

No. K-43022/136/2024-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)

Vanijya Bhawan, New Delhi
Dated the 22nd November, 2024

OFFICE MEMORANDUM

Subject: 6th meeting (2024 Series) of the Board of Approval for Export Oriented Units and 125th Meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) – Reg.

The undersigned is directed to refer to the subject cited above and to inform that the 6th meeting (2024 Series) of the Board of Approval for Export Oriented Units and 125th meeting of the BoA for SEZs is **scheduled to be held on 6th December, 2024 at Conference Hall, IInd Floor, Administrative Building, Noida SEZ** under the Chairmanship of Commerce Secretary, Department of Commerce in Hybrid Mode.

2. All the addresses are requested to kindly make it convenient to attend the meeting.
3. The **agenda for the 125th meeting of the BoA for the SEZs is enclosed** herewith.
4. The meeting link of the aforesaid meeting will be shared in due course.


(Sumit Kumar Sachan)

Under Secretary to the Government of India

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To

1. Central Board of Excise and Customs, Member (Customs), Department of Revenue, North Block, New Delhi. (Fax: 23092628).
2. Central Board of Direct Taxes, Member (IT), Department of Revenue, North Block, New Delhi. (Telefax: 23092107).
3. Joint Secretary, Ministry of Finance, Department of Financial Services, Banking Division, Jeevan Deep Building, New Delhi (Fax: 23344462/23366797).
4. Shri Sanjiv, Joint 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 Bhawan, 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, 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, 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. RupaChanda, 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. Development Commissioner, GIFT SEZ, Gujarat
42. Commerce Department, A.P. Secretariat, Hyderabad – 500022. (Fax: 040-23452895).
43. Government of Telangana, Special Chief Secretary, Industries and Commerce Department, Telangana Secretariat Khairatabad, Hyderabad, Telangana.
44. Government of Karnataka, Principal Secretary, Commerce and Industry Department, Vikas Saudha, Bangalore – 560001. (Fax: 080-22259870)
45. Government of Maharashtra, Principal Secretary (Industries), Energy and Labour Department, Mumbai – 400 032.
46. Government of Gujarat, Principal Secretary, Industries and Mines Department Sardar Patel Bhawan, Block No. 5, 3rd Floor, Gandhinagar – 382010 (Fax: 079-23250844).
47. Government of West Bengal, Principal Secretary, (Commerce and Industry), IP Branch (4th Floor), SEZ Section, 4, Abanindranath Tagore Sarani (Camac Street) Kolkata – 700 016
48. Government of Tamil Nadu, Principal Secretary (Industries), Fort St. George, Chennai – 600009 (Fax: 044-25370822).
49. Government of Kerala, Principal Secretary (Industries), Government Secretariat, Trivandrum – 695001 (Fax: 0471-2333017).
50. Government of Haryana, Financial Commissioner and Principal Secretary), Department of Industries, Haryana Civil Secretariat, Chandigarh (Fax: 0172-2740526).
51. Government of Rajasthan, Principal Secretary (Industries), Secretariat Campus, Bhagwan Das Road, Jaipur – 302005 (0141-2227788).
52. Government of Uttar Pradesh, Principal Secretary, (Industries), Lal Bahadur Shastri Bhawan, Lucknow – 226001 (Fax: 0522-2238255).
53. Government of Punjab, Principal Secretary Department of Industry & Commerce UdyogBhawan), Sector -17, Chandigarh- 160017.
54. Government of Puducherry, Secretary, Department of Industries, Chief Secretariat, Puducherry.
55. Government of Odisha, Principal Secretary (Industries), Odisha Secretariat, Bhubaneswar – 751001 (Fax: 0671-536819/2406299).
56. Government of Madhya Pradesh, Chief Secretary, (Commerce and Industry), VallabhBhavan, Bhopal (Fax: 0755-2559974)
57. Government of Uttarakhand, Principal Secretary, (Industries), No. 4, Subhash Road, Secretariat, Dehradun, Uttarakhand
58. Government of Jharkhand (Secretary), Department of Industries Nepal House, Doranda, Ranchi – 834002.
59. Union Territory of Daman and Diu and Dadra Nagar Haveli, Secretary (Industries), Department of Industries, Secretariat, Moti Daman – 396220 (Fax: 0260-2230775).
60. Government of Nagaland, Principal Secretary, Department of Industries and Commerce), Kohima, Nagaland.
61. Government of Chattisgarh, 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 (LSS) / PPS to JS (VA) / PPS to Dir (SNS).

Agenda for the 125th meeting of the Board of Approval for Special Economic Zones (SEZs) to be held on 06th December, 2024

Agenda Item No. 125.1:

Ratification of the minutes of the 124th meeting of the Board of Approval for Special Economic Zones (SEZs) held on 5th November, 2024.

Agenda Item No. 125.2

Request for extension of validity of In-principle/Formal approval [2 proposals – 125.2(i) & 125.2(ii)]

Rule position: Rule 6 (2) of the SEZ Rules, 2006: -

- a. *The letter of approval of a Developer granted under clause (a) of sub-rule (1) (Formal Approval) shall be valid for a period of three years within which time at least one unit has commenced production, and the Special Economic Zone become operational from the date of commencement of such production.*

Provided that the Board may, on an application by the Developer or Co-Developer, as the case may be, for reasons to be recorded in writing extend the validity period.

Provided further that the Developer or Co-developer as the case may be, shall submit the application in Form C1 to the concerned Development Commissioner as specified in Annexure III, who, within a period of fifteen days, shall forward it to the Board with his recommendations.

- b. *The letter of approval of a Developer granted under clause (b) of sub-rule (1) (In-principle approval) shall be valid for a period of one year within which time, the Developer shall submit suitable proposal for formal approval in Form A as prescribed under the provisions of rule 3:*

Provided that the Board may, on an application by the Developer, for reasons to be recorded in writing, extend the validity period:

Provided further that the Developer shall submit the application in Form C2 to the concerned Development Commissioner, as specified in Annexure III, who, within a period of fifteen days, shall forward it to the Board with his recommendations.

125.2(i) Proposal of M/s. Cyber Corporation Manipur Limited for further extension of the validity period of formal approval, granted for setting up of Manipur IT SEZ at Mantripukhri, Imphal, Manipur.

Jurisdictional SEZ – Falta SEZ (FSEZ)

Facts of the case:

LoA issued on (date) : 29.10.2013 (Formal Approval)
 Sector : IT/ITES
 Area (in Hectares) : 10.85 (notified)
 No. of Extensions granted : 4 extensions
 LoA valid upto (date) : 31.10.2024
 Request : For further extension of three years up to 31.10.2027

Present Progress:

a. Details of business Plan: -

S. No	Type of cost	Proposed Investment (Rs. in lakhs/crores)
1.	Land Cost	3.7 crores
2.	Construction Cost	1300 crores
	Total	1303.7 crores

b. Incremental investment since last extension: -

S. No.	Type of Cost	Total Investment made so far (Rs. in lakhs/crores) up to 19 th October 2023	Incremental investment (Rs. in crores) since last extension
1.	Land cost	3.7 crores	0
2.	Material Procurement	-	-
3.	Construction	230 crores	10 crores
	Total	233.7 crores	10 crores

c. Details of physical progress till date: -

S. No.	Authorised activity	% completion	% completion during last one year	Deadline for completion of balance work
1.	Building 1	95%	65%	31 st December 2024

2.	Boundary Wall (Renovated from existing wall)	98%	96%	31 st December 2024
3.	Approach Road	10%	10%	To be developed in Phases
4.	Internal Roads	0%	0%	To be developed in Phases
5.	Water Supply	10%	10%	Connection source ready. To be developed in Phases
6	Electrical Works (Building I, CIIT & MTI-HUB)	95%	65%	Installation of two Power substation has completed – independent power supply to Building 1, CIIT & MTI-HUB ready. To be developed in Phases
7.	Site Development (Processing and Non-Processing Area)	20%	10%	To be developed in phases
8.	Sewage System, CPET, & Waste Management	10%	10%	To be developed in phases
9.	MTI-HUB	96%	10%	30 th November 2025
10.	Residential Apartments	15%	15%	Mid 2026
11.	Hotel	0	0	Expected completion period – 2 years from date of commencement of construction. At RFP stage
12.	Hospital	0	0	Expected completion period – 2 years from date of commencement of construction. At RFP stage
13.	CIIT Shed	60%	0%	Early 2025

14.	IT Building 2 & 3	0	0	Expected completion period – 2 years from date of commencement of construction.
15.	IT Building 4 & 5	0	0	Expected completion period – 3 & 2 years respectively from date of commencement of construction. To be developed in PPP.

Detailed Reasons for delay:

Components	Reasons for Delay
Hotel	Low participation of interested Bidders leading to multiple calls for Expression of Interest for development of Hotel in PPP mode.
Hospital	Low participation of interested Bidders leading to multiple calls for Expression of Interest for development of Hotel in PPP mode.
Common Infrastructure	Will be developed under World Bank's funding which is currently at Legal Agreement Signing stage.
CIIT & MTI-HUB	Civil Construction halted due to flood and law & order situation.
Other remarks	Model code of conduct was imposed due to the Lok Sabha Election 2024 and this also contributed to the delays in approval and overall progress.

Reason for seeking extension:

1. IT SEZ Building-I and approach Road having a standard 4 Lane road from NH to the IT-SEZ main Campus at Mantripukhri, Impal are under construction and is envisaged to be completed shortly.
2. One of the main objectives of “Act East” Policy was to strengthen Information Technology and ensure strategic cooperation with the Southeast Asia, for which North Eastern region serves as the gateway. In the context of emerging relations of India with South East Asia, role of NE Region is inevitable and it would be a pivot of overall “Act East” policy. So the IT SEZ, Imphal will play an important role to fulfill the objective by providing office space to the IT Industry & IT Entrepreneur.
3. Ministry of DoNER has also approved funding of Rs. 120 cr towards development of IT SEZ Building-II under PM-DevINE in the Processing Zone of Manipur IT SEZ.

Recommendation by DC, FSEZ:

The proposal of extension of LoA for a period of 01 year up to 31st October 2025 has been recommended to BoA for its consideration.

125.2(ii) Proposal of M/s. Laxmi Infobahn Aquaduct Private Limited for further extension of the validity period of formal approval, granted for setting up of IT/ITES SEZ at Sy. No. 21/P,22/P, 23 and 24, Kokapet.

Jurisdictional SEZ –Visakhapatnam SEZ (VSEZ)

Facts of the case:

LoA issued on (date) : 19.01.2017 (Formal Approval)
 Sector : IT/ITES
 Area (in Hectares) : 2.56 Ha (notified)
 No. of Extensions granted : 5 extensions
 LoA valid upto (date) : 18.01.2025
 Request : For further extension of one year up to 18.01.2026

Present Progress:

a. Details of Business plan:

Sl. No.	Type of Cost	Proposed Investment (Rs. in crores)
1	Land Cost	0.76
2	Construction Cost	850 (proposed till end of the project)
	Total	850.76

b. Incremental Investment made so far and incremental investment since last extension:

S. No.	Type of Cost	Project Estimation	Total investment made so far (In Rs crores) upto December 2024	Incremental Investment since last extension from Jan 2024 to Sep 2024 (in Rs crores)	Total investment made till date	Investment Balance in Crore
1	Land cost	0.76	0.76	0	0.76	0
2	Material procurement from DTA & Services		86.13	0.06	86.19	
3	Construction Expenses		98.79	0	98.79	

	Total Construction / Cost including (DTA procurement and services (They constructed G+5 Floors)	850.00	185.68	0.06	185.74	
4	Expenditure made for site development for various fees like Building Application, Land Conversion, Earth Work and Environmental Clearance, Administrative Expenses, Project Consultants, Construction Expenses, Advance to Suppliers, Advance to Contractors and Finance & Cost		13.7	1.34	14.97	
	Total	850.76	199.38	1.4	200.71	650.05
5	Investment %	100%	23.43%	0.17%	23.60%	76.40%

(c) Details of physical progress till date:

S. N.	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	Excavation is completed	100	0	NIL
2	Compound wall is completed	100	0	NIL
3	Completion of the project	48.42	0.20	18.01.2026

Detailed reasons for delay:

They are currently negotiating with technology companies interested in establishing a Special Economic Zone (SEZ) unit in the proposed development. They expect to conclude these discussions soon, and once they achieve a positive outcome, they will promptly implement the remaining necessary infrastructure and services. If no SEZ unit enters into an agreement for occupancy or begins operations in the building, management will decide on the continuation of the SEZ status on or before the next renewal.

The Developer vide letter dated 18.9.2024 has stated that they have obtained the following permissions from the Govt, of Telangana and Central Government:

- i) Received consent order from M/s. Telangana State Pollution Control Board vide letter dated 3.8.2019
- ii) Received Building Plan approval for construction of IT/ITES Office Building from M/s. Industrial Infrastructure Corporation Ltd, IALA – Kokapet, Telangana vide letter dated 14.10.2019
- iii) Environmental Clearance Certificate from State Level Environment Impact Assessment Authority (SEIAA), Govt. of Telangana vide order dated 7.12.2019
- iv) Received approval from Govt. of Telangana State Disaster Response & Fire Services Department, NOC for Occupancy
- v) Received partial occupancy certificate, which has been inspected and declared +1* to 3% Upper Floors (part) out of 5 basements + Ground Floor + 29 Upper Fit for partial occupancy for Basements 1 (part) + Ground Floor (part) from M/s. TSIIC Limited, Hyderabad

The Developer has submitted the following reasons for non-operation of their SEZ: -

- Many IT companies in India successfully transitioned to remote work, demonstrating that productivity could be maintained without a physical office.
- During economic downturns, IT companies may reduce their workforce or scale back operations, leading to decrease in office space requirements.
- Some IT companies have adopted more flexible work arrangements, such as hybrid models or co-working spaces, which can reduce their need for dedicated office buildings.
- Unfavorable market conditions may deter companies from leasing or buying new office space.
- Changes in client needs and project priorities could have resulted in a reduced workforce or different operational strategies that did not require a physical location.
- The pandemic prompted many IT firms to rethink their operational models, often favouring remote or hybrid work to enhance resilience.

DC has informed that Specified Officer vide letter dated 03.10.2024 has stated that the Developer has constructed G+5 Floors bare structural building including 5 basements covering total built-up area of 5,22,814 sq.ft. Part of this premises was earlier leased out to M/s. Capgemini Technology Services India Limited and LoA was issued on 07.09.2021, however, the unit could not commence operations even after granting two extensions and exited from the SEZ on 11.09.2024.

Recommendation by DC, VSEZ:

The proposal has been duly recommended to BoA for its consideration.

Agenda Item No. 125.3:

Request for extension of LoA of SEZ Unit [1 proposal – 125.3(i)]

Relevant Rule position:

- As per Rule 18(1) of the SEZ Rules, the *Approval Committee may approve or reject a proposal for setting up of Unit in a Special Economic Zone.*
- Cases for consideration of extension of Letter of Approval i.r.o. units in SEZs are governed by Rule 19(4) of SEZ Rules.
- Rule 19(4) states that LoA shall be valid for one year. First Proviso grants power to DCs for extending the LoA for a period not exceeding 2 years. Second Proviso grants further power to DCs for extending the LoA for one more year subject to the condition that two-thirds of activities including construction, relating to the setting up of the Unit is complete and a Chartered Engineer's certificate to this effect is submitted by the entrepreneur.
- Extensions beyond 3rd year (or beyond 2nd year in cases where two-third activities are not complete) and onwards are granted by BoA.
- BoA can extend the validity for a period of one year at a time.
- There is no time limit up to which the Board can extend the validity.

125.3(i) Proposal of M/s. Wockhardt Ltd. Unit 03, located at Plot No. E 1/2, MIDC in Wokhardt Infrastructure Development Ltd. SEZ, Shendra, Aurangabad, Maharashtra, for extension of the validity of the LoA.

Jurisdictional SEZ – SEEPZ SEZ

Facts of the case:

LoA issued on (date) : 25.10.2013
 Nature of business of the Unit : Manufacturing of Oral Solid Dosage Form for Human usage.
 No. of extensions granted : 10 Extensions (3 by DC and 7 by BoA)
 LoA valid upto (date) : 24.10.2024
 Request : For further extension for one year, upto 24.10.2025

Present Progress:

i. Details of Business plan:

Sr.	Type of cost	Proposed Investment (Rs. in Cr.)
1	Plant & Machinery	72.37
2	Building Civil Work	8.41
	Total Capital Investment	80.78

ii. Investment: Position of capital investment by Wockhardt Ltd.

Sr	Particulars	Total investment made so far (Rs. in Crores)
1	Up to September 2023	80.78
2	October 2023 to September 9, 2024	NIL (Increment)
	Total capital investment up to September 9, 2024	80.78

iii. Details of physical progress till date:

Physical Progress: The Unit has submitted that there is no change with regard to physical progress as the construction activities of the Unit have already been completed and the plant and machinery has been fully installed to its capacity. The Unit has not commenced operation as they are awaiting approval from regulatory bodies USFDA. M/s. Wockhardt Ltd. has informed that they are committed to make the unit operational and are taking

substantial steps for the same. Further, they also submitted that they are taking substantial steps by applying for broad banding request in due course vis-à-vis also exploring other rest of the world market.

