

No. K-43022/25/2022-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)

UdyogBhawan, New Delhi
Dated the 20th May, 2022

OFFICE MEMORANDUM

Subject: 110th Meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) scheduled to be held on 26th May, 2022 - Supplementary Agenda regarding.

In continuation to this department's OM of even number dated 13th May, 2022, the undersigned is directed to enclose herewith the Supplementary Agenda for the 110th meeting of the BoA for SEZs scheduled to be held on 26th May, 2022 at 11:00 A.M. in Room no. 141, Udyog Bhawan, New Delhi for information and necessary action. The agenda has also been hosted on the website: www.sezindia.gov.in.

2. The local addressees are requested to kindly make it convenient to attend the meeting at the said venue and time and other participants may attend through Video Conferencing. A weblink for the same shall be shared by this Department shortly.


(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. Additional Secretary, Department of Promotion of Industry and Internal Trade (DPIIT), UdyogBhawan, New Delhi.
5. Joint Secretary, Ministry of Shipping, Transport Bhawan, New Delhi.
6. Joint Secretary (E), Ministry of Petroleum and Natural Gas, ShastriBhawan, New Delhi
7. Joint Secretary, Ministry of Agriculture, Plant Protection, KrishiBhawan, 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, NirmanBhavan, 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, PariyavaranBhavan, CGO Complex, New Delhi - 110003 (Fax: 24363577)

15. Joint Secretary & Legislative Counsel, Legislative Department, M/o Law & Justice, A-Wing, ShastriBhavan, 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, ShastriBhawan, 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, VikasBhavan (E-Block), I.P. Estate, New Delhi. (Fax: 23073678/23379197)
20. Director General, Director General of Foreign Trade, Department of Commerce, UdyogBhavan, 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, AtladraPadra Road, Vadodara - 390012
35. Development Commissioner, Andhra Pradesh Special Economic Zone, UdyogBhawan, 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, VikasSaudha, Bangalore – 560001. (Fax: 080-22259870)
44. Government of Maharashtra, Principal Secretary (Industries), Energy and Labour Department, Mumbai – 400 032.
45. Government of Gujarat, Principal Secretary, Industries and Mines Department Sardar Patel Bhawan, Block No. 5, 3rd Floor, Gandhinagar – 382010 (Fax: 079-23250844).
46. Government of West Bengal, Principal Secretary, (Commerce and Industry), IP Branch (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), LalBahadurShastriBhawan, Lucknow – 226001 (Fax: 0522-2238255).
52. Government of Punjab, Principal Secretary Department of Industry & Commerce UdyogBhawan), 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), VallabhBhavan, Bhopal (Fax: 0755-2559974)
56. Government of Uttarakhand, Principal Secretary, (Industries), No. 4, Subhash Road, Secretariat, Dehradun, Uttarakhand
57. Government of Jharkhand (Secretary), Department of Industries Nepal House, Doranda, Ranchi – 834002.
58. Union Territory of Daman and Diu and Dadra Nagar Haveli, Secretary (Industries), Department of Industries, Secretariat, Moti Daman – 396220 (Fax: 0260-2230775).
59. Government of Nagaland, Principal Secretary, Department of Industries and Commerce), Kohima, Nagaland.
60. Government of Chattishgarh, Commissioner-cum-Secretary Industries, Directorate of Industries, LIC Building Campus, 2nd Floor, Pandri, Raipur, Chhattisgarh (Fax: 0771-2583651).

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

Supplementary Agenda for the 110th meeting of the Board of Approval to be held on 26th May, 2022 at 11:00 A.M. through Video Conferencing

110.7 Request for co-developer (four proposals)

110.7(i) Request of M/s. Rajyash Projects LLP, Ahmedabad for approval as Co-Developer in Multi Services SEZ at Ratanpur, District Gandhinagar, Gujarat developed by M/s. GIFT SEZ Limited.

(i)	Name of the Developer & Location	M/s. GIFT SEZ Limited, Gandhinagar
(ii)	Date of LoA	07.01.2008
(iii)	Sector	Multi-services
(iv)	Date of notification	18.08.2011
(v)	Total notified area	105.4386 Ha
(vi)	Proposed Co-developer	M/s. Rajyash Projects LLP, Ahmedabad
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the co-developer	Construction, development, maintenance and operation of commercial building .
(viii)	Total area on which activities will be performed by the co-developer	Land measuring approx. 2050 sq.mtrs. on building footprint no. 14F in Block 14 in SEZ processing area of GIFT City.
(ix)	Proposed investment by the co-developer	Rs.80 cr
(x)	Net worth of the co-developer	Rs.9.57 cr of Rajyash Projects LLP Total Rs.89.91 cr of the promoter and promoter group company
(xi)	Whether entered into a Co-developer agreement, if so date	The application is accompanied by Provisional Letter of Allotment, Co-developer's Agreement, and draft lease-cum-development Agreement (Lease Deed), which is said to finalized and entered into once approval from respective authority is received. The draft lease agreement is for 99 years.

