DRI and the Adjudicating Authority for providing the same.
- (e) The appellant submitted that the statement tendered by the appellant before DRI under pressure has been treated as admission and the same has been made basis to cancel the LoA which is not sustainable.

The Board, noted that,-

- (a) The unit did not respond to the Show cause Notice issued to them on 30.10.2018, nor did they appear before the Unit Approval Committee despite granting two opportunities for personal hearing.
- (b) The unit during the course of hearing before the Board admitted that unit has indulged in the mis-declaration of copper jewellery as gold jewellery in their export consignment.
- (c) That the activity of the unit amounts to misconduct of serious nature and the matter is even adjudicated before DRI.
- (d) That the unit has violated the provisions of Section 16(1) of the SEZ Act, 2005 and terms and conditions of LoA.

The Board, after deliberations, decided to reject the appeal of the appellant.

90.8(iii) Appeal dated 22.06.2018 of M/s. Guruji International, a unit in KASEZ against the decision of the 129th UAC meeting dated 17.05.2018 for rejection of proposal for setting up of a unit for manufacturing of plastic pre-processed crushing/granules from Pet Bottles wastes.

The Board, noted that the proposal was rejected by the UAC in its meeting dated 17.05.2018 on the following grounds:

- (i) That plastic bottles waste are presently prohibited items for import under ITC (HS) and
- (ii) The proposal involved primarily reprocessing of imported plastic waste and scrap which cannot be considered in terms of Rule 18(4)(a) of SEZ Rules, 2006.

The Board, heard the appellant and the submissions made by him in his appeal and additional submissions :

- (i) The unit proposes for import for the purpose of 100% export and no DTA sale. The unit propose for import of plastic bottles from Asia, Australia and Vietnam and after cleaning/segregation and crushing in machine after making granules, the same will be exported.
- (ii) The PET Plastic Bottle Scrap was kept out of purview of the PN 392/92 and was freely importable without any restriction/without being subjected to CIPET Test. That PET Plastic Scrap is always regarded as Environmental Friendly Non-polluted /non-hazardous/non-toxic items.



- (iii) That their proposal is for recycling of non-polluting/non-toxic/non-hazardous, Pet Bottle Scrap, therefore, it is out of the ambit of restriction of Rule 18(4) of the SEZ Rules.
- (iv) That their proposal is for 100% export of Pet Plastic granulation/recycled products and that no DTA sales are involved as such rejection of their proposal by UAC is inexplicable. They undertake to furnish affidavit to this effect which included their undertaking to abide by all applicable pollution/environmental law.

The Board noted that as per the Hazardous and Other Wastes (Management & Transboundary Movement) Amendment Rules, 2019, solid plastic waste has been prohibited from import into the country including in Special Economic Zones (SEZs) and by Export Oriented Units (EoUs) and hence the request of the unit under Rule 18(4) of SEZ Rules, 2006 for setting up of new unit for manufacturing of plastic pre-processed crushing/granules from Pet Bottles wastes was rejected by the Board.

Decision on Supplementary Agenda

Item No. 90.9 Requests for extension of LoP beyond 3rd Year onward (one proposal)

90.9 (i) Request of M/s. Temple Packaging Pvt. Ltd. a unit in Indore SEZ for extension of Letter of Permission (LoP) beyond 27.07.2019 for one year upto 27.07.2020.

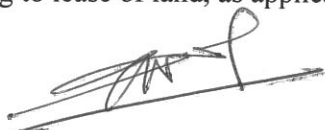
The Board, after deliberations, approved extension of the validity of the LoP up to 27th July, 2020.

Item No. 90.10: Change of Shareholding Pattern/Change of name (one proposal)

90.10(i) Request of M/s. Vessel Warehousing Private Ltd., co-developer in M/s. J. Matadee FTWZ, at Mannur and Valarpuram Villages, Sriperumbudur for change in shareholding pattern.

The Board noted that proposal does not indicate whether it has the approval under relevant statutes. The Board, after deliberations, approved the proposal subject to approval by relevant statutory authorities with following conditions:-

- i. Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered co-developer entity;
- ii. Fulfillment of all eligibility criteria applicable to co-developer, including security clearances etc., by the altered co-developer entity and its constituents;
- iii. Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- iv. Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- v. The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- vi. The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.



- vii. The co-developer shall furnish details of PAN and jurisdictional assessing officer of the co-developer to CBDT.

Item No. 90.11 Renewal of LoA of used and worn clothing unit (one proposal)

90.11 (i) Proposal of M/s Texool Spinners for renewal of LOA for next five years in terms of Rule 18(4) of SEZ Rules'2006.

The Board, after deliberations, decided to extend the validity of the LoP of the unit upto 30.11.2019 as decided in the case of such other 15 worn clothing units in its 86th meeting held on 22.11.2018 in order to keep uniformity subject to the condition that DC should ensure that no additional approval or expansion in capacity is granted to the unit.

