

No. K-43022/20/2023-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)

Vaniya Bhawan, New Delhi
Dated the 31st March, 2023

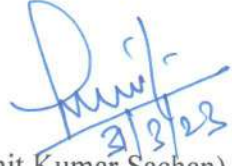
OFFICE MEMORANDUM

Subject: 2nd meeting (2023 Series) of the Board of Approval for Export Oriented Units and 114th Meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) - regarding.

In continuation to this Department's O.M. of even number dated 17th March, 2023 on the subject mentioned above, the undersigned is directed to inform that 2nd meeting (2023 Series) of the Board of Approval for Export Oriented Units and 114th Meeting of the Board of Approval (BoA), earlier scheduled on 08th April, 2023, is **rescheduled to be held on 15th April, 2023 at Visakhapatnam SEZ.**

2. The Agenda for the said meeting of the BoA for SEZs is being enclosed herewith and the same has also been hosted on the website: www.sezindia.gov.in.
3. The Venue, time and weblink for the said meeting will be shared by this Department shortly.

Encl: As above


(Sumit Kumar Sachan)

Under Secretary to the Government of India
Tel: 2303 9829

Email: sumit.sachan@nic.in

To

1. Central Board of Excise and Customs, Member (Customs), Department of Revenue, North Block, New Delhi. (Fax: 23092628).
2. Central Board of Direct Taxes, Member (IT), Department of Revenue, North Block, New Delhi. (Telefax: 23092107).
3. Joint Secretary, Ministry of Finance, Department of Financial Services, Banking Division, Jeevan Deep Building, New Delhi (Fax: 23344462/23366797).
4. Shri Anil Agarwal, Additional Secretary, Department of Promotion of Industry and Internal Trade (DPIIT), Udyog Bhawan, New Delhi.
5. Joint Secretary, Ministry of Shipping, Transport Bhawan, New Delhi.
6. Joint Secretary (E), Ministry of Petroleum and Natural Gas, Shastri Bhawan, New Delhi
7. Joint Secretary, Ministry of Agriculture, Plant Protection, Krishi Bhawan, New Delhi.
8. Ministry of Science and Technology, Sc 'G' & Head (TDT), Technology Bhavan, Mehrauli Road, New Delhi. (Telefax: 26862512)

9. Joint Secretary, Department of Biotechnology, Ministry of Science and Technology, 7th Floor, Block 2, CGO Complex, Lodhi Road, New Delhi - 110 003.
10. Additional Secretary and Development Commissioner (Micro, Small and Medium Enterprises Scale Industry), Room No. 701, Nirman Bhavan, New Delhi (Fax: 23062315).
11. Secretary, Department of Electronics & Information Technology, Electronics Niketan, 6, CGO Complex, New Delhi. (Fax: 24363101)
12. Joint Secretary (IS-I), Ministry of Home Affairs, North Block, New Delhi (Fax: 23092569)
13. Joint Secretary (C&W), Ministry of Defence, Fax: 23015444, South Block, New Delhi.
14. Joint Secretary, Ministry of Environment and Forests, Pariyavaran Bhavan, CGO Complex, New Delhi - 110003 (Fax: 24363577)
15. Joint Secretary & Legislative Counsel, Legislative Department, M/o Law & Justice, A-Wing, Shastri Bhavan, New Delhi. (Tel: 23387095).
16. Department of Legal Affairs (Shri Hemant Kumar, Assistant Legal Adviser), M/o Law & Justice, New Delhi.
17. Secretary, Department of Chemicals & Petrochemicals, Shastri Bhawan, New Delhi
18. Joint Secretary, Ministry of Overseas Indian Affairs, Akbar Bhawan, Chanakyapuri, New Delhi. (Fax: 24674140)
19. Chief Planner, Department of Urban Affairs, Town Country Planning Organisation, Vikas Bhavan (E-Block), I.P. Estate, New Delhi. (Fax: 23073678/23379197)
20. Director General, Director General of Foreign Trade, Department of Commerce, Udyog Bhavan, New Delhi.
21. Director General, Export Promotion Council for EOUs/SEZs, 8G, 8th Floor, Hansalaya Building, 15, Barakhamba Road, New Delhi - 110 001 (Fax: 223329770)
22. Dr. Rupa Chanda, Professor, Indian Institute of Management, Bangalore, Bennerghata Road, Bangalore, Karnataka
23. Development Commissioner, Noida Special Economic Zone, Noida.
24. Development Commissioner, Kandla Special Economic Zone, Gandhidham.
25. Development Commissioner, Falta Special Economic Zone, Kolkata.
26. Development Commissioner, SEEPZ Special Economic Zone, Mumbai.
27. Development Commissioner, Madras Special Economic Zone, Chennai
28. Development Commissioner, Visakhapatnam Special Economic Zone, Visakhapatnam
29. Development Commissioner, Cochin Special Economic Zone, Cochin.
30. Development Commissioner, Indore Special Economic Zone, Indore.
31. Development Commissioner, Mundra Special Economic Zone, 4th Floor, C Wing, Port Users Building, Mundra (Kutch) Gujarat.
32. Development Commissioner, Dahej Special Economic Zone, Fadia Chambers, Ashram Road, Ahmedabad, Gujarat
33. Development Commissioner, Navi Mumbai Special Economic Zone, SEEPZ Service Center, Central Road, Andheri (East), Mumbai - 400 096
34. Development Commissioner, Sterling Special Economic Zone, Sandesara Estate, Atladra Padra Road, Vadodara - 390012
35. Development Commissioner, Andhra Pradesh Special Economic Zone, Udyog Bhawan, 9th Floor, Siripuram, Visakhapatnam - 3
36. Development Commissioner, Reliance Jamnagar Special Economic Zone, Jamnagar, Gujarat
37. Development Commissioner, Surat Special Economic Zone, Surat, Gujarat
38. Development Commissioner, Mihan Special Economic Zone, Nagpur, Maharashtra