Recommendations of DC, GIFT SEZ:

There is a great demand for office space in the processing area of GIFT City SEZ. In view of the increase in economic activity and other developments at GIFT-SEZ, Gandhinagar, DC has recommended the proposal of M/s. Rajyash Projects LLP, Ahmedabad as a Co-Developer, for construction of new commercial building over area admeasuring 2050 square meters within GIFT-SEZ, subject to approval by the Board of Approval.

110.7(ii) Request of M/s. Shivalik Jhanvi Infraspac LLP, Ahmedabad for approval as Co-Developer within the dual-use area of Non-processing Area in GIFT-Multi Services SEZ at Ratanpur, District Gandhinagar, Gujarat, developed by M/s. GIFT SEZ Limited.

(i)	Name of the Developer & Location	M/s. GIFT SEZ Limited, Gandhinagar
(ii)	Date of LoA	07.01.2008
(iii)	Sector	Multi-services
(iv)	Date of notification	18.08.2011
(v)	Total notified area	105.4386 Ha
(vi)	Proposed Co-developer	M/s. Shivalik Jhanvi Infraspaces LLP, Ahmedabad
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the codeveloper	Development of a residential building on Building footprint no. 16D, block 16 in the dual use Non-Processing Area of GIFT SEZ (Sub-Project-1) with Development Rights of 18,90,000 square feet for residential buildings
(viii)	Total area on which activities will be performed by the co-developer	Land area admeasuring 5595 square meters (0.559 hectares)
(ix)	Proposed investment by the co-developer	Rs.230 cr
(x)	Net worth of the co-developer	Rs.56.69 cr
(xi)	Whether entered into a Co-developer agreement, if so date	The application is accompanied by Co-developer's Agreement and draft lease-cum-development Agreement (Lease Deed) for 99 years, which is said to be finalized and entered into once approval from respective authority is received.

The Developer M/s. GIFT SEZ Limited had sought approval for creation of dual use area in the non-processing area of the notified SEZ over an area of 25.8353 hectares. The said proposal was approved by the Board of Approval in its 108th meeting held on 27.01.2022 and approval was issued by the DoC on 08.02.2022 in terms of Rule 11A of the SEZ Rules, 2006. Further, the Developer of the multi-services SEZ M/s. GIFT SEZ Limited, has already obtained the requisite No Objection Certificate from the Government of Gujarat on 07.10.2021 for the dual use area in the Non-processing area for 63.84 acres (25.8353 hectares).

Recommendation of DC, GIFT SEZ :

There is a growing demand for office space and hence, there will be demand for residential houses. DC has recommended the proposal of M/s. Shivalik Jhanvi Infraspaces LLP, Ahmedabad as a Co-Developer, for development of residential project over area admeasuring 5595 square meters (0.559 hectares) within the dual-use area of non-processing area in GIFT-SEZ, in terms of Rule 11(10) of the SEZ Rules, read with Rule 11A(1) of the SEZ Rules, 2006 without any fiscal benefits subject to consideration and approval by the Board of Approval.

110.7(iii) Request of M/s. Shilp Infraprojects LLP, Ahmedabad for approval as Co-Developer within the dual-use area of Non-processing Area in GIFT-Multi Services SEZ at Ratanpur, District Gandhinagar, Gujarat, developed by M/s. GIFT SEZ Limited.

(i)	Name of the Developer & Location	M/s. GIFT SEZ Limited, Gandhinagar
(ii)	Date of LoA	07.01.2008
(iii)	Sector	Multi-services

(iv)	Date of notification	18.08.2011
(v)	Total notified area	105.4386 Ha
(vi)	Proposed Co-developer	M/s. Shilp Infraprojects LLP, Ahmedabad
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the codeveloper	Development of a residential building on Building footprint no. 25B & 25C, Block 25 in the dual use Non-Processing Area of GIFT SEZ (Residential Sub-Project) with Development Rights of 15,60,000 square feet for residential buildings
(viii)	Total area on which activities will be performed by the co-developer	Land area admeasuring 6551 square meters (0.655 hectares)
(ix)	Proposed investment by the co-developer	Rs.144 cr
(x)	Net worth of the co-developer	Rs.217.52 cr
(xi)	Whether entered into a Co-developer agreement, if so date	The application is accompanied by Co-developer's Agreement and draft lease-cum-development Agreement (Lease Deed) for 99 years, which is said to finalized and entered into once approval from respective authority is received.