Sr	Activity	Total Area	Deadline for completion of work
1	Approved area	22382 sq. mtrs.	The construction activity of project is already completed.
2	Area constructed so far	22382 sq. mtrs.	
3	Incremental area since last extension	Nil	
4	% wise progress since last extension	Nil	

Detailed reasons for delay:

The Specified Officer in his report dated 23.10.2024 had stated that on physical inspection of the site it is found that the construction work of the built-up area 22382 sq.mtr. is completed & total capital investment up to September 9, 2024 is Rs.80.78 Crores. The Unit has applied to USFDA for product approval with a renewal fee up to 31.12.2025. However, due to the global COVID-19 pandemic, the inspection got delayed and they are expecting the surprise inspection anytime shortly as the situation is again back to the normal. They are hopeful that the Regulatory Authority shall visit their plant and accordingly they will start their commercial production in due course and vis-à-vis they are preparing for regulatory inspection of other countries also.

Specified officer further submitted that they are in process of making application for obtaining statutory license from some other countries and same will be done after confirmation from respective countries and the unit requires certain statutory licenses and approvals from different authorities to commence production, which takes time and they are in process of obtaining the same on top priority.

Recommendation by DC, SEEPZ:

The proposal has been recommended for extension of LoA for a period of one year up to 24.10.2025 has been duly recommended in terms of Rule 19(4) of SEZ Rules, 2006 to BoA for its consideration.

Agenda Item No. 125.4:

Request for Co-Developer status [3 proposals – 125.4(i) to 125.4(iii)]

Relevant provision: In terms of sub-section (11) under Section 3 of the SEZ Act, 2005, Any person who or a State Government which, intends to provide any infrastructure facilities in the identified area or undertake any authorized operation after entering into an agreement with the Developer, make a proposal for the same to the Board for its approval.

125.4(i) Proposal of M/s. Nila Urban Living Private Limited, 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. Gujarat International Finance Tec-City Company Limited (formerly M/s. GIFT SEZ Limited).

Jurisdictional SEZ – GIFT SEZ

i.	Name of the Developer & Location	M/s. Gujarat International Finance Tec-City Company Limited, Gandhinagar, Gujarat.
ii.	Date of LoA to Developer	07-01-2008
iii.	Sector of the SEZ	Multi-services-SEZ
iv.	Date of Notification	18-08-2011
v.	Total notified area (in Hectares)	105.4386 Hectares
vi.	Whether the SEZ is operational or not	SEZ operational
	(i) If operational, date of operationalization	21-04-2012
	(ii) No. of Units	673
	(iii) Total Exports & Imports for the last 5 years (Rs. in Cr.)	Exports – 42649.00 Imports - 36786.00
	(iv) Total Employment (In Nos.)	5935
vii.	Name of the proposed Co-developer	M/s. Nila Urban Living Private Limited, Ahmedabad.
viii.	Details of Infrastructure facilities / authorized operations to be undertaken by the co-developer	development, construction, maintenance, and operation of residential building at Plot No.

		26C in Block-26 in the dual-use area of non-processing area.
ix.	Total area (in Hectares) on which activities will be performed by the co-developer	5550 square meters.
x.	Proposed investment by the Co-developer (Rs. in Cr.)	Rs. 695.00 crores
xi.	Net worth of the Co-developer (Rs. in Cr.)	Rs. 129.79 crores, with project funding details (Note below may be seen)
xii.	Date of the Co-developer agreement	04-10-2024

Note: - DC has stated that the applicant has proposed the following for project funding:

- a) Funds already infused :Rs. 90.00 crores
- b) Bank Loan Eligibility :Rs. 250.00 crores
- c) Surplus funds from ongoing projects :Rs. 150.00 crores
- d) Booking advances :Rs. 150.00 crores
- e) Unused Bank Financing :Rs. 125.00 crores
- Total :Rs. 765.00 crores

Recommendation by DC, GIFT SEZ:

In view of the increase in economic activity and other developments coupled with generation of additional employment at GIFT-SEZ, Gandhinagar, DC, GIFT SEZ has duly recommended the proposal to BoA for its consideration.

125.4(ii) Proposal of M/s. Cowrks India Private Limited for Co-Developer status in Arliga Ecoworld Infrastructure Private Limited SEZ, Bangalore, Karnataka.

Jurisdictional SEZ – Cochin SEZ (CSEZ)

1.	Name of the Developer & Location	M/s. Arliga Ecoworld Infrastructure Private Limited Bangalore, Karnataka
2.	Date of LoA to Developer	15.06.2006
3.	Sector of the SEZ	IT/ITES SEZ
4.	Date of Notification	05.03.2012
5.	Total notified area (in Hectares)	10.415 Hectares (at present)
6.	Whether the SEZ is operational or not	SEZ operational
	(i) If operational, date of operationalization	11.11.2006
	(ii) No. of Units	27
	(iii) Total Exports & Imports for the last 5 years (Rs. in Cr.)	Exports – Rs. 61906 crores Imports – Rs. 711 crores
	(iv) Total Employment (In Nos.)	21103
7.	Name of the proposed Co-developer	M/s. Cowrks India Private Limited
8.	Details of Infrastructure facilities / authorized operations to be undertaken by the co-developer	Managed Service Provider related to; i. end-to-end management of flexible workspaces, including design, development, operations, sales & marketing, leasing and onboarding of new and existing tenants. ii. provision of mobile application for users of development area including technology solutions geared at enhancing tenant engagement & management of amenities.

9.	Total area (in Hectares) on which activities will be performed by the co-developer	10.415 Ha
10.	Proposed investment by the Co-developer (Rs. in Cr.)	Nil (Note below may be seen)
11.	Net worth of the Co-developer (Rs. in Cr.)	Rs. (554.42 Cr.) (Note below may be seen)
12.	Date of the Co-developer agreement	03.09.2024

Note: - DC has stated that M/s. Cowrks India Private Limited, as a Co-Developer, is not proposing any investment in the SEZ. The Co-Developer will act as a 'Managed Service Provider' and capex investment will be made by the Developer. Further, the company has fixed deposit of Rs.65.50 crore as on date and from the FY 2022-2023 onwards the company EBIDTA (Earnings before Interest, Tax, Depreciation, and Amortisation) is positive. The negative networth is because of the carrying forward of opening balance from the acquired entity and accumulated interest on non-convertible debentures worth Rs.164.10 crore. It is stated that to meet their routine operational expenses the company is both EBIDTA and cash positive, thus demonstrating healthy cash flow and working capital management.

It may please be noted that in an earlier instance, CSEZ had sought clarification from Department of Commerce and DoC vide letter dated 13th May 2022 forwarded the legal opinion obtained from the Department of Legal Affairs in which it is clarified that there is no provision prescribed in the SEZ Act 2005 & Rules 2006 which prescribes or provide minimum net worth which a Co-Developer should have at the time of application.

Recommendation by DC, CSEZ:

The proposal of M/s. Cowrks India Private Limited for granting Co-Developer status in Arliga Ecoworld Infrastructure Private Limited SEZ has been duly recommended, in terms of Section 3(11) of SEZ Act 2005 and Rule 3-A of SEZ Rules 2006 to BoA for its consideration.

125.4(iii) Proposal of M/s. UCAL Limited, for Co-Developer status in M/s. Mahindra World City, Auto Ancillary SEZ, situated in Plot no. AA4, 6th Avenue, Thenmelpakkam Village, Chengalpattu District, Tamil Nadu.

Jurisdictional SEZ – MEPZ SEZ

Facts of the case:

1.	Name of the Developer & Location	M/s. Mahindra World City Developers Limited, 17/18, Mahindra Towers, Pattullous Road, Chennai, Tamilnadu, India – 600 002
2.	Date of LoA to Developer	2(5)/2004-EPZ/AutoEng.08/09/2024
3.	Sector of the SEZ	Special Economic Zone for Specific sector- Auto Ancillary
4.	Date of Notification	26.10.2004
5.	Total notified area (in Hectares)	Auto Ancillary SEZ– 45.91 Ha
6.	Whether the SEZ is operational or not	Operational
	(i). If operational, date of operationalization	Auto Ancillary SEZ– 26.10.2024
	(ii). No. of Units	Auto Ancillary SEZ – 17
	(iii). Total Exports & Imports for the last 5 years (Rs. in Cr.)	Exports – Rs. 12,599 Cr. Imports – Rs. 2,448 Cr.
	(iv). Total Employment (In Nos.)	12,446
7.	Name of the proposed Co-developer	M/s. UCAL Limited
8.	Details of Infrastructure facilities / authorized operations to be undertaken by the co-developer	The existing auto ancillary facility, along with proposed new buildings, will be dedicated to the manufacturing of fasteners, rubber products, or other suitable products in the coming year, in accordance with the No Objection Certificate (NOC) issued by the Developer.
9.	Total area (in Hectares) on which activities will be performed by the co-developer	4.05 Ha
10.	Proposed investment by the Co-developer (Rs. in Cr.)	90 crores

11.	Net worth of the Co-developer (Rs. in Cr.)	354.18 Crores
12.	Date of the Co-developer agreement	05.11.2024

Recommendation by DC, MEPZ:

The proposal of M/s. Ucal Limited, No. 11, B 2, SP 1st Cross Road, Ambattur Industrial Estate, Ambattur, Chennai for co-developer status in Ancillary SEZ, Mahindra World City has been duly recommended to BoA for its consideration.

Agenda Item No. 125.5:

Request for conversion of processing area into non-processing area under Rule 11(B) [9 proposals – 125.5(i) to 125.5(ix)]

Rule position:

- **In terms of the Rule 5(2) regarding requirements of minimum area of land for an IT/ITES SEZ: -**

(b) There shall be no minimum land area requirement for setting up a Special Economic Zone for Information Technology or Information Technology enabled Services, Biotech or Health (other than hospital) service, but a minimum built up processing area requirement shall be applicable, based on the category of cities, as specified in the following Table, namely: –

TABLE

Sl. No. (1)	Categories of cities as per Annexure IV-A (2)	Minimum built-up processing Area (3)
1.	Category 'A' 50,000 square meters	50,000 square meters
2.	Category 'B' 25,000 square meters	25,000 square meters
3.	Category 'C' 15,000 square meters	15,000 square meters

(c) The minimum processing area in any Special Economic Zone cannot be less than fifty per cent. of the total area of the Special Economic Zone.

- **In terms of the Rule 11 B regarding Non-processing areas for IT/ITES SEZ:-**

(1) Notwithstanding anything contained in rules, 5,11,11A or any other rule, the Board of Approval, on request of a Developer of an Information Technology or Information Technology Enabled Services Special Economic Zones, may, permit demarcation of a portion of the built-up area of an Information Technology or Information Technology Enabled Services Special Economic Zone as a non-processing area of the Information Technology or Information Technology Enabled Services Special Economic Zone to be called a non-processing area.

(2) A Non-processing area may be used for setting up and operation of businesses engaged in Information Technology or Information Technology Enabled services, and at such terms and conditions as may be specified by the Board of Approval under sub-rule (1),

(3) A Non-processing area shall consist of complete floor and part of a floor shall not be demarcated as a non-processing area.

(4) There shall be appropriate access control mechanisms for Special Economic Zone Unit and businesses engaged in Information Technology or Information Technology Enabled Services in non-processing areas of Information Technology or Information Technology Enabled Services Special Economic Zones, to ensure adequate screening of movement of persons as well as goods in and out of their premises.

(5) Board of Approval shall permit demarcation of a non-processing area for a business engaged in Information Technology or Information Technology Enabled Services Special Economic Zone, only after repayment, without interest, by the Developer, –

(i) tax benefits attributable to the non-processing area, calculated as the benefits provided for the processing area of the Special Economic Zone, in proportion of the built up area of the non-processing area to the total built up area of the processing area of the Information Technology or Information Technology Enabled Services Special Economic Zone, as specified by the Central Government.

(ii) tax benefits already availed for creation of social or commercial infrastructure and other facilities if proposed to be used by both the Information Technology or Information Technology Enabled Services Special Economic Zone Units and business engaged in Information Technology or Information Technology Enabled Services in non-processing area.

(6) The amount to be repaid by Developer under sub-rule (5) shall be based on a certificate issued by a Chartered Engineer.

(7) Demarcation of a non-processing area shall not be allowed if it results in decreasing the processing area to less than fifty per cent of the total area or less than the area specified in column (3) of the table below:

TABLE

Sl. No. (1)	Categories of cities as per Annexure IV-A (2)	Minimum built-up processing Area (3)
1.	Category 'A' 50,000 square meters	50,000 square meters
2.	Category 'B' 25,000 square meters	25,000 square meters
3.	Category 'C' 15,000 square meters	15,000 square meters

(8) The businesses engaged in Information Technology or Information Technology Enabled Services Special Economic Zone in a non-processing area shall not avail any rights or facilities available to Special Economic Zone Units.

(9) No tax benefits shall be available on operation and maintenance of common infrastructure and facilities of such an Information Technology or Information Technology Enabled Services Special Economic Zone.

(10) The businesses engaged in Information Technology or Information Technology Enabled Services Special Economic Zone in a non-processing area shall be subject to provisions of all Central Acts and rules and orders made thereunder, as are applicable to any other entity operating in domestic tariff area.

- Consequent upon insertion of Rule 11 B in the SEZ Rules, 2006, Department of Commerce in consultation with Department of Revenue has issued Instruction No. 115 dated 09.04.2024 clarifying concerns/queries raised from stakeholders regarding Rule 11B.
- Further, as per the directions of the BoA in its 120th meeting held on 18.06.2024, there shall be a clear certification of Specified Office and the Development Commissioner that the Developer has refunded the duty as per the provisions of Rule 11B of SEZ Rules, 2006 and Instruction No. 115 dated 09th April, 2024 issued by DoC. Accordingly, DoC vide letter dated 27.06.2024 has issued one such Certificate to be provided by Specified Officer and Countersigned by Development Commissioner.
- Moreover, in the 122nd meeting of the BoA held on 30th August, 2024, the Board directed all DCs to ensure the implementation of the checklist (formulated by DoC and DoR) for all the cases including the past cases.

125.5(i) Proposal of M/s. L&T Realty Developers Limited, Developer of L&T Tech Park SEZ, Bangalore, for demarcation of SEZ Processing Built-up area (5033.36 sq.mtr.) as Non-Processing Area in terms of Rule 11 B of SEZ Rules 2006 read with Instruction No.115 dated 09.04.2024.

Jurisdictional SEZ – Cochin SEZ (CSEZ)

Notified Area (in Hectares)	:	2.3612
Date of Notification	:	03.10.2022
Date of operationalized	:	16.11.2023
No. of Units	:	05
Export (2023-2024) (Rs. in crore)	:	266.06
Total built-up area (Sq.mtr.)	:	170368.82
Area proposed for demarcation (sq.mtr.):	:	5033.36
Built-up area after demarcation (sq.mtr.):	:	165335.46

Proposal of the Developer:

The Developer vide letter dated 17th October 2024 has requested for demarcation of 5033.36 sq.mtr. built-up area as non-processing area in terms of Rule 11 B of SEZ Rules 2006 read with Instruction No.115 dated 09.04.2024. As regards reasons, the Developer states that 10th Floor of the Tower S2 is vacant and they are not getting any SEZ clients to occupy the same and also having lot of inquiries from DTA clients. Hence, their management decided to demarcate the vacant built-up area as Non-Processing Area. In this regard, the Developer has submitted the following details:-

Particulars	Details		
Name of Developer	M/s. L&T Realty Developers Limited		
Address of SEZ	L&T Campus, Bellary Road, Byatarayanapura Village, Next to GKVK, Bangalore District, Karnataka State		
Sector of the SEZ	IT/ITES		
Formal Approval	No.43016(11)/5/2022-SEZ dated 24th August 2022		
Date of Notification	03.10.2022		
Total Notified land area (in Hectares)	2.3612		
Total Built-up area in Processing Area (in Square meters), as informed by the Developer.	170368.82 Sq.mtr.		
Details of Built-up area	Building /Tower	No. of floors	Total built-up

in the SEZ	/ Block/Parcel	area (in Sq.mt.)
	Tower S-1	4B+G+10 46067.71
	Tower S-2	4B+G+10 54199.03
	Basement (4B)	BUA Tower S1 & S2 69740.33
	Connecting Block	Ground & first floor 361.75
	Total	170368.82

Total area to be demarcated as Non-Processing Area (NPA) out of Built-up area (in Square meter)	Tower	Description	Area (in M2)
	S2	10th Floor	3609.05
		Connecting Block (Ground Floor (178.87 sq.mtr. & 1st Floor: 182.88 sq.mtr)	361.75
		Car Parking area in Basement 2	1062.56
		Total	5033.36

Balance Built-up Processing Area after demarcation. **165335.46 Square meter**

Whether tax/duty calculated has been made as per SEZ Rule 11 (B)(5)?