39. Development Commissioner, Sricity Special Economic Zone, Andhra Pradesh.
40. Development Commissioner, Mangalore Special Economic Zone, Mangalore.
41. Government of Andhra Pradesh, Principal Secretary and CIP, Industries and Commerce Department, A.P. Secretariat, Hyderabad – 500022. (Fax: 040-23452895).
42. Government of Telangana, Special Chief Secretary, Industries and Commerce Department, Telangana Secretariat Khairatabad, Hyderabad, Telangana.
43. Government of Karnataka, Principal Secretary, Commerce and Industry Department, Vikas Saudha, Bangalore – 560001. (Fax: 080-22259870)
44. Government of Maharashtra, Principal Secretary (Industries), Energy and Labour Department, Mumbai – 400 032.
45. Government of Gujarat, Principal Secretary, Industries and Mines Department Sardar Patel Bhawan, Block No. 5, 3rd Floor, Gandhinagar – 382010 (Fax: 079-23250844).
46. Government of West Bengal, Principal Secretary, (Commerce and Industry), IP Branch (4th Floor), SEZ Section, 4, Abanindranath Tagore Sarani (Camac Street) Kolkata – 700 016
47. Government of Tamil Nadu, Principal Secretary (Industries), Fort St. George, Chennai – 600009 (Fax: 044-25370822).
48. Government of Kerala, Principal Secretary (Industries), Government Secretariat, Trivandrum – 695001 (Fax: 0471-2333017).
49. Government of Haryana, Financial Commissioner and Principal Secretary), Department of Industries, Haryana Civil Secretariat, Chandigarh (Fax: 0172-2740526).
50. Government of Rajasthan, Principal Secretary (Industries), Secretariat Campus, Bhagwan Das Road, Jaipur – 302005 (0141-2227788).
51. Government of Uttar Pradesh, Principal Secretary, (Industries), Lal Bahadur Shastri Bhawan, Lucknow – 226001 (Fax: 0522-2238255).
52. Government of Punjab, Principal Secretary Department of Industry & Commerce Udyog Bhawan), Sector -17, Chandigarh- 160017.
53. Government of Puducherry, Secretary, Department of Industries, Chief Secretariat, Puducherry.
54. Government of Odisha, Principal Secretary (Industries), Odisha Secretariat, Bhubaneswar – 751001 (Fax: 0671-536819/2406299).
55. Government of Madhya Pradesh, Chief Secretary, (Commerce and Industry), Vallabh Bhavan, Bhopal (Fax: 0755-2559974)
56. Government of Uttarakhand, Principal Secretary, (Industries), No. 4, Subhash Road, Secretariat, Dehradun, Uttarakhand
57. Government of Jharkhand (Secretary), Department of Industries Nepal House, Doranda, Ranchi – 834002.
58. Union Territory of Daman and Diu and Dadra Nagar Haveli, Secretary (Industries), Department of Industries, Secretariat, Moti Daman – 396220 (Fax: 0260-2230775).
59. Government of Nagaland, Principal Secretary, Department of Industries and Commerce), Kohima, Nagaland.
60. Government of Chattishgarh, Commissioner-cum-Secretary Industries, Directorate of Industries, LIC Building Campus, 2nd Floor, Pandri, Raipur, Chhattisgarh (Fax: 0771-2583651).

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

**Agenda for the 114th meeting of the Board of Approval
for Special Economic Zones to be held on 15th April, 2023**

114.1 Ratification of the minutes of the 113th meeting of the Board of Approval held on 17th January, 2023 and 2nd February, 2023.