The Board further directed that the extension shall be subject to the outcome on the recommendations of the Committee formed to examine plastic recycling and worn and used clothing units.

Item No. 90.12 Proposal for setting up of an FTWZ (In-principle approval) (one proposal)

90.12 (i) Request of M/s. NDR Infrastructure Pvt. Ltd. seeking in-principle approval for setting up of a FTWZ at Nandiyambakkam Village, Minjur Panchayat, Ponneri Taluk, Tiruvallur District, Tamil Nadu in an area of 40 Ha (100 acres).

The Board, after deliberations, approved the proposal for in-principle approval for setting up of FTWZ at Nandiyambakkam Village, Minjur Panchayat, Ponneri Taluk, Tiruvallur District, Tamil Nadu over an area of 40 Ha (100 acres).

90.13 Proposal for setting up of new SEZ (one proposal)

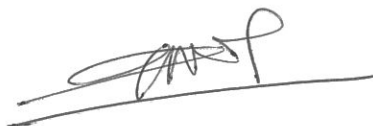
90.13 (i) Request of M/s. Yash Technologies Pvt. Ltd. for setting up of an SEZ for IT/ITES at Plot No. 1, Scheme No. 166, Distt. Indore, Madhya Pradesh over an area of 5.719 hectares.

The Board, after deliberations, approved the proposal for setting up of a sector specific Special Economic Zone for IT/ITES at Plot No. 1, Scheme No. 166, Distt. Indore, Madhya Pradesh over an area of 5.719 Ha.

90.14 Appeal (one proposal)

90.14(i) Reconsideration of appeal in compliance of judgment dated 22.04.2019 of the Hon'ble High Court of Delhi in case of M/s Morgan Tecronics Limited.

The Board noted that the UAC in its meeting dated 06.01.2016 reviewed the authorized operations of M/s Morgan Tecronics Limited and observed that the unit had been persistently contravening the provision of the Act as well as the LoA and also indulged in mis-declaration of goods. The UAC decided to cancel the LoA issued to the unit under Section 16(1) of the SEZ Act, 2005 after granting personal hearing. Aggrieved with the decision of the UAC, the unit filed an appeal before the BoA. The appellant was heard by the Board in its 70th meeting held on 28.04.2016 and was directed to furnish the details of manufacturing and trading



activities and their NFE status. The appeal was again considered by the Board in its 73rd meeting held on 09.11.2016 and was rejected as there was no merit in the appeal.

The Board, took cognizance of the judgment dated 22.04.2019 of the Hon'ble High Court of Delhi and re-considered the appeal of the appellant against the cancellation of its LoA by the UAC in light of the additional documents submitted by the appellant. DC, NSEZ recused himself from the proceedings of the case.

The Board, noted that as per the additional submissions of the appellant and during the personal hearing, the following contentions were made by the appellant;

- (i) That the LoA of the unit which was valid upto 31.03.2017 was suspended prematurely on 14.01.2016 on the ground of customs proceedings in respect of some Bills of Entry, however, the proceedings have been decided in appellant's favour.
- (ii) That after the cancellation of LoA, in order to save the overseas buyers and to maintain the continuity of business the export orders were diverted to the sister concern M/s Pertech Exports Pvt. Ltd. Due to cancellation of LoA of the appellant the export orders were diverted to the above unit and during FY 2018-19 identical items valued approx. USD 104.45 lakh were exported by the appellant and BRC for approx USD 35.99 lakh were received.
- (iii) That the adverse orders dated 31.05.2016 and 09.06.2016 of the Ld. Commissioner of Customs, Noida have been set aside by the Hon'ble Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Allahabad vide order dated 11.09.2018.
- (iv) That Rule 54 of the SEZ Rules, 2006 provides that in case the UAC concludes that a unit has not achieved positive NFE or failed to abide by the terms and conditions of the LoA then penal action under the provisions of the FTDR Act, 1992 may be initiated and thus the UAC did not adhere to the aforesaid provisions of SEZ Rules, 2006.