Whether the calculation sheet has mentioned the tax or duty benefit originally availed for the built-up space to be demarcated as Non-Processing Area (NPA)?

If yes, above then whether repayment has been made? Please mention the amount repaid?

The Developer has not availed any duty/tax exemption for construction of building, common infrastructure etc. under SEZ Scheme. The furniture and fittings in the area proposed to be converted as NPA have obtained on payment of applicable duties. The Specified Officer has also confirmed the same and issued No Dues Certificate.

<p>Whether the calculation sheet has included the original duty or tax benefit availed for creation of social or commercial infrastructure and other facility in the SEZ to be used by both SEZ processing and non-processing area?</p>	
<p>Does the common infrastructure mentioned above inter-alia include internal roads, common parking facilities sewerage, drainage, food courts/hubs cafeteria, restaurants, canteen, gymnasium, catering area, health center, community center, club, sports complex compressor room, hospitals, landscapes, gardens, pedestrian walk way, foot over bridge, utilities like generation and distribution of power, including power back up, HVAC facilities, ETP, WTP, solar panel installed, compressor room, air conditioning and chiller plant, etc.</p>	<p>The Developer has not availed any duty/tax exemption for the common facilities in the SEZ as the same was constructed/set up prior to notification of SEZ</p>
<p>If yes, then whether repayment has been made of all tax/duty benefits availed on developing all these facilities? Please mention amount re-paid.</p>	<p>NA</p>

Whether the area to be demarcated as NPA is included to be strictly used for IT/ITES Units, any in terms of SEZ Rules 11(B)(2)?	Yes
Whether the demarcation is proposed for complete floor as per SEZ Rule 11(B)(3)?	Yes
Whether compliance to SEZ Rule 11 (B)(9) has been made regarding “no tax benefits” shall be available for operation and maintenance of common infrastructure?	Yes
Whether appropriate access control mechanism is in place of screen movement of goods or persons between processing area and non-processing area in order to rule out any probable diversion of duty free goods from processing area and non-processing area?	The developer has mentioned that they will maintain the appropriate access control mechanisms to ensure adequate screening of movement of persons as well as goods in SEZ premise for the SEZ unit and the businesses engaged in IT/ITES services in the proposed non-processing area.
Whether as a result of the proposed demarcation, the condition of maintaining minimum built-up area requirement in compliance to SEZ Rule 11(B)(7) is adhered to	Yes. The SEZ is coming under Category ‘A’ City and the minimum built-up area required for Category ‘A’ is 50,000 sq.mtr. After demarcation of the proposed built-up area, the remaining built-up area in the SEZ shall be 165335.46 sq.mtr., and hence fulfills the necessary conditions.
Reason for demarcation of built-up area as NPA	10th Floor of the Tower S2 is vacant and they are not getting any SEZ clients to occupy the same and also having lot of inquiries from DTA clients
Purpose and usage of such demarcation	To allot the same to non-SEZ units

The Specified Officer of the SEZ vide letter dated 24th October 2024 has issued No Dues Certificate and certified that the Developer has not availed any duty/tax exemption under

SEZ scheme, and hence refund of the duty/tax exemptions is NIL, as per the provisions of Rule 11B of SEZ Rules 2006 and Instruction No.115 dated 9th April 2024 issued by Department of Commerce. As per the extant guidelines and instructions, the checklist duly signed in respect of M/s. L&T Realty Developers Limited, Developer for demarcation of built-up area as non-processing area is also submitted.

Recommendation by DC, CSEZ:

The proposal of M/s L&T Realty Developers Limited, the Developer for demarcation of 5033.36 sq.mtr. built-up area as Non-Processing Area in terms of Rule 11 B of SEZ Rules.2006 read with Instruction No.115 dated 9th April 2024, has been duly recommended to BoA for its consideration.

125.5(ii) Proposal of M/s. Arliga Ecoworld Infrastructure Private Limited (formerly M/s. RMZ Ecoworld Infrastructure Pvt. Ltd.), Bangalore, Developer for demarcation of SEZ Processing Built-up area (74598.07 sq.mtr.) as Non-Processing Area in terms of Rule 11 B of SEZ Rules 2006 read with Instruction No.115 dated 09.04.2024.

Jurisdictional SEZ – Cochin SEZ (CSEZ)

Notified Area (in Hectares)	:	10.415
Date of Notification	:	28.09.2006,18.03.2011, 19.12.2011, 05.03.2010, 25.07.2018 & 04.07.2023
Date of operationalized	:	11.11.2006
No. of Units	:	27
Export 2023-2024 (Rs. in crore)	:	17736.23
Employment (Nos.)	:	21103
Total built-up area (Sq.mtr.)	:	483790.53
Area proposed for demarcation (sq.mtr.)	:	74598.07
Built-up area after demarcation (sq.mtr.):	:	409192.46

Proposal of the Developer:-

The Developer vide letter dated 17th October 2024 has requested for demarcation of 74598.07 sq.mtr. built-up area as non-processing area in terms of Rule 11 B of SEZ Rules 2006 read with Instruction No.115 dated 09.04.2024. As regards reasons, the Developer submits that 30-40% of built-up area is lying vacant since long due to implementation of Sunset clause, Covid 19 pandemic and introduction of work from home facility to the IT units and there is no demand for space from SEZ units. Hence, their management decided to demarcate the said built-up area as Non-Processing Area. The details are as under:-

Particulars	Details
Name of Developer	M/s. Arliga Ecoworld Infrastructure Pvt. Ltd. (formerly M/s. RMZ Ecoworld Infrastructure Pvt. Ltd.)
Address of SEZ	Devarabeesanahalli and Bhoganahalli Villages, Varthur Hobli, Bangalore, Karnataka
Sector of the SEZ	IT/ITES
Formal Approval	F.2/91/2006-EPZ dated 15 th June 2006
Date of Notification	28.09.2006, 18.03.2011,19.12.2011, 05.03.2010, 25.07.2018 & 04.07.2023

Total Notified land area (in Hectares)	10.415		
Total Built-up area in Processing Area (in Square meters), as informed by the Developer.	483790.53 Sq.mtr. (9 buildings)		
Details of Built-up area in the SEZ	Building /Tower / Block/Parcel	No. of floors	Total built-up area (in M²)
	1AB	2B+G+7	69372.86
	2	2B+G+4	21302.03
	3A	2B+G+7	53926.41
	3B	G+4	11036.58
	3C	1B+G	799.00
	4AB	3B+G+11	111054.90
	4C	3B+G+11	69324.25
	5A	3B+G+9	146974.50
	5B	3B+G+10	
	Total		483790.53
	Total area to be demarcated as Non-Processing Area (NPA) out of Built-up area (in Square meter)	Building	Description
1AB		2 nd Basement+1 st Floor (Campus 1A)	15069.33
2		1 st & 2 nd Basements+1 st to 3 rd floors	16431.27
4C		2 nd Basement+1 st +4 th +8 th +11 th Floors	21585.41
5A		1 st Basement+1 st & 2 nd Floors	21512.06
		Total	74598.07
Balance Built-up Processing Area after demarcation.	409192.46 Square meter		
Whether tax/duty calculated has been made as per SEZ Rule 11 (B)(5)?	Yes		
Whether the calculation sheet has mentioned the tax or duty benefit originally availed for the built-up space to be demarcated as Non-Processing Area (NPA)?	Yes		
If yes, above then whether repayment has been made? Please mention the amount repaid?	The Developer has paid and amount of Rs.13,01,04,936/- (Rupees Ten crore fifty nine lakh thirty nine thousand nine hundred		

	sixteen only) towards tax/duty exemptions availed for the proposed area to be demarcated as NPA alongwith common facilities.
Whether the calculation sheet has included the original duty or tax benefit availed for creation of social or commercial infrastructure and other facility in the SEZ to be used by both SEZ processing and non-processing area?	Yes
Does the common infrastructure mentioned above inter-alia include internal roads, common parking facilities sewerage, drainage, food courts/hubs cafeteria, restaurants, canteen, gymnasium, catering area, health center, community center, club, sports complex compressor room, hospitals, landscapes, gardens, pedestrian walk way, foot over bridge, utilities like generation and distribution of power, including power back up, HVAC facilities, ETP, WTP, solar panel installed, compressor room, air conditioning and chiller plant, etc.	Yes. The Developer has considered the duty/tax exemptions availed attributable to the common infrastructure facilities while calculating the amount paid
If yes, then whether repayment has been made of all tax/duty benefits availed on developing all these facilities? Please mention amount re-paid.	Yes Common facilities: Rs.2,41,65,010/-
Whether the area to be demarcated as NPA is included to be strictly used for IT/ITES Units, any in terms of SEZ Rules 11 (B)(2)?	Yes
Whether the demarcation is proposed for complete floor as per SEZ Rule 11(B)(3)?	Yes
Whether compliance to SEZ Rule 11 (B)(9) has been made regarding “no tax benefits” shall be available for operation and maintenance of common infrastructure?	Yes
Whether appropriate access control mechanism is in place of screen movement of goods or persons between processing area and non processing area in order to rule out any probable diversion of duty free goods from processing area and non-processing area?	The developer has mentioned that they will maintain the appropriate access control mechanisms to ensure adequate screening of movement of persons as well as goods in SEZ premise for the SEZ unit and the businesses engaged in IT/ITES services in the proposed

	non processing areas.
Whether as a result of the proposed demarcation, the condition of maintaining minimum built-up area requirement in compliance to SEZ Rule 11(B)(7) is adhered to	Yes. The SEZ is coming under Category 'A' City and the minimum built-up area required for Category 'A' is 50,000 sq.mtr. After demarcation of the proposed built-up area, the remaining built-up area in the SEZ shall be 409192.46 sq.mtr., and hence fulfills the condition.
Reason for demarcation of built-up area as NPA	The Developer submits that 30-40% of built-up area is lying vacant since long due to implementation of Sunset clause, Covid 19 pandemic and introduction of work from home facility to the IT units and there is no demand for space from SEZ units. Hence, their management decided to demarcate the said built-up area as Non-Processing Area.
Purpose and usage of such demarcation	To allot the same to non-SEZ units

The Specified Officer of the SEZ vide letter dated 24th October 2024 has issued No Dues Certificate and certified that the Developer has refunded all the duty vide Challan No.363217 dated 23.10.2004 for an amount of Rs.3,92,57,805/- towards Customs/Central excise Duty and DRC-03 bearing ARN:AD:291024032435C dated 23.10.2024 for Rs.9,08,47,121/- towards IGST, Service Tax, VAT and GST, as per the provisions of Rule 11B of SEZ Rules 2006 and Instruction No.115 dated 9th April 2024 issued by Department of Commerce. As per the extant guidelines and instructions, the checklist duly signed in respect of M/s. Arliga Ecoworld Infrastructure Pvt. Ltd., Developer for demarcation of built-up area as non-processing area is submitted.

Recommendation by DC, CSEZ:-

The proposal of M/s Arliga Ecoworld Infrastructure Pvt. Ltd., the Developer for demarcation of 74598.07 sq.mtr. built-up area as Non-Processing Area in terms of Rule 11 B of SEZ Rules.2006 read with Instruction No.115 dated 9th April 2024, has been duly recommended to BoA for its consideration.

125.5(iii) Proposal of M/s. DLF Limited, Kolkata for Demarcation of a portion of SEZ Processing Built-up area to a Non-Processing Area in terms of Rule 11B of SEZ Rules, 2006.

Jurisdictional SEZ – Falta SEZ (FSEZ)

Particulars	Details		
Name and address of the Developer	M/s. DLF Limited, Plot No.IIF/1, Block-IIF, ActionArea-11, New Town, Rajarhat, Kolkata		
Letter of Approval No. and date	LOA No. F.2/43/2006-EPZ dt 16.06.2006		
Date of Notification:	23rd June, 2008		
Name of the sector of SEZ for which approval has been given	IT/ITES		
Total Notified Area of SEZ (in hectare)	10.4813 hectares		
Total area of SEZ:			
i. Processing Area	Land area = 10.4813 hectares		
ii. Non-Processing Area	NIL		
Details of Built-up area: i. No. of towers with built up area of each tower (in square meter),	Building Block	BUA (Sqmt)	
	Building -1A	32,210	
	Building – 1B	17,543	
	Building – C	20,318	
	Building – 1D	6,665	
	Gr. Parking/Common area	6m350	
	Mezzanine Floor of sub station	149	
	Extra Refuge area	43	
	Basement	19,904	
	Total BUA	103,182	
ii. Total Built up area	1,03,182 SQM.		
iii. Area already demarcated as NPA	11,977 SQM.		
iv. Remaining Built up processing area	91,205 SQM.		
Total Balance Built-up Area in-			
i. Processing area	91,205 SQM.		
ii. Non-Processing area	11,977 SQM.		
Total number of floors in the building wherein demarcation of	Building/	Floor	BUA of floor

NPA is proposed	Block wise	No.	proposed for demarcation as NPA (Sqmt)
	Building 1(Block-C)	1st	1829
	Building 1(Block-C)	3 rd	1848
	Building 1(Block-C)	11 th	1861
	Building 1(Block-B)	3 rd	1574
	TOTAL		7,112
Total remaining built-up area (in sq. mt.)	84,093 SQM.		
Total built up area proposed for demarcation of NPA for setting up Non SEZ IT/ITES units:	7,112 sqmt.		
How many floors area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units	Three floors of Block-1C and one floor of Block-18 (Total 7112 sqm) is proposed for demarcation to NPA, for setting up of non SEZ IT/ITES units.		
Total duty benefits and tax exemption availed on the built-up area proposed to be demarcated as NPA, as per Chartered Engineers certificate (In Rupees Crore).	Rs. 56,22,462.50 (INR 0.56 crore) In this regard, FSEZ has confirmed that DLF has already refunded this amount (in respect of the proposed NPA Area) during the year 2009 vide Challan TR-6/GAR7 No. 001/KOL-SEZ/CUS/09-10 dated 30.07.2009 for full denotification.		
Whether duty benefits and tax exemptions availed have been refunded and NOC from specified officer has been obtained	Yes. The above said duty benefits and tax exemption availed on the built-up area has already been refunded and NOC obtained		
Reasons for demarcation of NPA	The built up floor area is lying vacant, due to multiple factors including sunset date of income tax, Covid-19 pandemic and WFH facility available to the units		
Total remaining built-up area (in sq mt)	84,093 SQM.		
Whether remaining built-up area fulfills the minimum built up area requirement as per Rule 5 of SEZ	Yes		

Rules, 2006:	
Purpose and usage of such demarcation of NPA:	To use the vacant floor as NPA for leasing to DTA unit in IT/ITES businesses.

The following requisite documents have been provided –

- i. No Dues Certificate from the Specified Officer
- ii. Checklist duly certified by Specified Officer and countersigned by DC
- iii. Certificate in the prescribed format signed by Specified Officer and countersigned by DC
- iv. Chartered Engineer Certificate
- v. Undertaking

Recommendation by DC, FSEZ:

The proposal has been duly recommended by DC, FSEZ to BoA for its consideration.

125.5(iv) Proposal of M/s. Midas Projects Private Limited, Co-developer, for Demarcation of Built up Floors as Non Processing Area of a notified IT/ITES SEZ - VSEZ.