The Developer M/s. GIFT SEZ Limited had sought approval for creation of dual use area in the non-processing area of the notified SEZ over an area of 25.8353 hectares. The said proposal was approved by the Board of Approval in its 108th meeting held on 27.01.2022 and approval was issued by the DoC on 08.02.2022 under Rule 11A of the SEZ Rules, 2006. The Developer has already obtained the requisite No Objection Certificate from the Government of Gujarat on 07.10.2021 for the dual use area in the Non-processing area for 63.84 acres (25.8353 hectares).

Recommendation by DC, GIFT SEZ :

There is a growing demand for office space and hence, there will be demand for residential apartments/complexes. DC has recommended the proposal of M/s. Shilp Infraprojects LLP, Ahmedabad as a Co-Developer, for development of residential project over area admeasuring 6551 square meters (0.655 hectares) within the dual-use area of non-processing area in GIFT-SEZ, in terms of Rule 11(10) of the SEZ Rules, read with Rule 11A (1) of the SEZ Rules, 2006 without any fiscal benefits subject to consideration and approval by the Board of Approval.

110.7(iv) Request of M/s India Gateway Terminal Private Limited for co-developer status in Vallarpadam SEZ, Kerala.

(i)	Name of the Developer & Location	M/s Cochin Port Trust, Vallarpadam, Mulavukadu/Fort Kochi Village, Ernakulam, Kerala
(ii)	Date of LoA	18.04.2006
(iii)	Sector	Port Based SEZ (request for change is sector to Multi sector SEZ is also placed before the BoA)
(iv)	Date of notification	02.11.2006

(v)	Total notified area	110.4465 Ha
(vi)	Proposed Co-developer	M/s India Gateway Terminal Private Limited (IGTPL)
(vii)	Details of Infrastructure facilities/authorized operations to be undertaken by the codeveloper	(i) Development of Free Trade Warehousing Zone (FTWZ), operations and management of SEZ. (ii) Operations, management and maintenance of infrastructure facilities for modular warehouses and operations thereof. (iii) Dry storage & cold storage warehouses (iv) Other facilities
(viii)	Total area on which activities will be performed by the co-developer	4 Ha
(ix)	Proposed investment by the co-developer	75.72 cr
(x)	Net worth of the co-developer	-196.08 cr
(xi)	Whether entered into a Co-developer agreement, if so date	Yes, 10.06.2021

DC, CSEZ has stated that on scrutiny of the co-developer application dated 21.06.2021, it was noticed that the net worth of M/s IGTPL is negative and hence, the proposal was not recommended to BoA for consideration. M/s IGTPL informed that their net worth has improved to Rs (-)35.41 cr as on 31.03.2022 and they expect to achieve a positive net worth of Rs.30.59 cr by 31.03.2023.

On reference from CSEZ, the matter was deliberated with the Department of Legal Affairs through the DoC. The detailed observations of DoLA are as follows:

The DoLA has observed that they could not locate any provision either in the SEZ Act, 2005 or in the SEZ Rules, 2006 which prescribe or provide minimum net worth which a co-developer should have at the time of application. Any decision on the application has to be taken by the Board taking into account all necessary requirements under the Act and Rules and guidelines, if any. In the Form of application or in the Act or Rules, it is not clearly provided whether net worth of holding company can be considered for the subsidiary company or not. Therefore, decision on the issue whether net worth of holding company can be taken into account for subsidiary company or not is to be taken as per intent of the seeking information under Entry 12 of the Form A1.

Based on the definition of 'subsidiary company' and 'holding company' and the observations of the Hon'ble Supreme Court while rendering their judgment in Vodafone International Holdings BV Vs. Union of India (2012) the DoLA has concluded that holding and subsidiary company are separate legal entity. Therefore, holding company is not liable for any loss or harm caused by subsidiary company. However, holding company with the approval of its Board or other competent authority can independently by agreement own the liability of a subsidiary company. DoLA has advised that the issue can be considered in the light of above mentioned observations of the Supreme Court taking into account the provisions of the SEZ Act, 2005 and SEZ Rules, 2006 and policy guidelines and past practice keeping in view the object of requirement of net worth for the co-developer.

Recommendation by DC, CSEZ :

The proposal of M/s India Gateway Terminal Private Limited for setting up a Free Trade Warehousing Zone as a Co-Developer in Vallarpadam SEZ is recommended and forwarded for consideration of BoA.

110.8 Cancellation of developer/co-developer (two proposals)

110.8(i) Request of M/s. Ashdan Township Ventures Pvt. Ltd. – SEZ Developer (Former M/s. Kumar Builders Township Ventures Pvt. Ltd.) located at Village Hinjewadi and Mann, Taluka Mulshi, District Pune for cancellation of formal letter of approval.

M/s. Ashdan Township Ventures Pvt. Ltd. (Former M/s. Kumar Builders Township Ventures Pvt. Ltd.) were granted formal approval on 28.08.2006 for setting up of SEZ for Electronics Hardware and Software including IT/ITES over an area of 49.10 Ha. Out of total formally approved area of 49.10 Ha, an area of 10.968 Ha was notified on 12.12.2008.