114.2 Request for extension of validity of formal approval for developers (4 proposals)

In terms of Rule 6(2) of the SEZ Rules, 2006, the letter of approval of a developer shall be valid for a period of three years within which time at least one unit has commenced production and the SEZ become operational from date of commencement of such production. The Board may on an application by the developer for reasons to be recorded in writing extend the validity period.

114.2(i) Request of M/s Phoenix Spaces Pvt. Limited for extension of validity of formal approval, granted for setting up of IT/ITES SEZ at Sy. No. 286 & 287, Puppalguda beyond 30.03.2023.

Name of the Developer	:	M/s. Phoenix Spaces Pvt. Ltd
Sector	:	IT/ITES
Location	:	Sy. No. 286 & 287, Puppalguda Village, Rajendra Nagar Mandal, Ranga Reddy District, Telangana
Extension	:	Formal approval was issued on 31.03.2017. The Developer has been granted 3 extensions. The SEZ stands notified as on date.
Request	:	Extension of validity of formal approval from 31.03.2023 to 31.12.2024

Present Progress:

a. Details of Business plan:

Sl. No.	Type of Cost	Proposed Investment (Rs. in crore)
1	Land/JDA Cost	60.00
2	Development/Construction Cost	540.00
3	Finance cost	16.00
	Total	616.00

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

Sl. No.	Type of Cost	Investment made upto 31.12.2021 (Rs. in crore)	Incremental Investment since last extension ie from 31.12.2021 to 31.12.2022 (Rs. in crore)	Total investment made so far upto 31.12.2022 (Rs. in crore)
1	Development Cost	65.06	17.50	82.56

c. Details of physical progress till date:-

S. No.	Activity	% completion	% completion during last one year	Deadline for completion of balance work
1	Project Development	57	15	31.12.2024

Detailed reasons for delay:

- Covid pandemic lock down had resulted in scarcity of construction materials resulting in unprecedented price increase, hence the budgeted cost for completion of the project has increased substantially. The required additional equity infusion disrupted the regular cash flows from the lenders. Due to the above reasons, it took time to resolve the issues and the project got delayed.
- The minimum time required to get the power line from the State Electricity took six months.
- The supply chain of raw material was totally disturbed due to pandemic which also resulted delay in the progress of the project as scheduled.
- Heavy rainfall in Hyderabad which submerged all the construction materials resulted in the delay of the regular schedule of the project.

Recommendation of DC, VSEZ:

The request of the Developer for an extension of the validity of the Letter of Approval for a further period of one year from 31.03.2023 to 30.03.2024 (4th extension) is recommended and forwarded for consideration of the BoA.

114.2(ii) Request of M/s Phoenix Ventures Spaces Pvt. Limited for extension of the validity period of formal approval granted for setting up of IT/ITES SEZ at Sy. No. 35 (P) & 36, Gachibowli beyond 30.03.2023.

Name of the Developer	:	M/s Phoenix Ventures Pvt. Ltd
Sector	:	IT/ITES
Location	:	Sy. Nos. 35 (P) & 36, Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, Telangana
Extensions	:	Formal approval to the Developer was granted on 26.04.2017. The Developer has been granted 3 extensions upto 30.03.2023.
Request	:	Extension of validity of LoA for a further period from 31.03.2023 to 31.12.2024

Present Progress:

a. Details of Business plan:

Sl. No.	Type of Cost	Proposed Investment (Rs. in crores)
1	Land/JDA Cost	5.00
2	Development/Construction Cost	488.00
3	Finance cost	19.00
	Total	512.00

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

Sl. No.	Type of Cost	Investment made upto 31.12.2021 (Rs. in crore)	Incremental Investment since last extension ie from 31.12.2021 to 31.12.2022 (Rs. in crore)	Total investment made so far upto 31.12.2022 (Rs. in crore)
1	Development Cost	177.92	98.70	276.62

c. **Details of physical progress till date:-**

Sl. No.	Activity	% completion	% completion during last one year	Deadline for completion of balance work	
1.	Project Development	Tower-1	59	19	31.03.2024
		Tower-2			
		Tower-3	24	24	31.12.2024

Detailed reasons for delay:

- Covid pandemic lock down had resulted in scarcity of construction materials resulting in unprecedented price increase, hence the budgeted cost for completion of the project has increased substantially. The required additional equity infusion disrupted the regular cash flows from the lenders. Due to the above reasons, it took time to resolve the issues and the project got delayed.
- The minimum time required to get the power line from the State Electricity took six months.
- The supply chain of raw material was totally disturbed due to pandemic which also resulted delay in the progress of the project as scheduled.
- In addition to the above, rainfall in Hyderabad which submerged all the construction materials resulted delay of the regular schedule of the project.

Recommendation of DC, VSEZ:

The request of the Developer for an extension of the validity of the Letter of Approval for a further period of one year from 31.03.2023 to 30.03.2024 (4th extension) is recommended and forwarded for consideration of the BoA.