Jurisdictional SEZ – Visakhapatnam SEZ (VSEZ)

Particulars	Details
1. Name & Address of Developer	Midas Projects Private Limited Co-developer for M/s. Divyashree NSL Infrastructure Pvt Ltd SEZ Raidurga Village, Serilingampally Mandal, Ranga Reddy District, Telangana.
2. Letter of Approval & Date	F.2/301/2006-SEZ Dated: 28.06.2018.
3. Date of notification	i. 18.05.2007 and ii. 24.06.2020 (Addition of Area)
4. Name of sector for which approval has been given	IT/ITES SEZ
5.Total Notified land area of SEZ (in hectare)	11.88 Hectares
6.Total area of- (i)Processing area- (ii)Non-Processing area-	11.88 Hectares 0.00 Hectares
7.Details of Built up area: (i)No. of towers with built-up area of each tower (In sqmtr)	9 Towers (Tower B1A, B1B, B2, B3, B4, B5, B6, B7 & B8) Developer Towers: 5 Towers (Tower B1A, B1B, B2, B5 & B8) Co-Developer Towers: 4 Towers (Tower B3, B4, B6 & B7)
(ii)Total Built up area (In sqmtr)	7,89,818.10 Sq. Mtrs.
8.Total Built up area in- (i)Processing area- (ii)Non-Processing area- (In Sq mtrs) ;	7,89,818.10 Sq. Mtrs. 0.00
9.Total numbers of floors in the building wherein demarcation of NPA is proposed	Block B-6 – 1st to 12 th Floor + 14 th Floor + 15 th Floor + Terrace + Ground Floor (South & North Wing) Block B-7 – 1st to 14 th Floor + Ground Floor + Basement 1 + Basement 2 (South & North Wing)
10.Total Built up area	63,446.34 Sq Mtrs (NPA- 53,856.62 Sq. Mtrs. + Common

proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units	Area - 9589.72 sq. Mtrs)																
11.How many floors are proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units	They are Demarcating 6th Floor and 8th Floor, (South Wing) and 7th Floor and 9th Floor (South & North Wing) of Tower B-6 and Ground Floor (South wing) and 11th Floor & 14 th Floor (North Wing) of Tower B-7 as below:																
	<table border="1"> <thead> <tr> <th>Floors of Tower B-6</th> <th>Net BUA (Sq Mtrs)</th> </tr> </thead> <tbody> <tr> <td>6th Floor (South wing)</td> <td>3887.28</td> </tr> <tr> <td>7th Floor (South Wing)</td> <td>3716.51</td> </tr> <tr> <td>7th Floor (North Wing)</td> <td>3404.67</td> </tr> <tr> <td>8th Floor (South Wing)</td> <td>3593.22</td> </tr> <tr> <td>9th Floor (South Wing)</td> <td>3508.48</td> </tr> <tr> <td>9th Floor (North Wing)</td> <td>4169.45</td> </tr> <tr> <td>Total</td> <td>22,279.61</td> </tr> </tbody> </table>	Floors of Tower B-6	Net BUA (Sq Mtrs)	6 th Floor (South wing)	3887.28	7 th Floor (South Wing)	3716.51	7 th Floor (North Wing)	3404.67	8 th Floor (South Wing)	3593.22	9 th Floor (South Wing)	3508.48	9 th Floor (North Wing)	4169.45	Total	22,279.61
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Floors of Tower B-7	Net BUA (Sq Mtrs)																
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14TH Floor (North Wing)	3401.61																
Total	10390.69																
	<p>Apart from above, they have refunded the duty/tax amount on common infrastructure/area for Basement/parking area as under:-</p> <p>Parking area at Tower B6 –</p>																

	<p>3rd Floor (South & North Wing) - 4709.17 Sq. Mtrs. and 5th Floor (South & North Wing) - 7916.38 Sq. Mtrs. Common Area at Tower B6 – 4844.75 Sq. Mtrs.</p> <p>Parking area at Tower B7 – 2nd Floor (South & North Wing) - 5758.22 Sq. Mtrs. and 5th Floor (South & North Wing) - 2802.55 Sq. Mtrs. Common Area at Tower B7 – 4744.97 Sq. Mtrs.</p> <p>Total of Parking Area & Common Area of Tower B6 & B7 – 30776.04 Sq. Mtrs.</p> <p>Proposed NPA area for IT-ITES – 32670.30 Sq.Mtrs. Proposed NPA area towards common infrastructure is 30776.04 Sq. Mtrs</p>
12. Total Built Up area already applied / approved for demarcation of NPA for setting up of Non SEZ IT/ITES Units in the IT/ITES SEZ	They earlier applied for demarcation of 55,685.23 sq.mtrs, however, the BoA deferred the proposal for want of concurrence from DoR on payment of duty benefits.
13.Total Duty benefits and tax exemption availed on the built area proposed to be demarcated as NPA, as per chartered Engineers certificate (In Rupees crore)	Rs.24.43/- Crore (Rs. 24,43,16,292/-) (Rupees Twenty Four Crore Forty Three Lakhs Sixteen Thousand Two Hundred and Ninety Two)
14.Whether Duty benefits and tax exemption availed has been refunded and NOC from Specified officer has been obtained (Please enclose NOC from Specified officer)	They have refunded all the Duty benefits and tax exemption availed and NOC from Specified officer has also been received.
15.Reasons for demarcation of NPA:	To give Non processing area on lease to Domestic units who does not wish to set up as SEZ Unit
16.Total remaining built-up area (in sqmtr)	Balance Built Up Processing area after Demarcation: 1,81,070.38 Sq Mtrs
17.Whether remaining built-up area fulfills the Minimum Built up area requirement as	Yes

per Rule 5 of SEZ Rules 2006	
18.Purpose and usage of such demarcation of NPA:	To give Non processing area on lease to Domestic units who does not wish to set up as SEZ Unit

- **Repayment of Tax benefits:**

They have refunded an amount of **Rs. 24,43,16,292/-** towards the exemption and benefits availed calculated as per principle under Rule 11B (5) (i) and 11B (5) (ii) and the clarification issued vide Instruction no. 115 dated 9th April 2006. They further undertake to pay, any additional amount, which would be found payable at a later date with respect to the current proposal for the demarcation of built up area as Non Processing Built up area.

- **Access Control Mechanism:**

They shall ensure adequate control of the movement of person and goods in SEZ units operating in the processing area and non processing area. Further, they shall ensure and implement, any additional access Control measures, which may be suggested by the Development Commissioner-VSEZ.

- The Developer has conveyed that since the units would become operational in the NPA area and will not be eligible for any exemption and benefits as available and applicable to the SEZ units, all the document accompanying such goods shall be examined at the entry and exit level to ensure that all material pertaining to the units occupying the NPA area are without any exemption and benefits of taxes and duties which otherwise they would be available to an SEZ unit. They also assure that, if required, they would be open to discuss and implement any other suggestion to enhance the existing control measures.

The following requisite documents have been provided –

- No Dues Certificate from the Specified Officer
- Checklist duly certified by Specified Officer and countersigned by DC
- Certificate in the prescribed format signed by Specified Officer and countersigned by DC
- Chartered Engineer Certificate
- Undertaking

Recommendation by DC, VSEZ:

The proposal of M/s. Midas Projects Private Limited for demarcation of Built up Floors as Non Processing Area of a notified IT/ITES SEZ in terms of Notification No. CG-DL-E-07122023-250457 No. 698 dated 06.12.2023 and Instruction no. 115 dated 09.04.2024 of

Ministry of Commerce & Industry has been duly recommended to the BoA for its consideration.

125.5(v) Proposal of M/s. Mantri Developers Private Limited for Demarcation of Built-up Floors as Non-Processing Area of a notified IT/ITES SEZ.

Jurisdictional SEZ - Visakhapatnam SEZ (VSEZ)

Facts of the case:

Particulars	Details
Name and address of the Developer:	M/s. Mantri Developers Pvt. Ltd, Nanakramguda Village, Serelingampally Mandal, RangaReddy District, Telangana
Letter of Approval No. and date	F.1/1/2015-SEZ dated 01-12-2015
Date of Notification	December 23, 2015
Name of the sector of SEZ for which approval has been given	IT/ITES SEZ
Total Notified Area of Special Economic Zone (in Hectare)	1.0504 Hectares
Total Area	i. Processing Area - 1.0504 Hectares ii. Non processing Area - 0.00 Hectares
Details of Built-up area	Cosmos I & cosmos 2
Tower: -	Built up Area of each tower: -
Cosmos 1	2,40,056 Sq.ft or 22,301.9 Sq.Mt.
Cosmos 2	5,74,293 Sq.ft or 53,353.5 Sq.Mt.
Total Built up area	i. Processing Area 8,14,349 Sq.ft (or) 75,655.4 Sq. Mt. ii. Non Processing Area 0.00 Sq.ft (or) 0.00 Sq.Mt.
Total No. of Floors in the Building wherein demarcation of NPA is proposed	One Floor - 9th Floor of Cosmos 1 & Cosmos 2
Total Built up area Proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units	50,643 Sq.ft (or) 4,704.80 Sq.Mt.
How many floors are proposed for demarcation of NPA for setting up of NON SEZ IT/ITES Units	One Floor - 9 th Floor of Cosmos 1 & Cosmos 2

Total Duty benefits and Tax exemption availed on the built area proposed to be demarcated as NPA, as per Chartered Engineers Certificate (In Rupees Crore)	No duty benefit or Tax exemption was availed on the built-up area.
Whether duty benefits and tax exemptions availed has been refunded and NOC from specified officer has been obtained	NA
Reasons for demarcation of NPA	Since December 2023 they have been making efforts to find a new tenant who is in need of SEZ space, but to no avail for the reason that multiple factors including the sunset date for Income tax benefits, after that Covid-19 pandemic and Work for Home facility available to the units are the main reasons for the lack of interest shown by the proposed tenants.
Total remaining built-up area	7,63,706 sq.ft (or) 70,950.6 Sq.M
Whether remaining built-up area fulfils the minimum built up area requirement as per Rule 5 of SEZ Rules, 2006	Yes
Purpose and usage of such demarcation of NPA	Let out for Non SEZ Unit

- **Repayment of Tax benefits:**

They have not availed any benefits under Rule 11B (5) (i) and 11B (5) (ii) and the clarification issued vide Instruction no. 115 dated 9th April 2006. They further undertaken to pay, any additional amount, which would be found payable at a later date with respect to the current proposal for the demarcation of built-up area as Non-Processing Built up area.

- **Access Control Mechanism:**

They shall ensure adequate control of the movement of person and goods in SEZ units operating in the processing area and non-processing area. Further, they shall ensure and implement, any additional access Control measures, which may be suggested by the Development Commissioner-VSEZ.

- The Developer has conveyed that since the units would become operational in the NPA area and will not be eligible for any exemption and benefits as available and applicable to the SEZ units, all the document accompanying such goods shall be

examined at the entry and exit level to ensure that all material pertaining to the units occupying the NPA area are without any exemption and benefits of taxes and duties which otherwise they would be available to an SEZ unit. They also assure that, if required, they would be open to discuss and implement any other suggestion to enhance the existing control measures.

The following requisite documents have been provided –

- i. No Dues Certificate from the Specified Officer
- ii. Checklist duly certified by Specified Officer and countersigned by DC
- iii. Certificate in the prescribed format signed by Specified Officer and countersigned by DC
- iv. Chartered Engineer Certificate

Recommendation by DC, VSEZ: -

The proposal of M/s. Mantri Developers Private Limited for demarcation of Built-up Floors as Non-Processing Area of a notified IT/ITES SEZ in terms of Notification No. CG-DL-E-07122023-250457 No. 698 dated 06.12.2023 and Instruction no. 115 dated 09.04.2024 of Ministry of Commerce & Industry has been duly recommended to the BoA for its consideration.

125.5(vi) Proposal of M/s. NSL SEZ (Hyderabad) Pvt. Ltd. for Demarcation of Built-up Floors as Non-Processing Area of a notified IT/ITES SEZ.

Jurisdictional SEZ - Visakhapatnam SEZ (VSEZ)

Facts of the case:

Particulars	Details				
Name & Address of Developer	NSL SEZ (Hyderabad) Pvt. Ltd. Plot No. 6 Survey No.1 IDA, Uppal Hyderabad.				
Letter of Approval & Date	F.2/336/2006-SEZ Dated: 31.10.2006				
Date of notification	18.05.2007				
Name of sector for which approval has been given	IT/ITES SEZ				
Total Notified land area of SEZ (in hectare)	5.97 Ha				
Total area of- (i)Processing area- (ii)Non-Processing area-	5.97 Ha 0.00 Ha				
Details of Built-up area: (i)No. of towers with built-up area of each tower (In sqmtr) (ii)Total Built up area (In sq.mtr.)	2 (Two) Buildings Block 1 - 89,977.30 Sq. Mtr, Block 2 - 91,714.66 Sq. Mtr, 1,81,691.96 Sq Mtrs				
Total Built up area in- (i)Processing area- (ii)Non-Processing area- (In Sq mtrs);	1,81,691.96 Sq. Mtrs. 0.00				
Total numbers of floors in the building wherein demarcation of NPA is proposed	Block 2- 2 Basements + 14 Floors + Terrace (2 Basements + Stilt (Ground Floor) + 13 Floors + Terrace Floor)				
Total Built up area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units	34,993.31 Sq. Mtrs. as NPA and 1612.62 Sq. Mtrs. as Common Area				
How built-up area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units	They are Demarcating Upper Basement, Stilt (Ground Floor), 10 th Floor, 11 th Floor, 12 th Floor and 13 th Floor of Block 2 as below:				
	<table border="1"> <thead> <tr> <th>Floors</th> <th>Net BUA (Sq Mtrs.)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	Floors	Net BUA (Sq Mtrs.)		
Floors	Net BUA (Sq Mtrs.)				

	10th Floor (Refuge)	5399.08
	11th Floor	5253.30
	12th Floor	5253.30
	13th Floor	5253.30
	Ground Floor	4466.00
	Upper Basement	9368.33
	Total	34993.31
	Common Area (between Block 1 & Block 2) - 1612.62 Sq. Mtrs.	
	Total NPA Area – 34993.31 Sq. Mtrs.	
	Total Common Area – 1612.62 Sq. Mtrs.	
Total Built Up area already applied / approved for demarcation of NPA for setting up of Non SEZ IT/ITES Units in the IT/ITES SEZ	No built-up area is applied or approved for Demarcation of NPA earlier	
Total Duty benefits and tax exemption availed on the built area proposed to be demarcated as NPA, as per chartered Engineers certificate (In Rupees crore)	Rs.11.07 Crore (Rs. 11,07,61,671/-) (Rupees Eleven Crore Seven Lakh Sixty-One Thousand Six Hundred Seventy-One)	
Whether Duty benefits and tax exemption availed has been refunded and NOC from Specified officer has been obtained (Please enclose NOC from Specified officer)	Yes, they have refunded all the Duty benefits and tax exemption availed and NOC from Specified officer has also been received.	
Reasons for demarcation of NPA:	To give non-processing area on lease to Domestic units who does not wish to set up as SEZ Unit	
Total remaining built-up area (in sqmtr)	Balance Built Up Processing area after Demarcation: 1,46,698.65 Sq. Mtrs.	
Whether remaining built-up area fulfils the Minimum Built up area requirement as per Rule 5 of SEZ Rules 2006	Yes	
Purpose and usage of such demarcation of NPA:	To give Non processing area on lease to Domestic units who does not wish to set up as SEZ Unit	

• **Repayment of Tax benefits:**

They have refunded an amount of Rs. 11,07,61,671/- towards the exemption and benefits availed calculated as per principle under Rule 11B (5) (i) and 11B (5) (ii) and the clarification issued vide Instruction no. 115 dated 9th April 2006. They further undertake to pay, any additional amount, which would be found payable at a later date with respect to the current proposal for the demarcation of built up area as Non Processing Built up area.

- **Access Control Mechanism:**

They shall ensure adequate control of the movement of person and goods in SEZ units operating in the processing area and non-processing area. Further, they shall ensure and implement, any additional access Control measures, which may be suggested by the Development Commissioner-VSEZ

- The Developer has conveyed that since the units would become operational in the NPA area and will not be eligible for any exemption and benefits as available and applicable to the SEZ units, all the document accompanying such goods shall be examined at the entry and exit level to ensure that all material pertaining to the units occupying the NPA area are without any exemption and benefits of taxes and duties which otherwise they would be available to an SEZ unit. They also assure that, if required, they would be open to discuss and implement any other suggestion to enhance the existing control measures.

The following requisite documents have been provided –

- i. No Dues Certificate from the Specified Officer
- ii. Checklist duly certified by Specified Officer and countersigned by DC
- iii. Certificate in the prescribed format signed by Specified Officer and countersigned by DC
- iv. Chartered Engineer Certificate

Recommendation by DC, VSEZ: -

The proposal of M/s. NSL SEZ (Hyderabad) Pvt. Ltd for demarcation of Built-up Floors as Non-Processing Area of a notified IT/ITES SEZ in terms of Notification No. CG-DL-E-07122023-250457 No. 698 dated 06.12.2023 and Instruction no. 115 dated 09.04.2024 of Ministry of Commerce & Industry has been duly recommended to the BoA for its consideration.

125.5(vii) Proposal of M/s. KRC Infrastructure and Project Pvt. Ltd. and M/s. Gera Holdings Pvt. Ltd. for approval of Demarcation of Built-up Floors as Non-Processing Area (NPA) of notified IT/ITES SEZ.

