

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

Udyog Bhawan, New Delhi
Dated the 2nd May, 2019

OFFICE MEMORANDUM

Subject: 89th (Eighty Ninth) Meeting of the Board of Approval on Special Economic Zones (SEZs) held on 22nd April, 2019 at 11.30 A.M. – Reg.

Please find enclosed herewith Minutes of the 89th meeting of the Board of Approval for SEZs held on 22nd April, 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.



(Senthil Nathan S)
Deputy 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. 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, Bhubaneswar – 751001 (Fax: 0671-536819/2406299).
55. Government of Madhya Pradesh, Chief Secretary, (Commerce and Industry), Vallabh Bhavan, Bhopal (Fax: 0755-2559974)
56. Government of Uttarakhand, Principal Secretary, (Industries), No. 4, Subhash Road, Secretariat, Dehradun, Uttarakhand
57. Government of Jharkhand (Secretary), Department of Industries Nepal House, Doranda, Ranchi – 834002.
58. Union Territory of Daman and Diu and Dadra Nagar Haveli, Secretary (Industries), Department of Industries, Secretariat, Moti Daman – 396220 (Fax: 0260-2230775).
59. Government of Nagaland, Principal Secretary, Department of Industries and Commerce), Kohima, Nagaland.
60. Government of Chattishgarh, Commissioner-cum-Secretary Industries, Directorate of Industries, LIC Building Campus, 2nd Floor, Pandri, Raipur, Chhattisgarh (Fax: 0771-2583651).

Copy to: PPS to CS / PPS to AS (BBS) / PA to DS (SNS).

**Minutes of the 89th meeting of the Board of Approval for SEZs
held on 22nd April, 2019**

The Eighty Ninth (89th) meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) was held on 22nd April, 2019 under the Chairmanship of Shri Anup Wadhawan, Secretary, Department of Commerce, at 11:30 A.M. in Room No. 108, Udyog Bhawan, New Delhi. The list of participants is Annexed (Annexure-1).

Item No. 89.1: Confirmation of (i) amendment in the minutes of 87th meeting of the BoA held on 9th January, 2019 and (ii) minutes of the meeting of the 88th BoA held on 25th February, 2019.

The DGEP, Department of Revenue had raised certain issues in respect of the minutes of the 87th meeting of the Board of Approval (Agenda point 87.10(v)) and 88th meeting of the Board of Approval (Agenda point 88.6(i)) vide their O.M.s dated 07.02.2019 and 13.03.2019. Taking into account the aforesaid observations of DGEP, the minutes of the 87th meeting of the BoA (Item No. 87.10(v)) were amended vide DoC's O.M. dated 04.04.2019.

However, while ratifying the amended minutes of the 87th meeting of the BoA and the 88th meeting of the BoA, the representative of DGEP flagged the issue and had requested for some time to furnish their comments in view of the amendment to minutes of the 87th meeting of the BoA (Item no. 87.10(v)) issued on 04.04.2019 by DoC.

Now, vide O.M. dated 26.04.2019, the views of the DGEP have since been received which reads as follows:

"Representative of DoR informed that the DoR with the approval of Finance Secretary had furnished its comments vide its OM dated 13.08.2018 that as the matter was a policy decision, DoC may take an appropriate view in the matter. Except for that, DoR has no comments to offer. DoR pointed out that the earlier power guidelines had not been approved by the BoA. DoR pointed out that agenda item may not be considered in BoA meeting as BoA is not empowered to modify power guidelines as the power guidelines dated 16.02.2016 were framed by DoC. The Board was informed that the Hon'ble Commerce and Industry Minister had directed that the matter may be deliberated in the Board of Approval. The Board, after deliberations, approved the proposal, with dissent from DoR.

Further, while ratifying the minutes of the previous meeting, the BoA in its 88th meeting held on 25.02.2019 decided that the following may also be taken on record-

The Board of Approval took note of the DGEP, Department of Revenue OM dated 07.02.2019 in respect of agenda point no.87.10(v) regarding amendment of policy guidelines of



Department of Commerce for Power Generation, Transmission and Distribution in SEZs which conveys that they has suggested that the power Guidelines, being a policy matter, should be decided by DoC and that BoA is not empowered to modify power guidelines”

The aforementioned position of the DGEP is formally taken on record and the same is to be read in conjunction with the minutes of the 87th meeting of the BoA held on 09.01.2019, 88th meeting of the BoA held on 25.02.2019 and amendment to minutes of the 87th meeting of the BoA (Item no.87.10(v)) issued on 04.04.2019.