114.2(iii) Request of M/s Phoenix IT City Private Limited for extension of validity period of formal approval, granted for setting up of IT/ITES SEZ at Sy. No. 53/paiki/part, Gachibowli beyond 30.03.2023.

Name of the Developer	:	M/s. Phoenix IT City Pvt. Ltd
Sector	:	IT/ITES
Location	:	Sy. No. 53/paiki/part, Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, Telangana
Extension	:	Formal approval was issued on 31.03.2017. The Developer has been granted 3 extensions upto 30.03.2023. The SEZ stands notified as on date.
Request	:	Extension of validity of formal approval from 31.03.2023 to 31.12.2024

Present Progress:

a. **Details of Business plan:**

Sl. No.	Type of Cost	Proposed Investment (Rs. in crore)	Revised Investment (Rs. in crore)
1	Land/JDA Cost	67.00	67.00
2	Development/Construction Cost	258.00	1050.00
3	Finance cost	13.00	260.00
	Total	338.00	1377.00

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

Sl. No.	Type of Cost	Investment made upto 31.12.2021 (Rs. in crore)	Incremental Investment since last extension ie from 31.12.2021 to 31.12.2022 (Rs. in crore)	Total investment made so far upto 31.12.2022 (In Rs. crore)
1	Development Cost	240.18	229.65	469.83

c. **Details of physical progress till date:-**

S. No.	Activity	% completion	% completion during last one year	Deadline for completion of balance work
1	Project Development Tower 1 to 4	61	11	31.12.2024

Detailed reasons for delay:

- Covid pandemic lock down had resulted in scarcity of construction materials resulting in unprecedented price increase, hence the budgeted cost for completion of the project has increased substantially. The required additional equity infusion disrupted the regular cash flows from the lenders. Due to the above reasons, it took time to resolve the issues and the project got delayed.
- The minimum time required to get the power line from the State Electricity took six months.
- The supply chain of raw material was totally disturbed due to pandemic which also resulted delay in the progress of the project as scheduled.

Recommendation by DC, VSEZ:

The request of the Developer for an extension of the validity of the Letter of Approval for a further period of one year from 31.03.2023 to 30.03.2024 (4th extension) is recommended and forwarded for consideration of the BoA.

114.2(iv) Request of M/s. Phoenix Spaces Pvt. Limited for further extension of the validity period of formal approval, granted for setting up of IT/ITES SEZ at Sy. No. 285, Puppalguda beyond 30.3.2023.

Name of the Developer : M/s. Phoenix Spaces Pvt. Ltd
Sector : IT/ITES
Location : Sy. No. 285, Puppalguda Village, Rajendra Nagar Mandal, Ranga Reddy District, Telangana
Extension : Formal approval to the developer was granted on

Request : 31.03.2017. The Developer has been granted 3 extensions. Upto 30.03.2023. The SEZ stands notified as on date.
: Extension of validity of LoA for a further period from 31.03.2023 to 31.12.2024

Present Progress:

a. Details of Business plan:

Sl. No.	Type of Cost	Proposed Investment (Rs. in crore)
1	Land/JDA Cost	46.00
2	Development/Construction Cost	714.00
3	Finance cost	13.00
	Total	773.00

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

Sl. No.	Type of Cost	Investment made upto 31.12.2021 (Rs. in crore)	Incremental Investment since last extension (Rs. in crore)	Total investment made so far (Rs. in crore) upto 31.12.2022
1	Development cost	458.86	136.35	595.21

** Above investment proposed and investment made includes Co-Developer amount as well Developer amount.

c. Details of physical progress till date:-

S. No.	Activity	% completion	% completion during last one year	Deadline for completion of balance work
1	Project Development	73	28	31.12.2024

Detailed reasons for delay:

- Covid pandemic lock down had resulted in scarcity of construction materials resulting in unprecedented price increase, hence the budgeted cost for completion of the project has increased substantially. The required additional equity infusion disrupted the regular cash flows from the lenders. Due to the above reasons, it took time to resolve the issues and the project got delayed.
- The minimum time required to get the power line from the State Electricity took six months.
- The supply chain of raw material was totally disturbed due to pandemic which also resulted delay in the progress of the project as scheduled.
- In addition to the above, rainfall in Hyderabad which submerged all the construction materials resulted delay of the regular schedule of the project.

Recommendation of DC, VSEZ:

The request of the Developer for an extension of the validity of the Letter of Approval for a further period of one year from 31.03.2023 to 30.03.2024 (4th extension) is recommended and forwarded for consideration of the BoA.

114.3: Request for extension of LoA of unit (3 proposals)

- 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 (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.

114.3(i) Request of M/s. Wockhardt Ltd. Unit 3, located at Plot No. E-1/2 in Wokhardt Infrastructure Development Ltd.-SEZ, Shendre, Aurangabad, Maharashtra, for extension of Letter of Permission (LoP) dated 25.10.2013, beyond 8th year, for the period of one year, from 25.10.2022 up to 24.10.2023.