Jurisdictional SEZ - SEEPZ SEZ

Facts of the case:

Sr. No.	Particulars	Details																
1	Name and Address of the SEZ	M/s. KRC infrastructure and Project Pvt. Ltd. and M/s. Gera Holdings Pvt. Ltd. Survey No 65, Kharadi, Taluka-haveli Pune-411014.																
2	Letter of Formal Approval No. and Date	Formal Approval no. F.1/29/2016-SEZ Dated 22.02.2017																
3	Date of Notification	19.06.2017																
4	Name of the Sector of SEZ for which approval has been given	IT/ITES																
5	Total Area of SEZ <ul style="list-style-type: none"> Total processing Area Non processing Area 	4.95 Hectares 4.95 Hectares NIL																
6	Details of Built Up area: i. No of towers with built-up area of each tower (in sq. mtr.)- Total No. of Towers	Total No. of towers 4 (four) in the SEZ. As per following table: <table border="1"> <thead> <tr> <th>Sr. No</th> <th>Bldg No./ Tower Nos.</th> <th>Total No of Floors</th> <th>Built up Area as per approved plans by Special Planning Authority in Sq.Meters</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>B3 (R1)</td> <td>5 Parking floors +1 podium + 12 Office Floors</td> <td>76,523.37</td> </tr> <tr> <td>2</td> <td>B6 (R4)</td> <td>2 Parking Floors + 1 Podium +13 Office Floors</td> <td>1,08,473.40</td> </tr> <tr> <td>3</td> <td>B1(G1)</td> <td>Parking</td> <td>74,216.47</td> </tr> </tbody> </table>	Sr. No	Bldg No./ Tower Nos.	Total No of Floors	Built up Area as per approved plans by Special Planning Authority in Sq.Meters	1	B3 (R1)	5 Parking floors +1 podium + 12 Office Floors	76,523.37	2	B6 (R4)	2 Parking Floors + 1 Podium +13 Office Floors	1,08,473.40	3	B1(G1)	Parking	74,216.47
Sr. No	Bldg No./ Tower Nos.	Total No of Floors	Built up Area as per approved plans by Special Planning Authority in Sq.Meters															
1	B3 (R1)	5 Parking floors +1 podium + 12 Office Floors	76,523.37															
2	B6 (R4)	2 Parking Floors + 1 Podium +13 Office Floors	1,08,473.40															
3	B1(G1)	Parking	74,216.47															

				Floor + 1 podium +14 Officer Floors	
		4	B2(G2)	1 Parking Floors + 1 Podium + 12 Officer Floors	88,182,99
				TOTAL	3,47,396.23
7	Total Built up are in Sq. Meter	Processing area: 3,12,816.53 Sq. Meter (Built –up) Non Processing Area already approved Under Rule 11 (B)- 34,579.70 (Built-up)			
8	Total Numbers of floors in Building wherein demarcation of NPA is proposed	B 1 (G1) Building, 1 Parking Floors + 1 Podium +14 Office Floors			
9	Total built up area proposed for demarcation of NPA for setting up of Non-SEZ IT/ITES units (in sq.mtr.)	30,765.52 Sq.mts			
10	Total built up area proposed for demarcation of NPA for setting up of Non-SEZ IT/ITES units	Podium Office Floor and 1 to 6 Floor i.e. total 7 Floors			
11	Total duty benefits and tax exemption availed on the built-up area proposed to be demarcated as NPA, Common Infrastructure of the Building and common infrastructure of the Zone (in Rs. Crores)	Duty Benefit for proposed demarcation of NPA Rs. 15,01,44,667.60 Duty Benefit for General Development / Common Area - Rs. 19,87,46,524.62 (already paid for previously approved NPA proposal under 11 (B))			
12	Whether duty benefits and tax exemptions availed has been refunded and NOC from Specified Officer has been obtained (Please	Yes			

	enclose NOC from Specified Officer)	
13	Reasons for demarcation of NPA	The proposed seven floors of the building are vacant, given sub-due demand for space for Non SEZ IT/ITES Clients; NPA demarcation shall help leasing these spaces.
14	Total remaining built up area	2,82,051.01 Sq. mts
15	Whether total remaining built up area fulfils the minimum built up area requirement as per Rule 5 of SEZ Rules, 2006	Yes
16	Purpose and usage of such demarcation of NPA	For Leasing to Non-SEZ IT/ITES Clients

Reason for demarcation:

The Developer has submitted that they have constructed built up area of over 3.47 lakhs Sq. Meters consisting of 4 fully constructed IT Buildings. Out of these 4 four IT buildings, office space of 3 buildings have been fully leased out to various IT/ITES Units. However, one building designated as B1(G1) is fully vacant and they are not able to get any SEZ Clients.

Repayment of Tax benefits:

The Developer has refunded duty benefits of Rs. 15,01,44,667.60 (Rs. Fifteen Crores One Lakhs Forty-Four Thousand Six Hundred Sixty Seven and Paise Sixty only) for proposed demarcation of Non Processing Area under Rule 11 (B) area after due assessment by the specified Officer of their zone. No dues Certificate issued by the specified officer has been submitted.

Access Control Mechanism:

At the building and floor levels, the floors will have electronic access control for authorization of people working on the particular floor/s. This way there will be access control on movement of men and material.

The following supporting documents have been provided –

- a. Chartered Engineer Certificate
- b. Duty Calculation certificate by Chartered Accountant.
- c. No- Dues Certificate from Specified Officer

- d. Proof of Duty Payment
- e. Coloured map
- f. Certification of duty refund by Specified Officer and DC in the prescribed format
- g. Duly filled Checklist with Certification of SO and DC.
- h. Undertaking submitted by the Developer

Recommendation by DC, SEEPZ: -

The proposal of M/s. KRC infrastructure and Project Pvt. Ltd. and M/s. Gera Holdings Pvt. Ltd. for approval of Demarcation of Built-up Floors as Non-Processing Area (NPA) of notified IT/ITES SEZ has been duly recommended to the BoA for its consideration.

125.5(viii) Proposal of M/s. Manyata Promoters Private Limited, Bangalore, Co-Developer of Embassy Property Developments Private Limited SEZ, for demarcation of SEZ Processing area (Built-up area of 40,767 sq.mtr.) as Non-Processing Area in terms of Rule 11 B of SEZ Rules 2006 read with Instruction No.115 dated 09.04.2024.

Jurisdictional SEZ – Cochin SEZ (CSEZ)

Facts of the case:

S.N.	Particulars	Details			
1.	Name of Developer	M/s. Embassy Property Developments Private Limited			
2.	Address of SEZ	Outer Ring Road, Rachenahalli Village, Bangalore, Karnataka			
3.	Sector of the SEZ	IT/ITES			
4.	Formal Approval	No.F.1/1/2017-SEZ dated 2 nd March 2017			
5.	Date of Notification	03.05.2017			
6.	Total Notified land area (in Hectares)	2.5906 Ha			
7.	Total Built-up area in Processing Area (in Square meters), as informed by the Developer.	223267 Sq.mtr.			
8.	Details of Built-up area in the SEZ	Building /Tower/ Block/Parcel	No. of floors	Total built-up area (in M²)	
		Parcel 1	3B+G+18+Terrace	72479	
		Parcel 2	3B+G+19+Terrace	150788	
		Total		2,23,267	
9.	Total area to be demarcated as Non-Processing Area (NPA) out of Built-up area (in Square meter)	Building	Description	Area (in M²)	
		Parcel 2	5 th Floor	6272	
			6 th Floor	5719	
			7 th Floor	5698	
			8 th Floor	5656	
			Ground Floor	6668	
	Basement	10754			

			Floor 3	
			Total	40,767
10.	Balance Built-up Processing Area after demarcation.	182500 Square meter		
11.	Whether tax/duty calculated has been made as per SEZ Rule 11 (B)(5)?	Yes		
12.	Whether the calculation sheet has mentioned the tax or duty benefit originally availed for the built-up space to be demarcated as Non-Processing Area (NPA)?	Yes		
13.	If yes, above then whether repayment has been made? Please mention the amount repaid?	The Co-Developer has paid an amount of Rs.14,00,56,788/- (Rupees Fourteen crore fifty six thousand seven hundred eighty eight only) towards tax/duty exemptions availed for the proposed area to be demarcated as NPA along with common facilities.		
14.	Whether the calculation sheet has included the original duty or tax benefit availed for creation of social or commercial infrastructure and other facility in the SEZ to be used by both SEZ processing and non-processing area?	Yes		
15.	Does the common infrastructure mentioned above inter-alia include internal roads, common parking facilities sewerage, drainage, food courts/hubs cafeteria, restaurants, canteen, gymnasium, catering area, health center, community center, club, sports complex compressor room, hospitals, landscapes, gardens, pedestrian	Yes. The Co-Developer has considered the duty/tax exemptions availed attributable to the common infrastructure facilities while calculating the amount paid		

	walk way, foot over bridge, utilities like generation and distribution of power, including power back up, HVAC facilities, ETP, WTP, solar panel installed, compressor room, air conditioning and chiller plant, etc.	
16.	If yes, then whether repayment has been made of all tax/duty benefits availed on developing all these facilities? Please mention amount re-paid.	Yes Common facilities: Rs.8,40,88,146/-
17.	Whether the area to be demarcated as NPA is included to be strictly used for IT/ITES Units, any in terms of SEZ Rules 11 (B)(2)?	Yes
18.	Whether the demarcation is proposed for complete floor as per SEZ Rule 11(B)(3)?	Yes
19.	Whether compliance to SEZ Rule 11 (B)(9) has been made regarding “no tax benefits” shall be available for operation and maintenance of common infrastructure?	Yes
20.	Whether appropriate access control mechanism is in place of screen movement of goods or persons between processing area and non-processing area in order to rule out any probable diversion of duty free goods from processing area and non-processing area?	The Co-Developer confirmed that they will maintain the appropriate access control mechanisms to ensure adequate screening of movement of persons as well as goods in SEZ premise for the SEZ unit and the businesses engaged in IT/ITES services in the proposed non processing areas. Further, they have undertaken that the company will adhere to all SEZ conditions/regulations that may be prescribed in this regard.
21.	Whether as a result of the proposed demarcation, the condition of maintaining minimum built-up area requirement in compliance to SEZ Rule 11(B)(7) is adhered to	Yes. The SEZ is coming under Category ‘A’ City and the minimum built-up area required for Category ‘A’ is 50,000 sq.mtr. After

		demarcation of the proposed built-up area, the remaining built-up area in the SEZ shall be 182500 sq.mtr., and hence fulfills the condition.
22.	Reason for demarcation of built-up area as NPA	The Co-Developer submits that a large portion of built-up area is lying vacant due to implementation of Sunset clause for Income Tax, Covid 19 pandemic and introduction of work from home facility to the IT units and there is no demand for space from SEZ units. Hence, their management decided to demarcate the said built-up area as Non-Processing Area.
23.	Purpose and usage of such demarcation	To allot the same to non-SEZ IT units

The following supporting documents have been provided –

- i. Application in required Format
- ii. Built Up Area Statement of all the buildings in the Processing Area, being proposed for NPA demarcation, area already applied/approved for NPA Demarcation and balance processing Built Up Area.
- iii. BUA statement for the building of which floor/s are being proposed for NPA demarcation
- iv. Diagrammatical representation of the Building within the Notified SEZ Boundary
- v. Chartered Engineer Certificate certifying the area proposed for demarcation as Non-Processing area.
- vi. Copy of the application submitted.
- vii. Undertaking for refund of any amount found payable at a later date.
- viii. No dues certificate w.r.t. partial demarcation of non-processing area obtained from Specified Officer.
- ix. Certificate in the prescribed format signed by Specified Officer and countersigned by DC, CSEZ
- x. Checklist

Recommendations by DC, CSEZ:

The proposal of M/s. Manyata Promoters Private Limited, Co-Developer for demarcation of 40767 sq.mtr. built-up area as Non-Processing Area in terms of Rule 11 B of SEZ Rules 2006 read with Instruction No.115 dated 9th April 2024, has been duly recommended to the BoA for its consideration.

125.5(ix) Proposal of M/s. Candor Gurgaon One Realty Projects Pvt. Ltd., Developer, for demarcation of built-up processing area into Non-Processing area of IT/ITES SEZ at Village-Tikri, Sector-48, Gurugram (Haryana), under Rule 11B of SEZ Rules, 2006.

Jurisdictional SEZ – Noida SEZ (NSEZ)

Facts of the case:

S. N.	Particulars	Details	
1.	Name and address of the Developer	M/s. Candor Gurgaon One Realty Projects Private Limited, IT/ITES SEZ at Village Tikri, Sector-48, Gurugram (Haryana)	
2.	Letter of Approval No. and date.	LOA No. F.2/119/2005-SEZ dated 30.07.2007	
3.	Date of Notification	09.01.2008 & 15.04.2021.	
4.	Name of the sector of SEZ for which approval has been given.	IT/ITES	
5.	Total Notified land area (in Hectares)	10.1929 hectare	
6.	Demarcation of PA & NPA: (i). Processing Area (ii). Non-Processing Area	Land area 10.1929 hectare. 0.00 hectare	
7.	Details of Built-up area in Processing Area: (i). No. of towers with built-up area in each tower (in Square meter)	Tower No.	Built-up Area (in Sq.mt.)
		Tower-1	26442.700
		Tower-2	30534.300
		Tower-3	23624.399
		Tower-4	25984.334
		Tower-5	30517.370
		Tower-6	22323.040
		Tower-9	22278.990
		Tower-7	24886.200
		SEZ Office/Tower-10	2911.161
		Amenity Block-2	2045.006
		Tower-8 (Part)	44072.021
		Tower-8 (Remaining)	8922.760
		Amenity Block-1	5184.619
		Total:	269726.900
		Basement-1	76681.555
		Basement-2	68391.303
		Basement-3	66187.027
		Total:	211259.885
8.	Total Built-up in:	Built-up area: 269726.900 Sqmt.	

	Processing Area:	Basement Area: <u>211259.885 Sqmt.</u>		
	Non-Processing Area:	Total: 480986.785 Sqmt. Nil		
9.	Total numbers of floors in building wherein demarcation of NPA is proposed.	Tower No.	Total number of floors	
		Tower-4	3 Basement+ Ground floor + 12 floors	
		Tower-8	3 Basement+ Ground floor + 14 floors	
		Tower-10	3 Basement+ Ground floor + 4 floors	
10.	Total Built-up area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES Units:	35954.55 Sqmt. as NPA and 113553.215 Sqmt. as Common area.		
11.	Total number of floors in building wherein demarcation of NPA is proposed:	Building/ Tower/Block No.	Floor no. to be demarcated as NPA	Total built-up area (in Sqmt.)
		Tower-4	1 st to 4 th , 6 th , 9 th , 10 th & 12 th floor.	15810.84
		Tower-8	9 th to 14 th floor	17575.48
		Tower-10	Ground to 4 th floor	2568.23
		Total:	-	35954.55
		Common area considered for common usage as below:		
		Location	Area (in Sqmt.)	
		Basement for Tower-4 (B2 & B3), Basement for Tower-8 and Basement for Tower-10 including dedicated ramp:	34461.92	
		Amenity Block-1	5184.619	
		Amenity Block-2	2045.006	
		Substation	550.00	
		Green area including landscaping	15385.06	
		Road and open parking area	55926.61	
		Total:	113553.215	
12.	Total duty benefits and tax exemption availed on the built-up area proposed to be demarcated as NPA, as per Chartered Engineer Certificate (In Rupees Crore)	Rs.53,22,04,292/- (Rupees fifty-three crores twenty-two lakhs four thousand two hundred ninety-two only.)		

13.	Whether Duty benefits and tax exemption availed has been refunded and NOC from Specified Officer has been obtained.	The Developer has submitted 'No Dues Certificate' issued by Specified Officer issued vide letter No. CUS/Candor SEZ/Demarcation/04/2024/35 dated 25.10.2024. The Specified Officer has informed that the Developer has deposited Rs.53,22,04,292/- (Rupees fifty-three crores twenty two lakhs four thousand two hundred and ninety two only) towards refund of duty / taxes and there are no dues payable by the developer with reference to conversion of proposed built-up area of 35954.55 Sqmt. to be demarcated as NPA and common area of 113553.215 Sqmt. to be demarcated as NPA.
14.	Reasons for demarcation of NPA	The Developer has mentioned "To give Non-Processing Area on lease to Domestic Units who does not wish to setup as SEZ Unit"
15.	Total Remaining Built-up Area (in Sqmt.)	Balance Built-up Processing Area after demarcation: 2,33,772.35 Sqmt.; and Balance Basement Processing Area after demarcation: 176797.965 Sqmt.
16.	Whether remaining built-up area fulfils the minimum area requirement as per Rule 5 of SEZ Rules, 2006	Yes.
17.	Whether any SEZ Unit operating on the area proposed to be demarcated as Non-Processing Area under Rule 11B.	The developer had informed that there is no SEZ unit or any other business currently operating out of the said area proposed to be demarcated. The said premise is completely vacant.
18.	Whether Certificate of Specified Officer in the format as prescribed vide DoC letter dated 27.06.2024, confirming refund of duty as per provisions of Rule 11B of SEZ Rules, 2006 and Instruction No. 115 dated 09.04.2024, has been received?	Yes
19.	Whether Checklist for demarcation of NPA, in the format prescribed vide DoC letter dated 09.09.2024, has been received?	Yes

The following supporting documents have been provided –

- a. Common Application Form as per Rule 11 (B) and Instruction No 115.
- b. Chartered Engineer Certificate
- c. Duty Calculation certificate by Chartered Accountant.
- d. No- Dues Certificate from Specified Officer
- e. Proof of Duty Payment
- f. Coloured map
- g. Certification of duty refund by Specified Officer and DC in the prescribed format
- h. Duly filled Check List with Certification of SO and DC.
- i. Undertaking submitted by the Developer for following purposes:
 - 1) that they shall not avail any exemption or tax benefits on goods and services procured for operation and maintenance of common infrastructure of the Zone.
 - 2) that they shall pay the differential / short paid / non paid duty / tax benefits, if any, so determined at a later date without any protest
 - 3) that they shall comply with the provisions of Rule 11 (B) of SEZ Rules
 - 4) that they shall not avail ineligible input credit, w.r.t. Goods and Service Tax being paid for said demarcation under rule 11 (B)of SEZ Rules.