DC, SEEPZ has informed that the developer has not undertaken any activity in the SEZ area. Hence, they have applied for de-notification of the notified area of 10.968 Ha along with cancellation of formal approval of the remaining parcel of land. As informed by DC, SEEPZ, the Specified Officer has issued a No Dues certificate to the developer. DC has further informed that though as per the records, the formal approval including notification of the SEZ has been issued in the name of M/s Kumar Builders Township Ventures Pvt. Ltd., however, consequent to change of name of the company as approved by Registrar of Companies, the correspondence is being made in the new name i.e. M/s Ashdan Township Ventures Pvt. Ltd..

The State Government of Maharashtra, vide their letter dated 31.03.2022, has recommended for cancellation of formal approval of land admeasuring 38.1320 Ha (49.10 Ha – 10.968 notified area). The State Government of Maharashtra in their NoC dated 31.03.2022 have stated that the developer has refunded the benefits of exemption in stamp duties to the Govt. of Maharashtra for 43.31 Ha as the remaining parcel of land i.e. 5.79 Ha was not actually purchased by the developer and the same continued to be with the original land owners, and that no benefits available under SEZ were availed by the developer in respect of the balance land of 5.79 Ha. The proposal for de-notification shall be processed on file as per the extant delegation.

Recommendation by DC, SEEPZ SEZ:-

DC, SEEPZ SEZ has recommended for cancellation of the formal approval granted to M/s. Ashdan Township Pvt. Ltd., developer (Former M/s. Kumar Builders Township Ventures Pvt. Ltd.) over an area of 38.1320 Ha (non-notified portion).

110.8(ii) Request of M/s Embassy Services Private Limited for cancellation of LoA issued to them as co-developer of M/s SNP Infrastructure LLP and transferring its business to Embassy Property Developments Private Limited (EPDPL).

M/s Embassy Services Pvt. Ltd., co-developer of M/s SNP Infrastructure LLP, Tamil Nadu was granted LoA on 24.05.2017 for providing operation and maintenance of building and other infrastructure facilities in the IT/ITES SEZ at Pallavaram Village, Tambaram Taluk, Kancheepuram

District, Tamil Nadu. The SEZ became operational w.e.f. 2015. At present 5 units are working in the SEZ.

Another co-developer, M/s Embassy Property Developments Private Limited had already been granted LoA on 12.07.2016 for development, operation and maintenance of the SEZ including undertaking authorized operation over an area of 11.147 ha.

DC, MEPZ has informed that M/s Embassy Services Pvt. Ltd. has carried out the authorized operations for a period of 3 years. In the termination agreement the two co-developers have jointly represented to the developer that M/s Embassy Services Pvt. Ltd. is currently undergoing a composite Scheme of Arrangement in NCLT, Bengaluru among the Embassy group companies to simplify the overall group structure and also to consolidate and streamline the CAM business to another group entity of Embassy Property Development Private Limited. Now, the developer and the co-developers have agreed that M/s Embassy Property Developments Private Limited will be the sole co-developer for the purpose of providing the maintenance services and have mutually agreed to terminate the agreement of M/s Embassy Services Pvt. Limited on 20.01.2022.

Consequent upon the termination of co-developer agreement of M/s Embassy Services Pvt. Ltd., the business it was carrying on in the SEZ viz. maintenance of the buildings and common amenities and facilities of the towers and common areas in the SEZ, will be transferred and undertaken by the another co-developer, M/s Embassy Property Developments Private Limited.

In accordance with the request of the co-developer, M/s Embassy Services Pvt. Ltd., the developer M/s SNP Infrastructure LLP has confirmed that the agreement shall stand cancelled w.e.f. 20.01.2022 and also agrees to transfer the business to Embassy Property Developments Private Limited, another co-developer in the SEZ for the purpose of providing the maintenance services.

The termination agreement, Board Resolution and the No Objection Certificate from the developer in this connection has also been provided.

As per DoC's Instruction no. 109 dated 18.10.2021, in exercise of provisions of Section 10(10) of the SEZ Act, 2005, reorganization including change of name, change of shareholding pattern, business transfer arrangements, court approved mergers and demergers, change of constitution, change of Directors etc. may be undertaken by the Unit Approval Committee concerned **subject to the condition that developer/co-developer/unit shall not opt out or exit out of the SEZ and continues to operate as a going concern.** All liabilities of the developer/co-developer remain unchanged on such reorganization.

Recommendation by DC, MEPZ SEZ :

The request of the co-developer, M/s Embassy Services Private Limited for cancellation of the LoA issued to them and to transfer the business to Embassy Property Developments Private Limited, another co-developer in the SEZ is recommended for consideration by the BoA.