LoA issued on (date) : 25.10.2013
 Nature of business of the Unit : Manufacturing of Oral Solid Dose for Human Usage
 No. of extensions granted : 8 extensions
 LoA valid upto (date) : 24.10.2022
 Request : For further extension for one year, upto 24.10.2023

Present Progress:

(a) 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

The Unit has submitted Chartered Accountant's Certificate for above-mentioned investment.

(b) Investment: Position of capital investment by Wockhardt Ltd.

S. No.	Particulars	Total investment made so far (Rs. in Crores)
1	Up to September 2021	80.78

2	October 2020 to September 9, 2022	NIL (Increment)
3	Total capital investment up to September 9, 2022	80.78

The Unit has submitted Chartered Accountant's Certificate with above- mentioned details for investment.

(c) Details of physical progress till date:

The Unit has submitted that there is no change with regards 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 is only not operational in absence of necessary approval from regulatory bodies.

S. N.	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:

- a. The construction activities along with installation of necessary plant and machineries required for smooth operation has been completed by the Unit. Also, they have applied to USFDA for product approval with a renewal fee up to 31.12.2022 (copy submitted by the Unit). However, due to the global COVID-19 pandemic, the inspection got delayed and they are expecting the surprise inspection anytime shortly. Since the COVID situation is improving day by day, they are hopeful that the Regulatory Authority will visit their plant and accordingly, they will start their commercial production in due course. Furthermore, they are also in preparing for regulatory inspection of other Countries/ process for statutory licenses and approvals of the respective countries.
- b. On scrutiny of the application, it is observed that the construction work has been completed in the year 2019 itself and the commercial production are pending only for want of approval of the Regulatory Authorities. As such, there is no change in the status as compared to last three years.
- c. Other details:

a. Details from CE's Certificate:

The Unit has submitted Chartered Engineer's Certificate dated 19.10.2022. The details mentioned in the CE's Certificate are as follows:

- Approved area as per approved plan: 22382 sq.mtrs.
- Constructed area so far: 22382 sq.mtrs.
- Incremental area since last LOA approval: NIL
- Area of difference in % - NIL (Construction completed in last LOA-2019)
- Material used are of approved quality

- All structural work including brick walls, roofing, plastering, etc. are being implemented to satisfaction.

b. Specified Officer's Report:

The Specified Officer in his report dated 04-12-2018 had already stated that on physical inspection of the site it was found that the construction work of the built up area 22382 sq.mtr. is completed and the unit has installed the machinery procured through Import and DTA procurement.

The Construction work has already been completed and the delay in starting of operation is non-account of site inspection pending by USFDA.

c. Rule position: Rule 19 (4) of SEZ Rules, 2006:

"Provided also that the BOA may, upon a request in writing by the entrepreneur, and after being satisfied that it is necessary and expedient so to do grant further extension for a further period not exceeding one year, at a time".

Recommendation by DC, SEEPZ SEZ:

DC, SEEPZ-SEZ has recommended the request for extension of LoP for a period of one year up to 24.10.2023 as per Rule 19(4) of SEZ Rules, 2006.

The request is placed before BoA for consideration.

114.3(ii) Request of M/s. Wockhardt Ltd. Unit 2, located at Plot No. 6 in Wockhardt Infrastructure Development Ltd.-SEZ, Shendre, Aurangabad, Maharashtra, for extension of Letter of Permission (LoP) dated 25.02.2012, beyond 9th year, for the period of one year, from 01.03.2023 up to 29.02.2024.

LoA issued on (date)	:	25.02.2012
Nature of business of the Unit	:	Manufacturing of Nasal and Inhaler Dosage Form for Human usage
No. of extensions granted	:	9 extensions
LoA valid upto (date)	:	28.02.2023
Request	:	For further extension for one year, upto 29.02.2024

Present Progress:

(a) Details of Business plan:

Sr.	Type of cost	Proposed Investment (Rs. in Cr.)
1	Plant & Machinery	85.80
2	Buildings	1.56
3	R & D Labs Equipment and Office Equipment	1.54
	Total Capital Investment	88.90

The Unit has submitted Chartered Accountant's Certificate for above-mentioned investment.

(b) Investment: Position of capital investment by Wockhardt Ltd.

Sr	Particulars	Total investment made so far
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		(Rs. in Crores)
1	Up to December 2020 (i.e upto Last extension)	88.90
2	After January 2021(till 31 st December 2021)	NIL(Increment)
3	Total capital investment (till 31 st December 2021)	88.90
4	% wise increase	--

The Unit has submitted Chartered Accountant's Certificate with above-mentioned details for investment.

(c) Details of physical progress till date:

The Unit has submitted that there is no change with regards 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.