Recommendation by DC, NSEZ: -

The proposal of M/s. Candor Gurgaon One Realty Projects Private Limited, Developer for demarcation of built-up Processing Area of '35954.55 Sqmt. built-up processing area of 1st to 4th, 6th, 9th, 10th & 12th floor, Tower-4, 9th to 14th floor, Tower-8 and Ground to 4th floor, Tower-10' into the Non-Processing Area, in terms of Rule 11B of SEZ Rules, 2006 read with Instruction No. 115 dated 09.04.2024 & DoC letter dated 27.06.2024, has been duly recommended to the BoA for its consideration.

Agenda Item No. 125.6

Request for full/partial de-notification [2 proposals – 125.6(i) and 125.6(ii)]

Procedural guidelines on de-notification of SEZ:

- In terms of first proviso to rule 8 of the SEZ Rules, 2006, *the Central Government may, on the recommendation of the Board (Board of Approval) on the application made by the Developer, if it is satisfied, modify, withdraw or rescind the notification of a SEZ issued under this rule.*
- In the 60th meeting of the Board of Approval held on 08.11.2013, while considering a proposal of de-notification, the Board after deliberations decided that henceforth all cases of partial or complete de-notification of SEZs will be processed on file by DoC, subject to the conditions that:
 - (a) DC to furnish a certificate in the prescribed format certifying inter-alia that;
 - the Developer has either not availed or has refunded all the tax/duty benefits availed under SEZ Act/Rules in respect of the area to be de-notified.
 - there are either no units in the SEZ or the same have been de-bonded
 - (b) The State Govt. has no objection to the de-notification proposal and
 - (c) Subject to stipulations communicated vide DoC's letter No. D.12/45/2009-SEZ dated 13.09.2013.

125.6(i) Proposal of M/s. Mindspace Business Parks Private Limited for partial de-notification of 2.16 Ha out of 19.96 Ha of their IT/ITES SEZ at Plot No. 3, Kalwa TTC Industrial Area, MIDC, District Thane, Maharashtra.

Jurisdictional SEZ – SEEPZ-SEZ

Facts of the case:

Name of Developer	: M/s. Mindspace Business Parks Private Limited
Location	: Plot No. 3, Kalwa TTC Industrial Area, MIDC, District Thane, Maharashtra
LoA issued on (date)	: 23.10.2006 (Formal Approval)
Sector	: IT/ITES
Operational or not operational	: Operational with 50 units and 50,000 employees
Notified Area (in Hectares)	: 19.96 Ha.
Area proposed for de-notification (in Hectares)	: 2.16 Ha.

M/s. Mindspace Business Parks Private Limited has requested for partial de-notification of 2.16 Ha out of 19.96 Ha. As regards reasons, the developer has submitted the following:-

- i. There is a huge demand from units of the SEZ for commercial infrastructure including economical Hotel and within the SEZ
- ii. Accordingly, they had applied to MoC and DC- SEEPZ vide their letter dated 18th April, 2017 for the permission for construction of hotel in the Non-Processing Area of their SEZ
- iii. As per SEZ Rule 11 A (3) (c), only 10% of Non- Processing Area can be used for commercial purposes which includes hotels.
- iv. However, 89% area of their notified SEZ (17.80 Ha) is constructed and have operational units. Only 11% of their area (2.16 Ha) is vacant which can be demarcated as Non-Processing Area. Thus they are not able to adhere to Rule 11 A (3) (c) as the area remaining for commercial infrastructure is very small.
- v. They have requested for the relaxation of rule no. 11 A (3) (c) to allow utilising of the total Non Processing area for construction of Commercial infrastructure including a budget Hotel.
- vi. However, the MOC&I is yet to amend its notification dated 02/01/2015 regarding stipulation of land area of non-processing zone for various social infrastructure creation. In the absence of modification of above regulation of land utilization, they are proposing partial de- notification of the balance vacant land of their SEZ.

This area will be used for building commercial infrastructure including a budget hotel to be used by the Units in the SEZ as well as outsiders.

As per DoC's O.M. dated 14.07.2016 regarding required documents for partial de-notification and the status thereof are as below:

S. No	Documents/Details Required	Status
(i)	Form-C5 for decrease in area along with DC's recommendation	Yes, provided
(ii)	DC's certificate in prescribed format	Yes, provided
(iii)	Developer's Certificate countersigned by DC	Yes, provided
(iv)	Land details of the area to be de-notified countersigned by DC	Yes, provided
(v)	Colored Map of the SEZ clearly indicating area to be de-notified and left-over area duly countersigned by DC	Yes, provided
(vi)	"No Objection Certificate" from the State Government w.r.t. instructions issued by DoC vide its instruction No. D.12/45/2009-SEZ dated 13.09.2013 for partial de-notification shall be complied with	Yes, provided
(vii)	'No Dues Certificate' from specified officer	Yes, provided

The State Govt. of Maharashtra vide letter dated 21.08.2024 has recommended the proposal informing that the partial de-notified land will be utilized towards creation of IT infrastructure (Non-SEZ) which would sub-serve the objective of the SEZ and this land will conform to the land use/master plan of the State Govt.

DC, SEEPZ SEZ has certified that;

- (a) There are no units in area proposed for partial de-notification of 2.16 Ha.
 (b) The developer had availed the following tax/duty benefits, under the SEZ Act/Rules, in r/o the land being de-notified:-

S. No.	Type of Duty/Taxes	Assessable Value (INR)	% of applicable duty	Duty/taxes refunded (INR)
1.	Service Tax	4,77,89,101.98	12.36	59,06,733.00
2.	IGST	93,63,657.80	18	16,85,459.00
Total		5,71,52,759.78		75,92,192.00

All tax/duty benefits indicated above have been refunded by the Developer to DC's satisfaction.

(c) The EZ shall remain contiguous even after de-notification of the area of 2.16 Ha and shall meet the minimum land requirement/built area prescribed for IT/ITeS which is 50,000 sq.mtrs.

In compliance of DoC's No. 102 dated 18-11-2019 regarding Physical Inspection and Contiguity condition, the site was inspected on 17.09.2024 by DC, SEEPZ-SEZ along with JDC. Subsequently, an individual physical inspection of the site was carried out on 26.09.2024 by Surveyor, MIDC. It is verified that the proposed decrease in area is in contiguity to the existing notified SEZ and is free from all encumbrances. The balance area after the partial de-notification is in contiguity to the existing notified SEZ and is free from all encumbrances. The Developer was asked to create and maintain a proper boundary of SEZ area for the remaining portion of the SEZ post partial de-notification to ensure that the continuing SEZ area is protected to ensure entry/exit point with one additional entry/exit gate for all movements of SEZ area.

Recommendation by DC, SEEPZ SEZ:

The proposal has been duly recommended to BoA for its consideration.

125.6(ii) Proposal of M/s. Phoenix Tech Zone Private Limited for partial de-notification of 3.167 Ha out of 5.78 Ha of their IT/ITES SEZ at Nanakramguda Village, Telangana.

Jurisdictional SEZ – Visakhapatnam SEZ (VSEZ)

Facts of the case:

Name of Developer	: M/s. Phoenix Tech Zone Pvt. Limited
Location	: Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Telangana
LoA issued on (date)	: 07.12.2016 (Formal Approval)
Sector	: IT/ITES
Operational or not operational	: Non-operational
Notified Area (in Hectares)	: 5.78 Ha.
Area proposed for de-notification (in Hectares)	: 3.167 Ha.

The Developer vide letter dated 22.10.2024 has stated that "the entire SEZ is developed on a joint Development Agreement (JDA) model. The land owners agreed to take SEZ built up area in lieu of their land. It is an exchange of the land parcel owned by the individual land owners with agreed built up space in the SEZ. Presently, out of 5.78 Ha, they have utilized 2.613 Ha (6.45 Acres) for the development of 2.60 million sft of SEZ space and would like to de-notify an area of 3.167 Ha. The landowners were allotted the built up SEZ space by the Developer as agreed and as per the agreement, the land owners conveyed the vacant title in favour of the Developer company. They have submitted the Conveyance Deeds and the Agreements in this regard. In the transfer of title deeds, the land owners have relinquished their rights on the vacant un-utilized land area and transferred the same to the Developer.

Further, as regards reasons for decrease in area, the Developer also stated that "due to multiple factors, including sunset clause of Income Tax benefits to the SEZ units, Work from Home facility made available to the employees of the units post Covid-19 pandemic, are contributing to the slowdown in the leasing demand for IT/ITES SEZ space. They have also stated that they have not availed any incentives on the open vacant un-utilized land which is proposed for de-notification. The developed structures within the notified area have separate access. The de notification of the un-utilized vacant land will not impact the contiguity of the notified SEZ area".

The Specified Officer vide letter dated 29.10.2024 has stated that along with the Authorized Officer, has visited the premises and found that the area earmarked for de notification is vacant and no construction has taken place in that area. Further, the structure developed in the utilized notified area has a separate access and the de notification of the un-utilized land will not impact the contiguity of the SEZ notified area. Since the area proposed for de-notification has no construction and no units in it, no tax/duty benefit under Section 26 of SEZ Act, 2005 has been availed by the Developer for that area. In view of the above, 'No Objection' is submitted to consider the request of the Developer for the above partial de-notification.

The partial de-notification of an area of 0.469 Ha (1.16 Acres) approved vide Notification dated 15.3.2022 has been challenged before Hon'ble High Court of Telangana vide W P. No . 8167/2023 by the Co-Developer i.e, M/s. Jell IT Society (a group of land owners formed to operate and maintain their share of SEZ space). The Petitioners prayed for declaring the partial de-notification of 0.469 Ha as illegal, arbitrary and unconstitutional and consequently to set it aside because they were not consulted before the denotification was notified. The case was listed on 13.11.2024.

As per DoC's O.M. dated 14.07.2016 regarding required documents for partial de-notification and the status thereof are as below:

S. N.	Documents/Details Required	Status
(i)	Form-C5 for decrease in area along with DC's recommendation	Yes, provided
(ii)	DC's certificate in prescribed format	Yes, provided
(iii)	Developer's Certificate countersigned by DC	Yes, provided
(iv)	Land details of the area to be de-notified countersigned by DC	Yes, provided
(v)	Colored Map of the SEZ clearly indicating area to be de-notified and left-over area duly countersigned by DC	Yes, provided
(vi)	"No Objection Certificate" from the State Government w.r.t. instructions issued by DoC vide its instruction No. D.12/45/2009-SEZ dated 13.09.2013 for partial de-notification shall be complied with	Yes, provided
(vii)	'No Dues Certificate' from specified officer	Yes, provided

The State Govt. of Telangana vide letter dated 28.10.2024 has communication their No-objection to the proposal. With regard to usage of the land after de-notification, M/s. Phoenix Tech Zone Pvt. Ltd in their Undertaking furnished to the State Government has committed to utilize the de-notified area for creation of infrastructure which would sub

serve the objective of the SEZ as originally envisaged and such de-notified area will conform to Land Use Guidelines/master plans of the respective State Governments.

In compliance of DoC's Instruction No.102 regarding physical inspection and contiguity condition, Physical Inspection of the site was conducted on 21.10.2024 by DC, VSEZ along with Specified Officer and Mandal Revenue Officer/Tahsildar. It is noted that the area proposed to be de-notified is vacant and having no units in the said area. The area remaining after the proposed partial de-notification is contiguous meeting all the requirements of area/built-up area in terms of SEZ Act and Rules and without any public thoroughfare.

DC, VSEZ has certified that;

- a. There are no units in the SEZ area proposed for partial de-notification.
- b. The developer has not availed any tax/duty benefits under the SEZ Act & Rules, in r/o the land being de-notified
- c. The SEZ shall remain contiguous even after de-notification of the area of 3.167 Ha and shall meet the minimum land requirement prescribed for the IT/ITES sector.

Recommendation by DC, VSEZ:

The proposal has been duly recommended to BoA for its consideration.

Agenda Item No. 125.7

Miscellaneous [3 proposals – 125.7(i) to 125.7(iii)]

125.7(i) Proposal in respect of M/s. Digiflex India Limited for Revival of Sick Unit and transfer of assets & liabilities to M/s. Knitpro International.

Jurisdictional SEZ – Noida SEZ (NSEZ)

M/s. Digiflex India Limited and M/s. Knitpro International has submitted proposal dated 11/07/2024 wherein M/s. Knitpro has proposed to take over the assets of sick unit i.e. M/s. Digiflex at Plot No. 55 & 58D, NSEZ.

Brief history of M/s. Digiflex India Limited: -

- i. LOA No. 08/43/88-NEPZ was issued to M/s. Digiflex India Ltd. for manufacturing of Latex Gloves on 05.01.1989.
- ii. Plot No. 55, NSEZ measuring 2999.7 sq. mtrs. and Plot No. 58D, NSEZ measuring 4961.25 sq. mtrs. were allotted to the unit on 17.01.1989 & 25.06.1993 respectively.
- iii. The unit commenced its production on 01.02.1991.
- iv. LOA was valid upto 31.03.2001 and lease deed of Plot No. 55 & 58D, NSEZ were valid upto 31.12.2003 & 31.05.2008 respectively.
- v. On 23.07.1998, the Unit informed that they suffered due to losses by the company and has come under the definition of 'Sick Company' under SICA and BIFR. The Unit also stated that they have stopped production and requested not to take any coercive action against the company and its directors.
- vi. The unit approached BIFR on 25.03.1998 and was declared sick under BIFR on 30.09.1998. On recommendation of the BIFR, the Hon'ble High Court of Delhi vide its order dated 12.12.2002 passed an order for winding up of Digiflex India Ltd. and the Official Liquidator took over the assets of the company.
- vii. On 11.09.2002, Notice under Section 4 of P.P. Act 1971 was issued for recovery of lease rent Rs.7,17,605/- outstanding as on 24.09.2002 in respect of Plot No. 58D, NSEZ. On 11.09.2002, Notice under Section 4 of P.P. Act 1971 was issued for recovery of lease rent Rs.10,68,801/- outstanding as on 30.09.2002 in respect of Plot No. 55, NSEZ.
- viii. On 27.07.2004, Asstt. Official Liquidator, Delhi informed that Hon'ble High Court vide its order dt. 15.07.2004 had sold the Plant & Machinery situated at Plots has to be removed by the Auction Purchaser against the total bid amount of Rs. 68 Lacs only.

- ix. On 11.10.2004, an Affidavit was filed by NSEZ before Hon'ble High Court against the Auction of Plant & Machinery with the prayer to allow clearance of goods on payment of duty and pay outstanding dues of Customs.
- x. On 23.02.2005, the Lease rent dues, Customs Dues and Labour Dues were informed to CGSC appearing in High Court of Delhi on behalf of NSEZ. On 24.02.2005, the Hon'ble High Court of Delhi directed to file an affidavit indicating the dues of NSEZ.
- xi. On 09.03.2005, an affidavit informing dues of NSEZ (Total Rs.29,54,149/- in respect of Plot No. 55 & 58D) were provided to Central Govt. Standing Counsel.
- xii. The unit filed a petition No. 266/2009 before Hon'ble High Court of Delhi seeking approval/sanction of the Scheme of Revival. Under the scheme, the promoters of the unit made a provision of 20% payment towards the amount claimed by the unsecured creditors and approached all the secured creditors namely PICUP, UPFC, IDBI Bank, Lord Kishna Bank and Bank of Baroda and entered into a One Time Settlement (OTS). The promoters found an investor M/s. AKM Systems Pvt. Ltd. which was willing to invest Rs.12 Crores into the company through issue of equity and loan.
- xiii. Under the scheme of revival, the unit proposed to restart its Latex Glove Operation at Vill Thirumalayapalayam in Coimbatore District and its already built 50,000 sq. ft. facility at NSEZ.
- xiv. On 25.04.2013, M/s. Digiflex India Ltd. informed that the scheme for revival had been approved by High Court of Delhi on 27.05.2011 and requested to renew the lease deed of plots. A reminder was also given on 23.10.2013.
- xv. M/s. Digiflex India Ltd., vide its letter dated 23.05.2019, submitted the copy of petition and order of High Court of Delhi sanctioning the revival of the Company and requested NSEZ to provide them details and breakup of outstanding lease rent. The scheme for revival was approved by the High Court of Delhi on 27.05.2011.
- xvi. The breakup of outstanding lease rent was provided to the unit vide NSEZ's letter dated 24.06.2019 as requested by the unit. The unit was advised vide NSEZ letter dated 18.09.2019 to clear the outstanding lease rent and revive their business & submit fresh projections for import, export, Capital investment, list of CG/RM alongwith feasibility and viability report within 30 days so as to forward to BOA for consideration. If the unit fails to submit the report within 30 days, it will be presumed that the unit is not willing to re-start their business and the possession of the said premises shall be taken over by NSEZ.
- xvii. The unit, vide its letter dated 25.11.2019, had filed an application in Form F for issuance of LOA for warehousing and other services. The proposal of the unit was placed in the UAC meeting held on 05.02.2020.