Item No. 89.2: Requests for extension of validity of formal approval (one proposal)

89.2 (i) Request of M/s. State Industries Promotion Corporation of Tamil Nadu Ltd. (SIPCOT) a sector specific SEZ for Granite Processing at Bargur, Uthangarai & Pochampalli Taluk, Krishnagiri District, Tamil Nadu for further extension of the validity period of formal approval beyond 10.03.2016 for a period of four years upto 10.03.2020.

The Board, after deliberations, approved extension of the validity of the formal approval up to 10th March, 2020.

Item No. 89.3 Request for extension of LoA beyond 3rd Year onwards (six proposals)

89.3(i) Request of M/s. Shantha Biotechnics Pvt. Ltd. (u-2) in the M/s. Shantha Biotechnics Pvt. Ltd. SEZ at Muppireddypalle Village, Toopram Mandal, Medak District, Telangana for extension of the Letter of Approval (LoA) beyond 3rd Year upto 16.04.2020.

The Board, after deliberations, approved extension of the validity of the LoA up to 16th April, 2020.

89.3(ii) Request of M/s. Ana Industries Private Limited, a unit in Dahej SEZ for extension of Letter of Approval (LoA) beyond 4th year for one year upto 15.04.2020.

The Board, after deliberations, approved extension of the validity of the LoA up to 15th April, 2020.

89.3(iii) Request of M/s. Metacube Solutions Pvt. Ltd. a unit in Mahindra World City (Jaipur) Ltd., Multi-Product SEZ at Village Kalwara, Tehsil- Sanganer, Jaipur for extension of Letter of Approval (LoA) for a further period of one year i.e. upto 17.03.2020.

The Board, after deliberations, approved extension of the validity of the LoA up to 17th March, 2020.



89.3(iv) Request of M/s. Tweaking Technologies Pvt. Ltd., a unit in Mahindra World City (Jaipur) Ltd., a Multi-Product SEZ at Village Kalwara, Tehsil- Sanganer, Jaipur for extension of Letter of Approval (LoA) for a further period of one year i.e. upto 07.04.2020.

The Board, after deliberations, approved extension of the validity of the LoA up to 7th April, 2020.

89.3(v) Request of M/s. Krushna Casual Wears Pvt. Ltd., a unit in Ahmedabad Apparel Park-SEZ (Sector Specific SEZ for Textiles & Textile Article), Khokhra, Ahmedabad for extension of LoA upto 23.03.2020.

The Board, after deliberations, approved extension of the validity of the LoA up to 23rd March, 2020.

89.3(vi) Request of M/s. Fibrofit Industries a unit in AMRL Hi Tech City Ltd., multi product SEZ at Nanguneri, Tirunelveli District, Tamil Nadu SEZ for extension of Letter of Approval (LoA) from 17.11.2018 to 16.07.2020 for 18 months.

The Board, after deliberations, approved extension of the validity of the LoA up to 16th July, 2020.

Item No. 89.4 : Requests for extension of validity of in-principle approval (one proposal)

89.4(i) Proposal of M/s. Raj Build Infra LLP for extension of the validity of in-principle approval for setting up of FTWZ at Bhiwandi, Thane, Maharashtra, beyond 04.02.2019.

The Board, after deliberations, approved extension of the validity of the in-principle approval up to 4th February, 2020.

Item No. 89.5 Proposal for setting up of an FTWZ (In-principal approval) (one proposal)

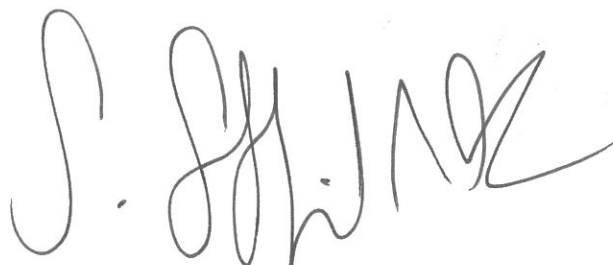
89.5 (i) Request of M/s. NDR Infrastructure Pvt. Ltd. seeking in-principle approval for setting up of a FTWZ at Nandiyambakkam Village, Minjur Panchayat, Ponneri Taluk, Tiruvallur District, Tamil Nadu in an area of 40 Ha (100 acres).