S. N.	Activity	Total Area	Deadline for completion of work
1	Approved area	3900.90 Sq.Mtrs.	The construction activity of project is already completed.
2	Area constructed so far	3900.90 Sq.Mtrs.	
3	Incremental area since last extension	Nil	
4	% wise progress since last extension	Nil	

Detailed reasons for delay:

- The Specified Officer vide inspection report dated 03.03.2023, reported that the construction activities along with installation of necessary plant and machineries required for smooth operation has been completed by the Unit. Since the unit will be manufacturing Nasal and Inhaler Dosage only for export for which approvals from the regulatory authorities of countries to which the products will be exported has to be obtained, they have been regularly applying to UAFDA for inspection and paying fee for the same. Due to Covid - 19 pandemic the inspection was getting delayed. They have applied to USFDA for product approval for the current year also valid upto 31.12.2023 (copy submitted by the unit). They are expecting the surprise inspection anytime shortly. Since the COVID situation is improving day by day, they are hopeful that the Regulatory Authority will visit their plant and accordingly, they will start their commercial production in due course. Furthermore, they are also preparing for regulatory inspection of other Countries/process for statutory licenses and approvals of the respective countries.
- On scrutiny of the application, it is observed that the construction work has been completed in the year 2019 itself and the commercial production are pending only for want of approval of the Regulatory Authorities. As such, there is no change in the status as compared to last two years.
- Other details:

Details from CE's Certificate: The Unit has submitted Chartered Engineer's Certificate dated 07.09.2021. The details mentioned in the CE's Certificate are as follows:

- Approved area as per approved plan: 3900.90 sq.mtrs.
- Constructed area so far: 3900.90 sq.mtrs.

- Incremental area since last LOA approval: NIL
- Area of difference in % - NIL (Construction completed in last extension of LOA)
- Material used are of approved quality
- All structural work including brick walls, roofing, plastering, etc. are being implemented to satisfaction.

Rule position: Rule 19 (4) of SEZ Rules, 2006:

“Provided also that the BOA may, upon a request in writing by the entrepreneur, and after being satisfied that it is necessary and expedient so to do grant further extension for a further period not exceeding one year, at a time”.

Recommendation by DC:

DC, SEEPZ-SEZ has recommended the request for extension of LoP for a period of one year up to 29.02.2024 as per Rule 19(4) of SEZ Rules, 2006.

The request is placed before BoA for consideration.

114.3(iii) Request of M/s BEML Limited, a unit in KIADB Aerospace SEZ for extension of validity of Letter of Approval (LoA) for a further period of one year beyond 05.01.2023 (11th Extension).

LoA issued on : 06.01.2012
(date)
Nature of business : Manufacturing and export of Aerospace
of the Unit Mechanical Components
No. of extensions : 10 extensions by DC, CSEZ and BOA
granted
LoA valid upto : 04.01.2023
(date)
Request : Extension of validity of LoA for a further period
of one year from 05.01.2023 to 04.01.2024

Present Progress:

(a) Details of Business plan:

Sl. No.	Description	Proposed Investment (Rs in Crore)
1	Land	51.26
2	Compound wall	0.9
3	Machinery	13.00
4	Other statutory fee etc.	0.78
5	Investment on facilities (proposed & planned)	25.00
Total		90.94

(b) Total Investment made so far and incremental investment since last extension:

Sl. No.	Description	Total investment (Rs in Crores)	Incremental Investment since last extension
1	Land	51.26	Nil
2	Compound wall	0.9	Nil
3	Machinery	13.00	Nil
4	Other Statutory fee etc	0.78	Nil
	Total	65.94	Nil

(c) Details of physical progress till date:-

Sl. No.	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	Land, Construction of Compound wall	100	Nil	Litigation with the Contractor Pending before the Hon'ble High Court of Karnataka

Detailed reasons for delay: -

The unit submitted that the matter is sub-judicious. M/s BEML Ltd. informed that the project came to a standstill due to pending litigation with the Arbitration Centre of Karnataka on the dispute with the Civil/PEB Contractor, M/s URC. The Contractor filed an application in City Civil Court, Bangalore challenging the award passed by the Arbitral Tribunal vide Nos. 175 & 176 dated 16.11.2016 with a prayer to set aside the Arbitral award dated 20.08.2016 & modified order dated 07.11.2016. The City Civil Court dismissed the petition filed by the Contractor vide Judgement dated 09.06.2021. Against this, the Contractor filed appeal before the Hon'ble High Court of Karnataka (Case No. Commercial appeal No.137/2021 & 138/202), which is pending. Further, the Unit informed that tender for Electrical works was finalized, but work order not issued to the Contractor due to non-execution of Civil and PEB work. The unit has filed their objections and the matters are pending for final hearing.