110.9 Proposal for change in sector (one proposal)

110.9(i) Request of M/s Cochin Port Trust, developer of Vallarpadam SEZ, Kerala for change of sector to Multi-Sector SEZ in terms of Rule 6 (A) (i) of SEZ Rules 2006.

M/s Cochin Port Trust was issued LoA on 18.04.2006 for setting up of a port-based SEZ at Vallarpadam, Mulavukadu/Fort Kochi Village, Ernakulam, Kerala. The details of the SEZ are as follows: -

Area (Hectares)	:	110.4465
Date of Notification	:	02.11.2006
Commencement of Operation	:	18.02.2011
No. of Units	:	01
Exports 2021-2022 (Rs. in crore)	:	179.86
Investment (Rs. in crore)	:	1646.18
Employment (Nos.)	:	259

DC, CSEZ has informed that M/s Cochin Port Trust, the developer of Vallarpadam SEZ, has submitted an application in Form-C3 to change the sector of the SEZ from 'Port-Based SEZ' to 'Multi-Sector SEZ' in connection with the setting up of a Free Trade Warehousing Zone by M/s India Gateway Terminal Private Limited as a Co-Developer. The entire notified area is contiguous and meets all the following conditions:-

- a. Minimum contiguous land area requirement under the SEZ Act and Rules for multi-sector SEZ.
- b. Minimum processing area requirement.
- c. FTWZ area will be duly demarcated for exclusive use for trading and warehousing purposes.
- d. Entry/exit for the total notified area.

As per Rule 5(2)(a) of SEZ Rules 2006 a Special Economic Zone or Free Trade Warehousing Zone other than a Special Economic Zone for Information Technology or Information Technology Enabled services, Biotech or Health (other than hospital) service, shall have contiguous land area of fifty hectares or more and the SEZ meets all the conditions.

Recommendation by DC, CSEZ:

The request of M/s Cochin Port Trust, the developer for change in the sector from 'Port-Based SEZ' to 'Multi-Sector SEZ' in terms of Rules 6 (A) (i) of SEZ Rules 2006 is recommended and forwarded for consideration of the BoA.

110.10 Proposal for addition in area of developer (one proposal)

110.10 (i) Request of M/s. Aequs SEZ Private Limited for increase in area of 31.96 Ha (beyond 10%) to their sector specific SEZ for Light Engineering Goods and Services at Banapur and Talbal Villages, Kukanur Taluk, Koppal District, Karnataka presently spread over an area of 52.08 Ha.

M/s. Aequs SEZ Private Limited was granted formal approval on 06.12.2019 for setting up of a Sector Specific SEZ for Light Engineering Goods and Services at above mentioned location. The SEZ was later notified vide Gazette Notification dated 21.02.2020 over an area of 52.08 Ha.

DC, Cochin, SEZ vide letter dated 10.05.2022 has forwarded the request of the developer for an increase in area of 31.96 Ha. which is beyond 10% of the existing notified area i.e., 52.08 Ha of the SEZ.

In the 40th meeting of the BoA held on 08.06.2010, the Board had directed that the proposals for increase in area upto 10% of the notified area of the SEZ need not be brought before the Board. Consequently, the proposals for increase in area upto 10% are being processed on file and the proposals beyond 10% are placed before the BoA for its approval and subsequently, processed on file for notification. 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 below: -

S. No.	Documents/Details Required	Status
(i)	Certificate from concerned State Government or its authorized agency stating that the developer has irrevocable rights to the said area as SEZ.	The State Govt. of Karnataka vide letter dated 25.04.2022, while recommending the proposal, has stated the Developer has irrevocable rights to develop the said additional area.
(ii)	Form-C4 along with DC's recommendation	Yes, provided
(iii)	Inspection Report in prescribed format	Yes, provided
(iv)	Developer's Certificate Countersigned by DC	Yes, provided
(v)	Legal Possession Certificate from Revenue Authorities	Yes, provided
(vi)	Non-Encumbrance Certificate from Revenue Authorities	Yes, provided
(vii)	Land details of the area (with clearly specified survey numbers) to be notified duly certified by revenue authorities	Yes, provided
(viii)	Colored Map clearly indicating Survey numbers and duly certified by revenue authorities	Yes, provided
(ix)	Copy of Registered Lease/Sale deed	Yes, provided Grant Letter from Govt. of Karnataka and Absolute Sale Deeds

Further, in compliance of DoC's Instruction No. 102 dated 18.11.2019 regarding physical inspection and contiguity condition, an Inspection report signed by DC, CSEZ and State Govt. Revenue Authority has been provided. DC has certified that the Developer has complied with the contiguity condition in terms of the DoC's Instruction No. 102.