The Board, after deliberations, decided to defer the proposal.

Item No. 89.6 Requests for co-developer (3 proposals)

89.6(i) 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, decided to defer the proposal.



89.6(ii) Request of M/s. ANSR Global Corporation Pvt. Ltd for co-developer status in the M/s. Laxmi Infobahn Pvt. Ltd SEZ at Kokapet Village, Gandipet Mandal, Ranga Reddy District, Telangana for development, operation and maintenance of the SEZ and other activities.

The Board, after deliberations, decided to defer the proposal.

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

The Board, after deliberations, decided to defer the proposal.

Item No. 89.7: Change of Shareholding Pattern/Change of name (five proposals)

89.7 (i) Request of M/s. DLF Assets Private Limited, co-developer in DLF Commercial Developers Limited, an IT/ITES SEZ at Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, Telangana for change in shareholding pattern.

The Board, after deliberations, approved the proposal subject to the 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.



89.7(ii) Request of M/s. Festus Properties Pvt. Ltd. at Powai, Mumbai for change in shareholding pattern of the company.

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.

89.7(iii) Request of M/s Mariapps Marine Solutions India Private Limited, Mumbai, Co-Developer of Smartcity (Kochi) Infrastructure Private Limited Special Economic Zone, Kochi 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.

89.7(iv) Request of M/s. ETA Technopark Limited SEZ, Developer located at Old Mahabilipuram Road, Kancheepuram District, Chennai, Tamil Nadu for change in shareholding pattern, change of Board of Directors and change of name of the SEZ.

The Board noted that proposal does not indicate whether it has the approval under relevant statutes. The Board, after deliberations, approved the proposal of the developer for change in shareholding pattern, change of Board of Directors and change of name of the SEZ to M/s. Bayline Infocity Limited 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.

89.7 (v) Request for approval from the Board of Approval pursuant to the merger of M/s. Risk Technology International Limited (RTIL) (co-developer in MIDC SEZ, Hinjewadi, Pune) and M/s. Hexaware Technologies Limited (HTL) and their respective shareholders (Scheme of Amalgamation) and change in name post the merger from RTIL to HTL.

The Board, after deliberations, approved the proposal subject to the 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. 89.8 Proposals for renewal of LoP for worn and used clothing units (three proposals).

89.8(i) Proposal of M/s Kandla Exim Pvt. Ltd. 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 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. 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.

89.8(ii) 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 noted that the unit had approached High Court of Gujarat against the decision of the BoA in its 72nd meeting dated 12.08.2016 in respect of his appeal against the decision of the UAC for deletion of condition of non direct import of used and worn clothing. Considering that the matter is sub-judice, the Board, after deliberations, deferred the matter and directed that the case may strongly be contested in the interest of the Union of India before the Hon'ble High Court of Gujarat.

89.8(iii) Request of M/s. Atlas Mill Supply for extension of validity of LoP dated 20.07.1994 for manufacturing of Readymade Garments, Reprocessing/Reconditioning of old and Used Worn Clothing and Rags which expired on 19.07.2000.

The reprocessing units for old and used worn clothing etc. are governed by the provision of Rule 18(4) (c) of the SEZ Rules, 2006 which broadly provides that no new proposal shall be considered for reprocessing of garments or used clothing or secondary textile materials and other



recyclable textile materials into clipping or rags or industrial wipers or shoddy wool or yarn blankets or shawls provided that extension of LoA for an existing unit shall be decided by the BoA.

The Board noted that the past trend of operations of these units indicated that they used the provisions of SEZ Rules, 2006 to clear goods predominantly or even entirely to DTA to show positive NFE which is not in consonance with the overall aims of SEZ policy that seeks to boost actual exports.

The Board also noted that the LoA of the unit has already expired on 19.07.2000 and the unit is not in operation and the balance of convenience lies in maintaining that position.