2. Previous details of consideration by Approval Committee & subsequent decision/action: -

- i. The Approval Committee in its meeting held on 05/02/2020 observed that the proposal was not in conformity with High Court Order/ Revival scheme. In fact there was a new entity application for issuance of new LOA. The Approval Committee further observed that DOC vide its letter dated 07/03/2017 had informed that “only fresh allotments are to be allowed and no sharing of space by sister concern with the original allottee can be allowed”. Therefore, the applicant will need to apply for fresh allotment of space in NSEZ for instant project and surrender the space occupied by it in NSEZ against the LOA dated 05/01/1989.
- ii. Subsequently, the Unit vide its letter dt. 11.10.2021 submitted the followings: -
 - (a) Unit has stated that they have provided detailed project report as per proforma and placed the application online as required with all the details of Company, etc. It has been mentioned that since they had left with buildings in the Zone as the machinery has been disposed of by the Official Liquidator to complete payment of the financial institutions, They had requested to allow them to do trading activity as any plan to re-install the machinery will take time. If they had been issued LOA/Lease deed and their unit had been operational during Covid time as they had knowhow for the very essential item required in the pandemic time which can be vouched from the fact that all glove, syringes manufacturing units had done well during that period. Unit has further mentioned that in the absence of any LOA they had lost this opportunity of reviving the unit in a big way.
 - (b) It has been stated that they had been requesting this office to revive the LOA/Lease deed so that they could start the unit and pay the lease rent without accumulating any interest. Unit has mentioned that this office had not recovered its dues at the time of disposal of machinery by Official Liquidator whereas Customs levy have been recovered. Unit further mentioned that it is true that in the order of the Delhi High Court it is mentioned that this order does not reflect on any exemption and if the order of the Delhi High Court had been implemented in 2012 itself, there would not have been any due from them. Unit has stated that it is not reasonable to ask for lease rent along with interest for the period there was no LOA or lease deed issued by this office. Unit has requested to relook the dues as per above justification and they will implement the same after waiver of the period when no LOA/lease was issued/ valid.
 - (c) Unit has mentioned that they have decided to close the Company that was proposed to run the project due to legacy issue of Digiflex India Ltd. It is therefore, requested that LOA for the existing product may please be issued along with lease deed renewal so that they start the unit and make payment of lease rent in future and run the existing Company M/s Digiflex India Ltd.
- iii. The Approval Committee in its meeting held on 17/12/2021 deferred the matter with a direction to obtain the legal opinion in the matter.
- iv. The Approval Committee in its meeting held on 07/06/2022 observed that as already communicated to the unit vide letter dt. 26.02.2020, the submitted

proposal by the unit is not in line with the decision of High Court. The Approval Committee deferred the matter with the direction to the unit to submit its detailed proposal for revival of LOA in line with the scheme of revival approved by Hon'ble High Court along with complete details of proposed authorized operations alongwith ITC(HS) Code, list of raw material, capital goods, projection for next five years, deposition of outstanding lease rent etc. The unit was also asked to provide reply to the issues raised in the office letter dated 26.02.2020. A PH was also granted to unit by DC, NSEZ on 5.9.2022

3. Current proposal: - Now, M/s. Digiflex India Limited and M/s. Knitpro International has submitted proposal dated 11/07/2024 wherein M/s. Knitpro has proposed to take over the assets of M/s. Digiflex at Plot No. 55 & 58D, NSEZ. Details of proposal are as under:

(A) In the said letter, M/s. Digiflex India Limited has stated as under:

(i) They refer to the various correspondence and personal hearing in the matter of revival of LOA and Lease Deed in respect of plots with M/s Digiflex India Ltd. The Company was set up in 1987 and had been allotted two industrial plots (1) Plot No. 55 measuring 2999.7 sqm and (2) Plot No.58D measuring 4961.25 sqm in the Noida Special Economic Zone. The Company had been functioning and exporting Latex Examination Gloves/Surgical Gloves for over ten years from the NSEZ. Due to international market situation, the Company had become sick and was referred to BIFR and liquidation proceedings held as per orders of the High Court of Delhi. The decision of the Court for successful resolution of Liquidation wherein the Company had to clear all the outstanding of Financial Institutions, labour, Customs, etc. was implemented by the Company.

(ii) They have since then been trying to revive the unit to manufacture latex gloves. They have assessed the market situation and found that over 50 industrial units established in EPZ/SEZ/EOU during the period 1987-1995 have become sick and could not be revived. In NSEZ also out of four functional units approved in 1987 only one unit is functioning that too with diversified range of products. Moreover, large capacities have been set up in countries in South East Asia, in Malaysia and China where captive latex raw material is produced in abundance and have captured the international market almost as a monopoly in this segment.

(iii) In view of above, they have found that they will not be able to restart the unit in the same line of manufacture as was envisaged in 1987 onward. They had invested over Rs.10 ten crores towards payment of dues of financial institutions and other in order to secure the property that they have built for the export business.

(iv) They have been looking for Companies who can take over the property and export from the NSEZ utilising their infrastructure in land and building. In this connection, M/s Knitpro International, a Company already existing in NSEZ has

shown interest in acquiring their property. They have approved LOA in the NSEZ. Unit has requested to consider transfer of the property to M/s Knitpro International under Rule 72 of the SEZ.

(v) In the order of liquidation as approved by the Delhi High Court some payment of dues of Customs, labour, NSEZ has been mentioned. The same have already been paid to the Customs and labour.

(B) Unit has requested to consider transfer of assets to Knitpro International and waive the lease rent dues in the interest of future prospects of putting the infrastructure in use at the earliest.

(C) Besides, M/s. Knitpro International vide its letter dated 11/07/2024 has submitted following:

(i) That Under the provisions of Rule 72 of The SEZ Rules 2006, M/s. Digiflex is now approaching this office with its revival proposal wherein they have approached their unit (KnitPro International) to take over all the assets and liabilities of their unit as far as the same pertains to their SEZ operations covered under the ambit of its earlier LOA no. 08/43/88-NEPZ dated 05 January, 1989.

(ii) That they are willing to take over the unit along with building/super structure built on Plot no. 55 & Plot No. 58D, Noida SEZ that will be allotted to them under the provisions of Rule 72 in case the application is approved by this office. Taking over of this unit will help them in implementing their plans for long term expansion of their business which is currently amongst the global market leader in field of hobby & craft products.

(iii) They are currently running units under existing LOA in Noida SEZ and Mahindra Worldcity SEZ, Jaipur. Their business group is present in the NSEZ since 1987 and was amongst the first units to commence operations here at NSEZ. Their total group turnover (KnitPro International and Indeutsch Industries Pvt. Ltd.) for financial year ended 31 March, 2024 is close to Rs. 400 crores and they currently employ more than 2000 persons in their various units in Noida and Jaipur.

(iv) The main business activity of KnitPro International is manufacture and sales of Hand Knitting Tools & Accessories, Knitting Yam, Carbon fiber products, Bags & Cases, Stainless Steel Tubes, Wooden Products, etc. at units at Noida SEZ and Mahindra Worldcity SEZ, Jaipur.

(v) They are now further expanding into other hobby & craft products such as Punch Needles, Rug Hooking Tools, Wooden Frames, etc. which also have a large global market. Along with the same, they would be making further expansion in their existing business, specially the knitting & crochet yam business where their products are gaining more and more worldwide acceptance.

(vi) As part of their expansion plans, while they have acquired business of two leading American hobby brands (Lantern Moon & The Oxford Company) in the

last 5 years, they would continue to acquire more businesses overseas that would enable them to move more manufacturing to India from these companies.

(vii) In case units situated at Plot no. 55 & Plot No. 58D, Noida SEZ are allotted to them under Rule 72, they would be investing an additional amount of about Rs. 30 crores in these units over the course of coming time period. Further with the completion of this project, they expect to achieve enhanced production and additional exports of minimum Rs. 100 crores over a period of five years with additional employment generation of about 200 workers.

(viii) Unit has requested to positively consider the application of Digiflex India Ltd. for revival of their project by their unit, M/s KnitPro International, in line with their above proposal.

4.1 The said proposal was considered by the Approval Committee in its meeting held on 27/08/2024 wherein Shri Arun Khanna, Managing Director of M/s. Digiflex India and Shri R.C. Jain, partner of M/s. Knitpro International appeared before the Approval Committee and explained the proposal.

4.2 The Approval Committee observed that **Rule 72 of SEZ Rules, 2006** states as under:

(1) A unit which has been declared sick by the appropriate authority shall submit a revival package through Development Commissioner to Board for consideration and the Board shall consider the extension in the period for fulfilment of Positive Net Foreign Exchange for a further period up to a maximum of five years at the prevalent norms.

(2) On extension of the period, unutilized raw material and imported or domestically procured capital goods shall be allowed to be carried forward at their original value and the Bond-cum-Legal Undertaking executed by the unit shall be revised accordingly.

(3) In case a new entity is willing to take over all the assets and liabilities of a sick Unit, transfer of such assets and liabilities as provided under sub-rule (1) shall be considered by the Board.

(4) Where a Unit is granted extension of period for fulfilment of Positive Net Foreign Exchange Earning under sub-rule (1), the space would continue to be in its possession.

(5) Where a Unit is taken over by another unit, the liability shall pass on to the new unit which is taking over the sick unit.

4.3 The Approval Committee discussed the agenda in detail and after due deliberations, directed that the matter may be examined by project section and proposal may be forwarded to Department Of Commerce with complete details, for further consideration of BOA in terms of Rule 72 of SEZ Rules, 2006.

5. As per directions of Approval Committee, the matter has been examined by NSEZ and it is observed that in terms of Rule 72(5) of SEZ Rules, 2006 (*as mentioned above*), all the liabilities of M/s. Digiflex shall pass on to M/s. Knitpro International, if the proposal is approved. Hence, M/s. Knitpro International would be required to pay all the outstanding lease rent and other liabilities, if any, with respect to LOA No. 08/43/88-NEPZ dated 05.01.1989 issued to M/s. Digiflex India Ltd., Plot No. 55 & 58D, NSEZ. Besides, it also appears to be necessary that in case of approval of proposal by the BOA, procedure for transfer of said LOA dt. 05.01.1989 and its liability to another unit i.e. M/s. Knitpro may also kindly be defined by the DOC/BOA.

Recommendation by DC, NSEZ:

In view of above, the above facts related to the proposal of M/s. Digiflex India Limited Revival of Sick unit and transfer of assets to M/s. Knitpro International, the proposal is duly recommended by DC, NSEZ to BoA for its consideration in terms of Rule 72 of SEZ Rules, 2006.

The above proposal was earlier considered in the 123rd BoA meeting held on 4th October, 2024. **The Board observed that M/s. Knitpro International would be required to pay all the outstanding lease rent and other liabilities, if any, with respect to LOA No. 08/43/88-NEPZ dated 05.01.1989 issued to M/s. Digiflex India Ltd., Plot No. 55 & 58D, NSEZ. However, the status of all the outstanding dues/liabilities was not clear. Further, the present proposal for revival of LoA is in line with the scheme of revival approved by the Hon’ble High Court or otherwise is also not clear.**

The Board, after deliberations, deferred the proposal with a direction to DC, NSEZ to re-examine the matter in relation to the outstanding dues and liabilities, and to ensure that the proposal aligns with the revival scheme approved by the Hon’ble High Court.

In pursuance of the direction of the Board, DC, NSEZ has re-examined the proposal and provided the following comments: -

Particulars	Comments
The outstanding dues and liabilities	As per information received from EM Section, NSEZ lease rent amounting to Rs. 2,71,62,856/- upto current quarter (Oct-Dec-24) has been shown outstanding.
Whether the proposal aligns with the	It is mentioned that as per revival scheme

revival scheme approved by the Hon'ble High Court:
submitted by the unit in Hon'ble High Court,
the Unit had submitted following:

- Under the scheme, the promoters of the unit made a provision of 20% payment towards the amount claimed by the unsecured creditors and approached all the secured creditors namely PICUP, UPFC, IDBI Bank, Lord Kishna Bank and Bank of Baroda and entered into a One Time Settlement (OTS). The promoters found an investor M/s. AKM Systems Pvt. Ltd. which was willing to invest Rs.12 Crores into the company through issue of equity and loan.
- Under the scheme of revival, the unit proposed to restart its Latex Glove Operation at Vill Thirumalayapalayam in Coimbatore District and at its already built up 50,000 sq.ft. facility at NSEZ.

The scheme was approved by the Hon'ble High Court by Order dated 27/05/2011.

It has been observed that the instant proposal is not inline with the revival scheme approved by the Hon'ble High Court. However, it is pertinent to mention here that the premises i.e. Plot No. 55, NSEZ measuring 2999.7 sq. mtrs. and Plot No. 58D, NSEZ measuring 4961.25 sq. mtrs. are lying unutilized since 1998.

Further, M/s. Digiflex India Ltd. in its instant proposal had stated that they will not be able to restart the unit in the same line of manufacture as was envisaged in 1987 onward. They had invested over Rs.10 ten crores towards payment of dues of financial institutions and other in order to secure the property that they have built for the export

business and accordingly they submitted this proposal for transfer of assets & liabilities to M/s. Knitpro International.

Besides, it is mentioned that NSEZ Authority in its meeting held on 19/08/2024 had directed to forward the proposal of M/s. Knitpro International for revival of M/s. Digiflex India Ltd. under Rule 72 of SEZ Rules, 2006 to Department of Commerce for placing before the BOA for further consideration.

Further, it is re-iterated that the Approval Committee in its meeting held on 27/08/2024 had also directed to forward the proposal to Deptt. Of Commerce after examination, for further consideration of BOA in terms of Rule 72 of SEZ Rules, 2006. Accordingly, the complete facts of the proposal along with recommendation of the Committee was forwarded by NSEZ to DoC.

Further, meanwhile, M/s. Knitpro International vide its letter dated 21/10/2024 has informed that they would also be using the assets acquired from M/s. Digiflex for carrying on business of Industrial Gloves (HS Code 40151900) and has requested to consider the request for revival of the sick unit in their favour.

Further, in respect of the queries raised by DoC/DGEP on the above proposal, NSEZ has provided the comments as follows: -

- i. Digiflex did not propose a revival package for manufacture of products (latex gloves etc.) as per the original LoA. Instead they were keen to do warehousing, an area in which they did not have experience and has sensitivity (as per DoC's Instruction No. 117). Moreover, they were also not willing to pay the outstanding dues. Thus, the unit was unable to put in a viable proposal for revival in line with the High Court Order.

- ii. The current proposal in line with Rule 72 for a sick unit has the consent of both the Sick unit (Digiflex) and the unit taking over (Knitpro). Moreover, they would also pay the outstanding dues of the NSEZ Authority.

The proposal is again placed before the BoA for its consideration in terms of Rule 72.

125.7(ii) Proposal of M/s. Coforge Limited, Developer for approval of 'Restricted' item to carry on authorized operations in the IT/ITES SEZ at Plot No. TZ- 2 & 2A, Sector-Techzone, Greater Noida (U.P.)

Jurisdictional SEZ – Noida SEZ (NSEZ)

M/s Coforge Limited Developer vide its letter dated 28.08.2024 had submitted a proposal for approval of list of material to carry on authorized operations in the IT/ITES SEZ at Plot No. TZ-2 & 2A, Sector-Techzone Greater Noida (UP). The proposal of the Developer was placed before the Approval Committee in its meeting held on 05.09.2024. The Committee observed that the Developer has proposed duty free procurement of '**800 Kg Refrigerant Gas**'. The Committee directed the representative of the Developer to submit name & HS Code of the proposed Refrigerant gas.

In this regard, M/s. Coforge Limited, Developer vide its letter dated 07.10.2024 has submitted name & HS Code of the proposed 'Refrigerant gas as Refrigerant Gas (R-134) - HS Code 29034500'.

Relevant provisions: -

- As per Notification No. 62/2015-2020 dated 23 03 2022 issued by DGFT, 'Refrigerant gas as Refrigerant Gas (R-134) -HS Code 29034500' is 'Restricted' for Export.
- As per **Section 2(m)(ii) of the SEZs Act, 2005**, supplying goods, or providing services, from the Domestic Tariff Area (DTA) to a Unit or Developer shall be treated as 'Export'.
- Further, as per **proviso to Rule 27(1) of SEZ Rules, 2006**, '*supply of Restricted items by a Domestic Tariff Area Unit to Special Economic Zone Developer or Unit, the Domestic Tariff Area Unit may supply such items to a Special Economic Zone Developer or Unit for setting up infrastructure facility or for setting up of a Unit and it may also supply raw materials to Special Economic Zone Unit for undertaking a manufacturing operation except refrigeration, cutting, polishing and blending, subject to the prior approval of Board of Approval*'.

Recommendation by DC, NSEZ:

In view of above, the proposal of M/s. Coforge Limited, Developer for duty free procurement of 800 Kg Refrigerant Gas (R-134) - HS Code 29034500' from DTA, to carry on authorized operation in the IT/ITES SEZ at Plot No TZ-2 & 2A Sector-Techzone. Greater Noida (UP), has been duly recommended to BoA for its consideration in terms of proviso to Rule 27(1) of SEZ Rules, 2006.