Recommendations of DC, CSEZ:

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

110.11 Request for renewal of LoA of plastic recycling units

110.11 (i) Request from Kandla Special Economic Zone Industries Association and All Plastic Reprocessing Units in Falta Special Economic Zone for renewal of LoA of the plastic recycling units in KASEZ and Falta SEZ for a period of five years.

The policy for plastic recycling units in SEZs & EoUs was formulated in consultation with all concerned stakeholders and issued on 27.05.2021. The policy stipulates that extension/renewal of LOA of existing units would be considered by the BoA for a period of 18 months as per notification dated 27.01.2021 issued by MoEF&CC as well as the conditions as laid down by the MoEF&CC. The above condition that the present permission to import the raw material is only for 18 months would be declared upfront so that the existing units may seek extension/renewal factoring in this condition into their business proposal. Such renewal shall also be subject to the condition that the units shall comply with obligations under other legislations as well as compliance with payment of penalty, if any imposed by competent authority under any statute.

The Board of Approval in its 104th meeting held on 28.05.2021, decided to extend the validity of LoA of the plastic recycling units upto 26.07.2022 i.e. 18 months from the date of notification of the Hazardous and Other Waste (Management and Transboundary Movement) Amendment Rules, 2021 vide G.S.R. 47(E) dated 27.01.2021 by the MoEF&CC. The Board further directed that the concerned Development Commissioners shall ensure that :

- i. The units fulfill all other criteria and there is no violation of SEZ Act/Rules.
- ii. The units shall comply with obligation under any other legislation as well as compliance with payment of all the Government dues including rent and penalties, if any, imposed by competent authority under any statute before granting formal orders and renewal.
- iii. The policy conditions are strictly adhered to.

Later, in connection to various representations for extending the validity of LoA granted to plastic recycling units in SEZs and EoUs for a term of 5 years in place of 18 months and subsequent stakeholders consultations, the Board of Approval in its 109th meeting held on 31.03.2022 noted that MoEF&CC, vide their notification dated 27.01.2021, had allowed import of 'post industrial or pre-consumer polyethylene wastes' and 'polymethyl methacrylate' by the SEZ units and EoUs only. It was also noted that the import of these items are not permissible to the DTA.

Further, the representative from the MoEF&CC confirmed that import of 'post industrial or pre-consumer polyethylene wastes' and 'polymethyl methacrylate' by the SEZ units and EoUs would not be affected after 18 months from the date of notification. However, the percentage of export obligation may only be decided after review / audit to be undertaken by MoEF&CC / CPCB in accordance with the said notification.

The Board, after deliberations agreed to recommend that DoC may propose policy amendment enabling extension of LoA of such plastic recycling units for 5 years' subject to fulfilment of restrictions / prohibitions / any other rules / regulations imposed by MoEF&CC from time to time on import of plastic waste / scrap by SEZ units / EoUs. Accordingly, DoC may revise policy on the matter issued on 27.05.2021 with the approval of competent authority. The Board further directed that the audit / review of such units may be undertaken by MoEF&CC / CPCB as the case may be

immediately on completion of 18 months duration stipulated in MoEF&CC notification dated 27.01.2021.

In the meantime, DoC vide circular dated 05.05.2022 has revised the policy dated 27.05.2021 to the effect that *the LoA of the Plastic Recycling units in SEZs and EoUs may be extended for 5 years by the Board of Approval subject to fulfilment of other conditions/norms. Other conditions of the policy guidelines dated 27.05.2021 in respect of plastic recycling units will remain unchanged.*

In light of the above, the Kandla Special Economic Zone Industries Association and the All Plastic Reprocessing Units in Falta Special Economic Zone have proposed the following :-

1. Extension of LoAs for 5 years

DoC has already amended the Plastic Recycling policy to extend the LoAs for 5 years. Their import and export cycle is nearly 3-4 months, their existing LoAs are valid only upto 26.07.2022, to avoid any disruption in their export orders they request that their LoAs be extended for the full term of 5 years starting from 27.07.2022.

2. Export monitoring for the current 18 months

The SEZ Rules provide monitoring for the block of 5 years and the current LoAs were renewed only for a short interim period of 18 months which doesn't constitute a minimum block of 5 years. Therefore, as is the decision made for the used clothing units (one reference LoA attached, refer to condition no. 3), they request that the NFE and export monitoring for the current 18 months be clubbed with the new 5 years extension.

3. Full term extension of 5 years for the units under litigation

Aggrieved with the earlier policy which had 100% export condition (which later was withdrawn/modified), few of the plastic recycling units have exercised the legal recourse available to them by contesting it to the Court or in DGFT. Many other units in SEZ, other than the plastic recycling units, also have pending litigations and their LoAs are renewed for the full term of 5 years. They requested that they also be treated at par with the other SEZ units and in case of on-going litigation their LoAs also be renewed for the full term of 5 years and they will comply with whatever is the final decision of their litigation.