Recommendation by DC:

Recommended for extension of the validity of Letter of Approval for a further period of one year from 05.01.2023 to 04.01.2024. However, the unit has to take proactive measures to settle the litigation and implement the project with the involvement of the higher authorities from their controlling Ministry. BoA may also consider inviting the representative from the Ministry of Defence to review the implementation of the project to speed up the litigation settlement.

114.4: Request for co-developer status (1 proposal)

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.

114.4(i) Request of M/s ANSR Global Corporation Pvt. Ltd. for Co-Developer status in M/s. Phoenix Tech Zone Pvt. Ltd SEZ, Manikonda Village, Rajendra Nagar Mandal, Ranga Reddy District, Telangana.

1. Name of the Developer & Location : M/s. Phoenix Tech Zone Pvt. Ltd., Manikonda Village, Rajendra Nagar Mandal, Ranga Reddy District, Telangana
2. Date of LoA to Developer : 17.02.2017
3. Sector of the SEZ : IT/ITES
4. Date of Notification : 17.03.2017
5. Total notified area (in Hectares) : 2.02 Ha
6. Whether the SEZ is operational or not : Yes
 - (i). If operational, date of operationalization : 01.04.2022
 - (ii). No. of Units : 04 and operational units 3
 - (iii). Total Exports & Imports for the last 5 years (Rs. in Cr.) : 631.29 (as on 31.12.2022)
 - (iv) Investment (Rs. in Cr.) : 386.90
 - (v). Total Employment (In Nos.) : 3343
7. Name of the proposed Co-developer : M/s. ANSR Global Corporation Pvt. Ltd.
8. Details of Infrastructure facilities / authorized operations to be undertaken by the co-developer : Development of the SEZ area specifically to undertake the authorized operations of conversion of warm shell buildings into fully fitted office space and to lease the built up space in the SEZ as contracted
9. Total area (in Hectares) on which activities will be performed by the co-developer : 0.52 Ha
10. Proposed investment by the Co-developer (Rs. in Cr.) : 19.45 cr
11. Net worth of the Co-developer (Rs. in Cr.) : 89.61 cr
12. Date of the Co-developer agreement : 12.12.2022

Recommendation by DC, VSEZ:

DC, VSEZ has recommended the proposal.

114.5: Request for addition area of the SEZ (one proposal)

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

114.5(i) Request of M/s. NSL SEZ (Hyderabad) Private Limited for additional area notification of 2.19 Ha (beyond 10%) to their IT/ITES SEZ at IDA Uppal, Medchal-Malkajgiri District, Telangana already notified over an area of 3.78 Ha.

M/s. NSL SEZ (Hyderabad) Private Limited (formerly known as M/s. Topnotch Infrastructure Limited) was granted formal approval on 31.10.2006 for setting up of an IT/ITES SEZ at IDA Uppal, Medchal-Malkajgiri District, Telangana. The SEZ stands notified over an area admeasuring 3.78 Ha. The SEZ has become operational w.e.f. 01.09.2010. Total 45 units were issued LoAs in which, 30 units are operational. Total Exports for the FY 2021-22 is ₹ 1607.71 Cr., Investment ₹ 576.56 Cr. and Employment is 15,162 (in Nos.).

As per DoC's O.M. dated 14.07.2016 required documents for additional area notification and the status of the instant case are as below: -

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

Further, in compliance of DoC's Instruction No.102 dated 18.11.2019 regarding physical inspection and contiguity condition, an Inspection report has been provided. As per report, the site was inspected on 09.12.2022 by JDC, VSEZ along with Specified Officer and Tahsildar, Uppal Mandal. It is noted that the area proposed to be included is Contiguous, Vacant and having no public thoroughfare conforming to the SEZ Act and Rules.

Recommendation by DC:

DC, VSEZ has recommended the proposal for the consideration of the BoA.

114.6 Request for Change in Sector (one case)

114.6(i) Request of M/s. Integrated Chennai Business Park (India) Private Limited for change of sector of its Free Trade Warehousing Zone at Vallur & Edayanchavadi Villages in Ponneri Taluk, Tiruvallur District, Tamil Nadu into 'Multi Sector SEZ' in terms of SEZ Rules amendment Notification dated 17.12.2019.

M/s. Integrated Chennai Business Park (India) Private Limited was granted LoA on 19.09.2019 for setting up of Free Trade Warehousing Zone at Vallur & Edayanchavadi Villages in

Ponneri Taluk, Tiruvallur District, Tamil Nadu. The FTWZ was notified on 09.12.2019 over an area of 50.49 ha. The SEZ is yet to be operational.

DC, MEPZ-SEZ has informed that the developer vide their letter dated 20.03.2023 submitted a proposal in Form-C3 under sub-rule (i) of Rule 6A of the SEZ Rules, 2006 for change of sector from 'Free Trade Warehousing Zone' to 'Multi-Sector SEZ'. As regards reasons for change in sector, the Developer mentioned that, reasons for change in sector is to utilise the maximum lands in the notified area of their FTWZ and to house the other sector industries in their FTWZ.