125.7(iii) Proposal of M/s. Calica Construction and Impex Private Limited for issuance of revised notification of their IT/ITES SEZ at Ahmedabad, Gujarat subsequent upon consolidation of their Plot Nos.

Jurisdictional SEZ: Kandla SEZ (KASEZ)

Facts of the case: M/s. Calica Constructions and Impex Private Limited was issued formal approval on 06.11.2006 for setting up an IT/ITES at Village Ognaj, Taluka Dascroi, District Ahmedabad, Gujarat. The SEZ was notified vide Gazette notification dated 08.05.2009 over an area of 10.4310 Ha. Subsequently, an additional area of 0.5059 Ha was notified vide Gazette notification dated 12.10.2011 thereby, making the total notified area of the SEZ 10.9369 Ha, at present.

Current revised notification proposal: The Developer vide their letter dated 16.05.2024 informed DC, KASEZ that Ahmedabad Municipal Corporation (AMC) has consolidated Final Plot Numbers into two Final Plot Nos. 394 + 395, as detailed in their letter as well as Form- F (refer to translated version) approved by AMC. Therefore, the Developer has requested KASEZ to forward their application to DoC for issuance of revised notification, under sub-section (1) of Section 4 of the SEZ Act read with Rule 8 of the SEZ Rules, by superseding the Notification No.2349 (E) dated 12.10.2011.

In this regard, the DC has stated that they have examined the above request of the Developer. It is noticed that AMC has notified all the lands falling under Survey Numbers (as contained in Gazette Notification SO 1183 (E) dated 08.05.2009 and SO 2349 (E) dated 12.10.2011, respectively), as consolidated Final Plot Numbers 394 + 395 as per Town Planning Scheme No.221 covering 10.9369 hectares of already notified area by the Ministry of Commerce and Industry. The part plan of draft Town Planning Scheme No.221 (Ognaj-Sola-Bhadaj) notified vide Notification No.GH/V/53 OF 2017-TPS-11015-1041-L dated 24.03.2017 for Final Plot No.394 395, issued by AMC.

Relevant rule position: In terms of first proviso to rule 8 of the SEZ Rules, 2006, *the Central Government may, on the recommendation of the Board on the application made by the Developer, if it is satisfied, modify, withdraw or rescind the notification of a Special Economic Zone issued under this rule:*

Recommendation by DC, KASEZ:

The proposal of M/s. Calica Construction and Impex Private Limited for issuance of revised notification in terms of Section 4(1) of the SEZ Act, 2005 (read with rule 8 of the SEZ Rules, 2006) superseding earlier Notification No. S.O. 2349(E) dated 12.10.2011 by incorporating the consolidated Final Plot Nos. 394 + 395 for the whole notified area of 10.9369 Ha has been forwarded to DoC for suitable action.

The proposal is being placed before the Board in terms of first proviso to Rule 8.

Agenda Item No. 125.8:**Request for setting up of new SEZ [1 proposal – 125.8(i)]**

125.8(i) Proposal of M/s. Hubballi Durable Goods Cluster Private Limited for setting up a Sector Specific Special Economic Zone for IT/ITES - Electronics Components manufacturing & Services at Itigatti Village, Dharwad, Karnataka State of over an area of 3.982 Ha.

Jurisdictional SEZ – Cochin SEZ (CSEZ)**Facts of the case: -**

M/s Hubballi Durable Goods Cluster Private Limited, 55, Aequus towers, Mahadevapura, Whitefield, Bangalore has submitted an application for setting up a sector specific Special Economic Zone for IT/ITES - Electronics Components manufacturing & Services at Sy.No. 10,11 hissa 7 to 10 & 12, Sy.No.12 & 21 located at Sy.No.27, NH 4, Itigatti Village, Dharwad District, Karnataka-580 009. The total area proposed to be developed as SEZ is 3.982 Ha. The land has been allotted by the Karnataka Industrial Area Developments Board (KIADB), Bangalore on lease-cum-sale basis. The company has submitted the copy of the lease-cum-sale deed.

As per DoC's Checklist dated 07.01.2019, documents required for setting up of a new SEZ and the status thereof in the instant case are as below: -

Sl.No.	Conditions/Documents required	Status
A	Documents required for setting up of SEZ in terms of Rule 3 of SEZ Rules 2006	
(i)	Completed Form A (with enclosures) A Total Proposed Investment :: ₹ 81.04 crore B FDI (in US\$) :: 2.929 Million C Source of FDI :: Aequus Infrastructure II Pvt. Ltd., Mauritius D Proposed Exports (5 years) :: ₹1257.00 crore E Employment (Nos.) :: 4360 (Direct:3380 & Indirect:980)	Yes, provided
(ii)	DC's Inspection Report	Yes, provided
(iii)	State Government's Recommendation	Yes, Provided
(iv)	Recommendation for National Security Clearance	DC has stated that the

	(NSC) from Ministry of Home Affairs as per Rule 3 of SEZ Rules 2006	proposed SEZ is neither located in the vicinity of 50 Kms from LOC/LAC/ International Border nor in the proximity of nuclear, space, defence installation or installations notified under the Official Secret Act 1923. Hence, recommendation for NSC is not required (Self-Declaration submitted by the applicant).
B	Minimum area requirement in terms of Rule 5 of SEZ Rules 2006	DC has stated that minimum land area requirement is not applicable to IT/ITES SEZ. However, minimum built-up area of 15,000 is required for Category 'C' City. The Developer proposes to construct IT building admeasuring 27,988 sq.mtr. Hence, the Developer meets the requirement of minimum built-up area for Category 'C' Cities, under Rule 5 (2) (b) of SEZ Rules 2006 as amended vide DoC Notification dated 17.12.2019. (Note below may be seen)
C	Details to be furnished in terms of Rule 7 of SEZ Rules 2006	
(i)	<p>Certificate from the concerned Sate Government or its authorized agency stating that the Developer has</p> <ul style="list-style-type: none"> • Legal Possession, and • Irrevocable rights to develop the said area as SEZ; and 	<p>Vide letter dated 16.08.2024, Commerce & Industries Deptt., Govt. of Karnataka has stated that:</p> <ul style="list-style-type: none"> • The proposed land (i.e., 3.982 Ha) has

	<ul style="list-style-type: none"> • That the said area is free from all encumbrances 	<p>been allotted by the KIADB and the land is in possession with the Company.</p> <ul style="list-style-type: none"> • The Company has irrevocable rights to develop the said area as SEZ. • Further, Non-encumbrance certificate issued by the Revenue Authority certifying that the land of 3.982 Ha is in possession of the applicant and the land is free from encumbrance.
(ii)	Whether the Developer has leasehold right over the identified area. The lease shall be for a period not less than twenty years	<p>DC has stated that this condition is not applicable to the proposal.</p> <p>(However, it is observed that as per the Lease-Cum-Sale-Agreement dated 10.08.2021, the proposed land (i.e., 3.982 Ha) has been allotted by the KIADB to the applicant for a term of fifteen years)</p>
(iii)	The identified area shall be Contiguous, Vacant and no thoroughfare	DC has confirmed that the proposed land is vacant, contiguous and has no thoroughfare.

Note: - As regards minimum land area requirement, the DC has stated that as per SEZ Rule, there shall be no minimum land area requirement for setting up a Special Economic Zone for Information Technology or Information Technology Enabled Services. Department of Commerce, vide Instruction No.52 dated 20th April 2010, has clarified that IT/ITES includes both Hardware and Software. Further, Department of Commerce, vide Instruction No.70 dated 9th November 2010, has further clarified that

“while the Letter of Approval being issued to IT/ITES SEZs has been broad-banded to include electronic hardware also and further manufacturing / assembling of, electronic equipments must also be allowed in such SEZs. Further, hardware units may require production of components and the same must be allowed”.

As per the project report, they have proposed to construct 27,988 sq.mtr. built-up area. The location of the proposed SEZ is coming under Category ‘C’ city and the required built-up space for IT/ITES SEZ in Category ‘C’ city is 15,000 Sq.mtr. Therefore, the Developer meets the requirement of required built-up area applicable for Category-C city, under Rule 5 (2) (b) of SEZ Rules 2006 as amended vide DoC Notification dated 17.12.2019.

Relevant provisions under the SEZ law: -

- **Rule 5. Requirements for establishment of a Special Economic Zone. –**
(1) The Board may approve as such or modify and approve a proposal for establishment of a Special Economic Zone, in accordance with the provisions of sub-section (8) of section 3, subject to the requirements of minimum area of land and other terms and conditions indicated in sub-rule (2).

(2) The requirements of minimum area of land for a class or classes of Special Economic Zone in terms of subsection (8) of section 3 shall be the following, namely:

(a) 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 a contiguous land area of fifty hectares or more:

Provided that in case a Special Economic Zone is proposed to be set up in the States of Assam, Meghalaya, Nagaland, Arunachal Pradesh, Mizoram, Manipur, Tripura, Himachal Pradesh, Uttarakhand, Sikkim, Goa or in a Union territory, the area shall be twenty-five hectares or more.

(b) There shall be no minimum land area requirement for setting up a Special Economic Zone for Information Technology or Information Technology enabled Services, Biotech or Health (other than hospital) service, but a minimum built up processing area requirement shall be applicable, based on the category of cities, as specified in the following Table, namely:

SL.No.1	Category of cities as per Annexure IV A	Minimum built up area requirement
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(1)	(2)	(3)
1.	Category'A'	1,00,000sq mts
2.	Category'B'	50,000sq mts
3.	Category'C'	25,000sq mts

(c)The minimum processing area in any Special Economic Zone cannot be less than fifty per cent. of the total area of the Special Economic Zone.

(d)All existing notified Special Economic Zone shall be deemed to be a multi-sector Special Economic Zone.

Explanation. For the purpose of this clause, a "multi-sector Special Economic Zone" means a Special Economic Zone for more than one sector where Units may be setup for manufacture of goods falling in two or more sectors or rendering of services falling in two or more sectors or any combination thereof including trading and warehousing.

- **Rule 7. Details to be furnished for issue of notification for declaration of an area as Special Economic Zone. –**

(1) The Developer shall furnish to the Central Government, particulars required under sub-section (1) of section 4 with regard to the area referred to in sub-section (2) or sub-section (4) of section 3 (hereinafter referred to as identified area), with a certificate from the concerned State Government or its authorized agency stating that the Developer(s) have legal possession and irrevocable rights to develop the said area as SEZ and that the said area is free from all encumbrances:

Provided that where the Developer has leasehold rights over the identified area, the lease shall be for a period not less than twenty years.

Recommendation by DC, CSEZ:-

The proposal of M/s. Hubballi Durable Goods Cluster Private Limited for setting up a Sector Specific SEZ for IT/ITES - Electronics Components manufacturing & Services in Dharwad District, Karnataka State over an area of 3.982 Ha has been duly recommended to the BoA for its consideration.

Agenda Item No.125.9:

Appeal [1 case – 125.9(i)]

Rule position: - *In terms of the rule 55 of the SEZ Rules, 2006, any person aggrieved by an order passed by the Approval Committee under section 15 or against cancellation of Letter of Approval under section 16, may prefer an appeal to the Board in the Form J.*

Further, in terms of rule 56, an appeal shall be preferred by the aggrieved person within a period of thirty days from the date of receipt of the order of the Approval Committee under rule 18. Furthermore, if the Board is satisfied that the appellant had sufficient cause for not preferring the appeal within the aforesaid period, it may for reasons to be recorded in writing, admit the appeal after the expiry of the aforesaid period but before the expiry of forty-five days from the date of communication to him of the order of the Approval Committee.

125.9(i) Appeal filed by M/s. Peepul Global Services Pvt. Ltd. against the decision of UAC, MIHAN SEZ.

Jurisdictional SEZ – MIHAN SEZ (MIHAN)

Brief facts of the case: - M/s. Peepul Global Services Pvt. Ltd. has submitted a proposal for setting up of a new Unit in Mihan SEZ. The proposal was considered in the UAC meeting held on 20.08.2024. The UAC rejected the proposal of the company. Being aggrieved with this decision of the UAC, M/s. Peepul Global Services Pvt. Ltd. has filed the instant appeal before the BoA in terms of Rule 55 of the SEZ Rules, 2006.

Reason as to why the decision of UAC needs review: - The appellant has submitted the following grounds: -

1. Scope of Services: Their application includes consultancy services, which are neither restricted nor prohibited within SEZs. They also offer IT Consultancy, IT Network Consultancy, and other IT-related services. According to various communications from the Ministry of Commerce and Industry, including letter no. D.12/25/2012- SEZ dated 16th September 2013 and subsequent letters of even number dated 19th November 2013, 19th June 2014 and 2nd January 2018, Business Support Services, including various consultancy services, are included in the default list of services allowed in SEZs.

2. Space Requirements: They have applied for a modest space of 220 sq. ft. in the business center of the central facility building of MIHAN SEZ. The SEZ Act of 2005 does not specify a minimum space requirement for setting up a unit. Several SEZs, including MIHAN, SEEPZ, and GIFT City, have provisions for small office spaces, sometimes less than 200 sq. ft. They are in the initial stages of their business. With their extensive experience of over 10 years, they have established a solid foundation and are now poised for rapid growth, which may necessitate additional space in the future.

3. Foreign Exchange Earnings: Their unit will contribute to foreign exchange earnings as they will provide services, including IT and Business Consultancy, to international clients. As per Rule 53 of SEZ Rules, 2006, while there is no specific export obligation, the unit must achieve Positive Net Foreign Exchange. They are confident that their operations will meet this criterion.

Given the above reasons, the appellant has requested to reconsider their application for setting up an SEZ unit. Further, they assure their commitment to adhering to the SEZ Act/Rules, Customs Rules & Regulations, and all other applicable statutory regulations.

Comments received from DC, MIHAN SEZ: - DC, MIHAN vide letter dated 19.11.2024 has informed that the proposal of the appellant was considered in the UAC meeting held on 20.08.2024. During the meeting, the issues asked by the UAC and the explanation provided by the appellant are as follows: -

S. No.	Issues/queries raised by the UAC	Explanation provided by M/s. Peepul Global Services Pvt. Ltd.
i.	Employment Opportunities: The applicant was asked to clarify how the proposed unit would generate substantial employment opportunities in the SEZ.	The explanation provided by the applicant lacked specific and concrete details as they were willing to work with only 2 employees in the first year (as per projected balance sheet for employment).
ii.	Export of Material and Services: The applicant was required to outline the nature and scope of materials or services that would be exported	However, the applicant stated that the nature of services was helping the firms who are applying for various applications in the SEZ in their filing etc, as is mentioned in their project report.
iii.	Net Foreign Exchange (NFE) Generation: Queries were raised regarding the mechanism through which the unit would achieve Positive Net Foreign Exchange (NFE), including details of projected earnings and outgo.	The applicant stated that they would while servicing the local clients, try to get business from Dubai and investors from abroad, who would pay them in foreign currency and therefore, they would be able to generate positive NFE since they would not have any significant imports.

The matter was discussed in the Approval Committee, and it was concluded that the proposal of M/s. Peepul Global Services Pvt. Ltd. did not meet the SEZ's objectives of promoting export-oriented activities and significant economic contribution. Consequently, the application was rejected.

Comments on the grounds of the appellant: -

1. Scope of Services: The rejection was based on the grounds that the consultancy services proposed by the applicant do not directly contribute to the primary objective of SEZs, which is to promote exports of goods and services.

Rule 53 of the SEZ Rules, 2006, mandates positive Net Foreign Exchange (NFE) earnings but does not explicitly include general consultancy services as an export-promoting activity within SEZ.

The approval committee's stance aligns with the principle of prioritizing services that have a direct and substantial impact on exports and foreign exchange earnings. Such a unit can be established by the applicant in the DTA area also.

2. Space Requirements: The applicant's proposal for a space requirement was for 220 sq. ft only. Small office spaces, such as the one proposed, are not considered optimal for SEZ purposes as these would only work as office spaces with no long-term growth potential.

3. Foreign Exchange Earnings: While the appellant claims compliance with positive NFE, there is no substantive evidence provided to demonstrate how the proposed consultancy services would generate significant foreign exchange earnings.

Unlike IT/ITES services, which have clear benchmarks and export contributions, the applicant's consultancy services lacked any concrete proposal for exports.

4. Precedents and Approvals: The appellant's reference to other SEZs accommodating small consultancy units is not applicable unless those units can be shown to have made significant contributions to export promotion. Each SEZ application is evaluated on its individual merits and its potential to align with the SEZ's broader objectives. The rejection reflects this principle.

5. Adherence to SEZ Regulations: While the appellant's commitment to adhering to SEZ rules is acknowledged, it is essential to note that unit's operations did not demonstrate alignment with the overall purpose of an SEZ unit as envisaged under the SEZ Act, which is increase in exports.

The appeal is being placed before the BoA for its consideration.