With regard to 23 plastic recycling units in KASEZ, DC has informed that all the said units with imposed penalty /outstanding penalty have approached the Hon'ble High Court of Gujarat for stay (except M/s New Plastomers who has neither paid the penalty nor approached the Court due to which their LoA has not been renewed since 01.01.2021) and the Hon'ble High Court has granted interim relief to these units till the next date of hearing in the matter and as such the subject matter is sub-judice. There are 6 similar units in Falta SEZ and 1 unit in Noida SEZ. The details of units is annexed (Annexure -A).

The request is placed before the BoA for consideration.

110.12 Industrial License (one proposal)

110.12 (i) Proposal of M/s Hilton Tobaccos Pvt. Ltd. for setting up of SEZ unit at VSEZ, Duvvada, Andhra Pradesh for manufacture of Cigarettes, Cigars, Cheroots and Other Tobacco Products under IDR Act, 1951.

As per DPIIT's Press Note 3 (2019 series) dated 11.09.2019, Cigars and Cigarettes of Tobacco and manufactured Tobacco substitutes require compulsory license under IDR Act, 1951. Accordingly, vide OM dated 13.04.2022, the application of the unit was shared with stakeholder departments for their comments.

Comments have been received from all the departments except DPIIT (comments are awaited) which are as under:

Departments	Comments
DPIIT	Comments awaited from DPIIT
Tobacco Board, Department of Commerce	<p>Vide letter dated 11.05.2022, Tobacco Board, DoC has submitted their comments as under:</p> <ul style="list-style-type: none"> The applicant proposes to set up a SEZ unit for manufacturing Cigarettes, Cigars, Cheroots and other Tobacco products in VSEZ. The proposed capital of the company is Rs. 89.50 crores. There is no foreign investment involved. The company proposes to export 2880 Millions Cigarettes to 4140 Millions from 2022 to 2026. The company proposes to utilize Cut Tobacco of 2948 tons valued Rs. 68.07 crores. However, the details of its procurement plans are not given The company proposes to earn NFE of Rs. 743.86 crores for the first five years. As could be seen the Directors Shri B. Bhanumurthy, Shri B. Srimannarayana, Shri B. Venkata Sri KotiRatnam and Shri B. Venkata Sri Raja Vara Prasad are having vast experience in different fields. This company is registered with Tobacco Board under Exporter of Tobacco, Exporter of Tobacco Products and manufacturer of Virginia Tobacco categories during the year 2022. <p>The Tobacco Board has recommended the proposal subject to the extant policy and Rules and conditions for the following reasons:</p> <ol style="list-style-type: none"> 1. Since the firm proposes to export Cigarettes,

	<p>Cigar, Cheroots and other Tobacco Products under HSN code 2402, the Indian raw tobacco can be exported to that extent after value addition resulting in higher value exports.</p> <p>2. Since the product is being manufactured for export and not sold in domestic market, it will not have any health implication in the country.</p> <p>This may be considered subject to the following conditions:</p> <p>i) The applicant shall use 100% indigenous tobacco and shall not import tobacco for manufacturing of cigarettes.</p> <p>ii) The cigarettes manufactured at SEZ shall not be allowed to sale in domestic market.</p>
State govt. of Andhra Pradesh	<p>Vide letter dated 19.05.2022, State Govt. of Andhra Pradesh has offered following remarks for processing the proposal:</p> <p>i) Necessary declaration may be obtained from the Promoters/Directors of the unit that the cigarettes, Cigars, Cheroots and other tobacco products manufactured by the firm shall be exported 100% and sale of the same within the country shall not be made.</p> <p>ii) The promoter shall obtain all necessary statutory approvals/clearances required for establishment/operation of the unit from the competent authorities of Government of Andhra Pradesh.</p> <p>iii) The company shall abide by COTPA Act, 2003 along with the Cigarettes and other Tobacco products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Rules, 2004 and its further amendments.</p> <p>iv) The company shall adhere to all rules/ regulations prescribed by Govt. of Andhra Pradesh from time to time for ensuring public health.</p> <p>v) Security clearance for the Promoters/ Directors of the unit may be obtained from the competent authority.</p>
VSEZ	<p>Vide letter dated 13.05.2022, VSEZ has offered their comments as under:</p> <ul style="list-style-type: none"> The unit proposes to set up a unit in VSEZ for manufacture of Cigarettes, Cigars, Cheroots and other Tobacco Products is covered under compulsory license under IDR Act, 1951 and BOA is the competent