The Board observed that,

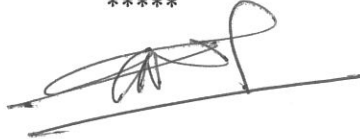
- (i) The UAC decided to cancel the LoA of the unit in terms of Section 16 of the SEZ Act, 2005 after providing personal hearing to the unit on 10.02.2016 wherein Shri P. V. Khullar, Director of M/s Morgan Tectronics Ltd. admitted to the mis-declarations and discrepancies in the two bills of entry. The unit had voluntarily deposited an amount of Rs.50 lakhs towards his duty/penalty/fine liability emerging as the outcome of the investigation. Since the mis-declaration and discrepancies were found more than once, which clearly establishes the persistent violation of SEZ Act/Rules and terms and conditions of LoA.
- (ii) M/s Pertech Export Pvt. Ltd. has been issued separate LoA and performance of the said unit is subject to separate monitoring by the Approval Committee in terms of Rule 54 of SEZ Rules, 2006. As such, export performance of M/s Pertech Export Pvt. Ltd. cannot be clubbed with M/s Morgan Tectronics Ltd. both being separate entities.
- (iii) The appeal filed by the appellant unit before the Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Allahabad was allowed by the Tribunal vide order dated 11.09.2018 on the ground that the Commissioner of Customs, Air Cargo, New Customs House, New Delhi had no jurisdiction to confiscate the goods and impose penalty on the appellant and it was only the Joint/Dy. Commissioner/Asstt. Commissioner of Customs, in Noida SEZ unit, who had the jurisdiction to take necessary action. Therefore, the CESTAT order is based on procedure and not on merit of the case.
- (iv) Further, the Custom Appeal Nos. 4 & 5 of 2019 filed by the Commissioner of Customs against order dated 11.09.2018 of CESTAT has also been dismissed vide order dated



24.05.2019 on technical grounds, without going into merits as the tax effect involved was below the monetary limit of Rs.50,00,000/-.

- (v) The Hon'ble High Court has specifically directed the BoA to consider the petitioner's contention that it had achieved positive NFE. The necessary documents submitted by the unit to DoC to establish their claim has been verified and it is found that cumulative NFE of the unit during 2012-13 and 2014-15 comes out to be negative by Rs.9361.85 lakhs. The unit has itself admitted that it cleared the goods into DTA against payments in INR.
- (vi) As regards contention of the appellant that Rule 54 of the SEZ Rules, 2006 being not followed in this case, it was noted that the UAC cancelled the LoA of the unit in terms of the provisions of Section 16(1) of the SEZ Act, 2005 and appellant was given an opportunity of being heard. There seems to be no deviation by the UAC, as Rule 54 cannot be interpreted in isolation. The proceedings under Section 16(1) of SEZ Act, 2005 and Rule 54 of SEZ Rules, 2006 are independent in nature. The LoA was cancelled under Section 16(1) of the SEZ Act, 2005. Now that the unit has negative NFE also, the matter may be placed before the UAC for review and taking further action under FT(D&R) Act, 1992.

The Board, after deliberations, decided that the decision of UAC under Section 16(1) of SEZ Act, 2005 was in order and rejected the appeal.

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List of Participants for the Meeting of the Board of Approval for Special Economic Zones held on 18th June, 2019 under the Chairmanship of Commerce Secretary, Department of Commerce.

1. Shri Anup Wadhawan, Chairman, BoA & Commerce Secretary, Department of Commerce
2. Shri Alok Vardhan Chaturvedi, DG, DGFT
3. Shri Bidyut Behari Swain, Additional Secretary, Department of Commerce
4. Smt. Deepshikha Sharma, Additional CIT/OSD, ITA-I CBDT, Department of Revenue, Ministry of Finance.
5. Dr. Prem Verma, ADG (DGEP) CBIC, D/o Revenue
6. Shri Saroj Kumar Behera, Additional Director, DGEP, CBIC
7. Ms. Veena Kothavale, JS & LC, Legislative Department, M/o Law & Justice
8. Shri P.M. Parlewav, Director, M/o MSME
9. Shri L.C. Dabaria, Assistant legal Adviser, M/o Law and Justice, D/o Legal Affairs.

LIST OF DEVELOPMENT COMMISSIONERS

1. Dr. L.B. Singhal, Development Commissioner, Noida SEZ
2. Shri Shanmuga Sundram, Development Commissioner, MEPZ
3. Shri Meeta Rajivlochan, Development Commissioner, SEEPZ-SEZ
4. Shri D.V. Swamy, Development Commissioner, Cochin SEZ
5. Dr. Amiya Chandra, Development Commissioner, KASEZ/ Adani Port SEZ, Mundra
6. Shri A. Rama Mohan Reddy, Development Commissioner, Visakhapatnam
7. Shri B.K. Panda, Development Commissioner, Falta SEZ
8. Shri S.K. Bansal, Development Commissioner, Indore SEZ
9. Shri R. Muthuraj, Development Commissioner, Sri City SEZ
10. Shri S. Sasi Kumar, Development Commissioner, Mangalore SEZ
11. Shri Anil Kumar Choudhary, Development Commissioner, Dahej SEZ
12. Shri Virendra Singh, Development Commissioner, Surat SEZ, Gujarat
13. Shri Jay Karan Singh, Development Commissioner, Mihan SEZ, Nagpur.
14. Shri Saju K Surendran, Deputy Development Commissioner, Cochin SEZ