Accordingly, BoA decided to reject the request of the unit for extension.

Item No. 89.9 Miscellaneous Cases (five proposals)

89.9(i) 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. located at Jaipur (Rajasthan) for manufacturing of 'Granite Slabs'.

The Board, after deliberations, decided to defer the matter. DC, NSEZ was advised to re-examine the proposal and the views of DoR may be obtained.

89.9(ii) 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 defer the matter. DC, NSEZ was advised to re-examine the proposal and the views of DoR may be obtained.

89.9(iii) Request of M/s. L&T Hydrocarbon Engineering Ltd., - a SEZ Unit for grant of special permission for movement of goods from Port of Import to Job-worker's premises before its entry into SEZ.

The Board, after deliberations, decided to defer the matter as the activity is not allowed under the prevailing rules. The Board, further directed that the issue may be taken up on file for review of rules.

89.9(iv) Proposal for cancellation of Letter of Approval in respect of M/s Swarnim Dahej Spring Desalination P. Limited, Co-Developer, Dahej SEZ.

The Board, after deliberations, approved cancellation of co-developer status granted to M/s. Swarnim Dahej Spring Desalination P. Limited in the Dahej SEZ.



89.9(v) Irregularities and compliance issues in the Port based SEZ developed by Cochin Port Trust in Puthuvypeen, Ernakulam District, Kerala.

The Board, noted that the Hon'ble High Court of Kerala in Writ Petition (C) No. 10799/2019 vide interim order dated 05.04.2019 directed that,

".....there will be a direction to the respondents to maintain Status quo as on 31.03.2019 with respect to the SEZ status provided to the petitioner".

The Board, after deliberations, deferred the matter, being sub-judice. The Board, directed that the case may be strongly contested in the interest of the Union of India before the Hon'ble Court.

89.10 Proposals for Provisional LoA pending Industrial License / Industrial Licence (two proposals)

89.10 (i) Request of M/s L&TMBDA Missile Systems Ltd., under MEPZ for issuance of provisional LOA pending receipt of Industrial license under Arms Act, 1959 by the DPIIT.

The Board, after deliberations, decided to grant in-principle approval to the proposal subject to all necessary approvals. DC, MEPZ should ensure necessary compliance.

89.10(ii) Proposal of M/s Tata Power Company Ltd.- Strategic Engineering Division (SEZ unit under CSEZ for grant of license under IDR Act, 1951.


The Board, after deliberations, decided to approve the proposal of M/s Tata Power Company Ltd., SEZ unit under CSEZ for grant of Industrial License for manufacture of "Defence aircraft for military application" which is now covered under the IDR Act, 1951 as per DPIIT's Press Note No. 1(2019) dated 01.01.2019.

Item no. 89.11: Appeal before BoA (one appeal)

89.11(i) Appeal of M/s. Encee International against the order dated 22.12.2018 of UAC/NSEZ for non-renewal of LoA.

The appellant was heard by the Board. The oral and the written submissions of the appellant are as follows:

- (i) After 2012-13, due to health issues and dispute between the partners, the unit could not export, however the lease rent for the plot was paid regularly and thus, there was no loss to the government exchequer.



(ii) The seized gold was imported by M/s Jayashree Jewellers-a unit in the same SEZ and was being converted into Gold Jewellery by appellant unit within same SEZ on job-work basis. In any case, neither the Customs Authorities nor the Approval Committee has alleged the unauthorized imports of gold in the unit or its removal from SEZ unit into the DTA resulting in revenue loss.

(iii) The appellant due to some personal and medical issues could not apply for renewal on time, however, it is a procedural lapse and its consequences should not be harsh enough to effect the livelihood of the appellant. The appellant placed reliance on the decision passed by the Hon'ble Allahabad High Court in the case of Microcomm India Limited Vs UoI -2008(4) TMI 663.

The Board, observed that -

- (i) The unit has done no exports from 2012-13.
- (ii) The unit has been issued Show Cause Notice by the Customs Department for contravention of provisions of Customs Act, 1962 as they were unable to disclose the proper source of procurement of yellow metal found in their factory premises. The unit has submitted an interim reply dated 25.03.2019 to the Commissioner of Customs.
- (iii) The judgments quoted by the unit only provide for consideration in such cases which involve procedural violation. However, in the instant case, the unit, by its own admission, has been engaged in jobwork of jewellery (a sensitive commodity), in an unauthorized manner without intimating the SEZ. This is a clear case of a substantive violation and cannot be overlooked or excused as in the case of minor procedural violations.