	<p>to grant Industrial License in respect of SEZ units.</p> <ul style="list-style-type: none"> • As per the guidelines, FDI is prohibited in manufacturing of Cigarettes, Cigars, Cheroots and other Tobacco Products. The unit has indicated that there is no FDI. • The unit has proposed to manufacture and export Cigarettes, Cigars, Cheroots and other Tobacco Products as such, it will not have any health implications in the country. • Sale of Cigarettes, Cigars, Cheroots and other Tobacco Products, rejects, seconds or other form by the unit in DTA shall not be permitted to comply with M/o Health guidelines. • The unit shall obtain all necessary statutory approvals/ clearances required from State and Central govt. Departments for setting up of the unit. • The required built-up space and required water is available and will be provided to the unit. • As per the details of the project, the unit proposes to import raw material and procure minimum quantity from indigenous sources. The Forex outgo projected for five years is Rs. 19732.00 lakhs.
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In a similar case of M/s RJT Tobacco Pvt. Ltd. for setting up of an SEZ unit in VSEZ for manufacturing the same items under IDR Act, 1951, apart from the above mentioned departments, comments were also sought from the following departments:

- i) IS-I Division, (Security Desk), MHA,
- ii) IS-I Division, (Arms Section), MHA,
- iii) M/o Environment Forest and Climate Change
- iv) Ministry of Health and Family Welfare

In this regard, Security Desk-MHA returned the proposal stating that Tobacco/Cigarette manufacturing is not covered under sensitive sectors. Arms Section, MHA also returned the proposal stating that the matter is not concerned with them. M/o Health and Family Welfare offered no comments stating that the manufacturing of Cigars and Cigarettes of tobacco and manufactured tobacco substitutes comes under the purview of DPIIT. MOEF&CC had stated that for development of SEZ, prior environmental Clearance is required under EIA Notification, 2006. It may kindly be noted that the comments from MoEF&CC were regarding setting up of SEZ not for unit in SEZ. MoEF&CC did not provide any specific comments regarding setting up of Cigarette/other products unit in SEZ. The proposal of RJT Tobacco was approved by BOA in its 107th meeting held on 25.11.2021.

Accordingly, in view of the above position, comments were not sought from Security Desk-MHA, Arms Section-MHA, MoEF&CC and MoHFW in the instant case.

Relevant provision: As per section 9 (e) of the SEZ Act, 2005, the Board has powers and functions of granting, notwithstanding anything contained in the Industries (Development and Regulation) Act, 1951, a license to an industrial undertaking referred to in clause (d) of section 3 of that Act, if such undertaking is established, as a whole or part thereof, or proposed to be established, in a Special Economic Zone.

The proposal of the unit is placed before the Board of Approval for consideration.

Annexure -A**Renewal of LoA of plastic recycling units in KASEZ, FSEZ and NSEZ**

Sr. No.	Name of unit	LoA Date	Expiry
	KASEZ		
1.	ADD POLYMERS PVT. LTD.	26.07.2022	
2.	ANSA POLYMERS LTD.	26.07.2022	
3.	BLAZE INTERNATIONAL	26.07.2022	
4.	TEXPOLY POLYMER	26.07.2022	
5.	HARISH PROCESSORS PVT.LTD.	26.07.2022	
6.	IMPERIAL OVERSEAS,	26.07.2022	
7.	KANDLA POLYPLAST (INDIA) PVT.LTD.	26.07.2022	
8.	KUTCH POLYMERS,	26.07.2022	
9.	LUCKYSTAR INTERNATIONAL	26.07.2022	
10.	MOKSHSTAR INTERNATIONAL	26.07.2022	
11.	NEW PLASTOMERS INDIA LTD.	31.12.2020	
12.	OSWAL POLMERS,	26.07.2022	
13.	PLAST-O-FINE INDUSTIRES,	26.07.2022	
14.	POLYREC PROCESSORS PVT. LTD.	26.07.2022	
15.	PRASAR ENTERPRISES	26.07.2022	
16.	RENEW PLASTICS,	26.07.2022	
17.	SATGURU POLYFAB PVT.LTD.	26.07.2022	
18.	SHIVAM SCRAP RECYCLING PVT.LTD.	26.07.2022	
19.	SHREEJI POLYMERS	26.07.2022	
20.	SUNRISE INTERNATIONAL	26.07.2022	
21.	RUDRAKSH PLASTICS P. LTD.	26.07.2022	
22.	ANITA EXPORTS (NOW ECO PLASTICS)	26.07.2022	
23.	R. R. VIBRANT POLYMERS LTD.	26.07.2022	
	FSEZ		
1.	AMARNATH ENVIROPLAST LTD	27.07.2022	
2.	ALPS OVERSEAS PVT. LTD.	27.07.2022	
3.	KKALPENA INDUSTRIES (INDIA) LTD.	27.07.2022	
4.	NARA EXIM PVT. LTD.	27.07.2022	
5.	PRECISION PROCESSORS PVT. LTD.	27.07.2022	
6.	SUKHI INDIA PVT. LTD.	27.07.2022	
	NSEZ		
1.	PLASTIC PROCESSORS & EXPORTER PVT. LTD.	26/27.07.2022	