With the above observations, the Board decided to reject the appeal.

Decisions on Supplementary Agenda

89.12 Request for extension of LoP for 3rd year

89.12 (i) Request of M/s. Lupin Ltd. in Indore SEZ for extension of Letter of Permission (LOP) beyond 11.04.2019 for one year upto 11.04.2020.

The Board, after deliberations, approved extension of the validity of the LoP up to 11th April, 2020.



Item No. 89.13 Proposal for setting up of an SEZ (one proposal)

89.13 (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, decided to defer the proposal in view of the non-availability of National Security clearance from MHA.

89.14 Proposal of the unit for renewal of LoA for next five years.

89.14(i) Proposal of M/s Sameer Industries for renewal of LOA for next five years in terms of Rule 18(4) (d) of SEZ Rules 2006.

BoA noted that there was an instance of violation of Customs Act, 1962 in the year 2005 by the unit wherein the jurisdictional Kandla Customs Authorities booked a case for illegal importation and DTA clearance of "druid" grade, copper scrap and jelly filled copper cables restricted for import and allowed to be sold in DTA only to registered CPCB recyclers and also seized the goods lying in the premises and that only after payment of all the duties and penalties and redemption fine as per the CESTAT Order, the seizure was vacated and the goods were ordered to be cleared only to CPCB registered recyclers.

Further, it was noted that unit was issued SCN for mis-declaration for providing false information in their APR for the year 2005-2006 and that a complaint against the Chartered Accountant was also made by department to Institute of Chartered Accountant for taking appropriate action against the Chartered Accountant for certifying false APR.

It was also noted that unit consistently failed to achieve positive NFE both during the period 2005-2010 and 2014-2019 (for period 2010-2014 LoA was not renewed by BoA).

The Board, after deliberations decided to reject the proposal in terms of Rule 18(4) (d) of the SEZ Rules, 2006.

A large, stylized handwritten signature in black ink, likely belonging to an official of the Board of Approval (BoA).

List of Participants for the Meeting of the Board of Approval for Special Economic Zones held on 22nd April, 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 Senthil Nathan S, Deputy Secretary, Department of Commerce.
4. Smt. Deepshikha Sharma, Additional CIT/OSD, ITA-I CBDT, Department of Revenue, Ministry of Finance.
5. Shri Sanjay Bansal, ADG, DGEP, CBIC
6. Shri Saroj Kumar Behera, Additional Director , DGEP, CBIC
7. Shri Ravinder, Joint Secretary, DIPP
8. Shri P.M. Parlewav, Director, M/o MSME
9. Dr. S.K. Husain, TCPO, M/o Housing and Urban Affairs
10. Shri Anil Kant Mishra, Research Assistant TCPO, Ministry of Urban Development, Vikas Bhawan, I.P. Estate, New Delhi
11. Shri L.C. Dabaria, Assistant legal Adviser, M/o Law and Justice, D/o Legal Affairs.
12. Shri S.K. Jain, Director, M/o PNG
13. Shri K.B. Irpate, Additional Director, MSME DI, Nagpur
14. Shri Vijay Kayarkar, Assistant Resident Commissioner, Govt. of Maharashtra.

LIST OF DEVELOPMENT COMMISSIONERS

1. Dr. L.B. Singhal, Development Commissioner, Noida SEZ
2. Shri Baldev Singh, Development Commissioner, SEEPZ-SEZ
3. Shri D.V. Swamy, Development Commissioner, Cochin SEZ
4. Dr. Amiya Chandra, Development Commissioner, KASEZ/ Adani Port SEZ, Mundra
5. Shri A. Rama Mohan Reddy, Development Commissioner, Visakhapatnam
6. Shri G. Seetharam Reddy, Development Commissioner, APIIC SEZ, Atchutapuram, 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 D. Anandan, Joint Development Commissioner, MEPZ
15. Shri Vasanta Kiran Babu, Joint Development Commissioner, VSEZ