Rule Position: Rule 6(A)(i) of the SEZ Rules, 2006, is for change of sector i.e., from FTWZ to Multi-Sector SEZ including Manufacturing activities. Further, vide Notification No. 940(E) dated 17.12.2019, an amendment was made in rule 5(2)(a) of SEZ Rules, 2006.

The rule position is reproduced as below:

In terms of Rule 6A (i) "*the Developer submits application in Form C3 for change of the sector 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*"

In terms of Rule 5(2)(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:*

Further, Rule 5(2)(d) of SEZ Rules, 2006 provides that "*(d) All existing notified Special Economic Zone shall be deemed to be a Multi Sector Special Economic Zone.*"

Recommendations of DC, MEPZ:

DC, MEPZ has recommended the proposal.

114.7 Miscellaneous (4 cases)

114.7(i) Request of M/s ANSR Global Corporation Private Limited, Co-Developer of M/s GAR Corporation Pvt. Ltd. at Sy. No. 89(P), Kokapet Village, Gandipet Mandal, Ranga Reddy District, Telangana for partial surrender of area.

- Co-Developer Status issued : M/s. ANSR Global Corporation Private Limited was issued Formal Approval dated 02.07.2019 as Co-Developer to undertake development, conversion of warm shell building into fully fitted office space, operation and maintenance in an area of (a) 1,28,594 sq. ft. in 9th and 10th Floors and (b) 1,22,619 sq. ft. in 11th and 12th Floors in Tower-8 of the SEZ at Sy. No. 89 (P), Kokapet Village, Gandipet Mandal, Ranga Reddy District, Telangana developed by M/s. GAR Corporation Pvt. Ltd. and other activities as may be authorized by the SEZ authorities.
- Request : For partial surrender of an area admeasuring 1,86,916 sq. ft. located at 10th Floor (64,297 sq. ft.), 11th Floor

(58,322 sq. ft.) and 12th Floor (64,297 sq. ft.) in Tower-8

Reasons for surrender of area:

Owing to pre and post Covid situations, they were not able to bring any new SEZ units to the said premises and not undertaken any interior developments and the premises are completely vacant. Hence, they decided to surrender the area admeasuring 1,86,916 sq. ft.

NOC from the Developer

The Co-Developer obtained No Objection Certificate from M/s GAR Corporation Pvt. Ltd., the Developer (copy enclosed).

The comments from the Specified Officer of SEZ

The Specified Officer submitted that there is no instruction on recovery of taxes on services from the Co-Developer. In this case, it is informed that the Co-Developer incurred an expense of Rs. 51.20 Crores on the area proposed to be surrendered. The Customs authority has no objection for the surrender of the above area as they are not liable to pay back taxes on services consumed in the area to be surrendered.

Recommendation by DC, VSEZ:

The proposal for surrender of 1,86,916 sq. ft. built-up area by the Co-Developer is recommended and forwarded for consideration of the BoA.

114.7(ii) Request M/s. SEZ Recycling, an SEZ unit at Mahindra World City IT-SEZ under MEPZ for extension of the validity of the Letter of Approval for next five years i.e., from 24.03.2023 to 23.03.2028.

M/s. SEZ Recycling was granted LoA on 07.04.2006 for setting up of an SEZ unit at Mahindra World City IT-SEZ under MEPZ for recycling of Electronic Scrap, Copper, Brass, Zinc, Cadmium and all kinds of metal scrap. The unit commenced their commercial production on 24.03.2008. The LoA granted to the unit was extended from time to time as per the provisions of the SEZ Rules, 2006. The last extension was granted on 03.05.2018 for a further period of five years i.e. up to 23.03.2023.

Details of the performance of the unit for the period from 2017-2018 to 2022-23 (upto April to December 2022) is indicated as below:-

Exports	:	₹ 4568.29 lakh
FE Out go	:	₹ 1831.50 lakh
NFEE	:	₹ 2736.79 lakh

The unit has projected NFE for the next five years period from 24.03.2023 to 23.03.2028 is as follows:-

Exports	:	₹ 5800.00 lakh
FE Out go	:	₹ 3800.00 lakh
NFE	:	₹ 2000.00 lakh

Rule position: In terms of the first proviso of Rule 18(4)(d) of SEZ Rules, 2006, extension of LoA in respect of existing units importing other used goods for recycling purpose shall be decided by BoA. Therefore, the request of the unit for approval of their LoA for the 4th Five years period with effect from 24.03.2023 to 23.03.2028 is placed before BoA for its consideration.

Recommendation by DC, MEPZ:

The request for renewal of LoA for the 4th Block of five years period from 24.03.2023 to 23.03.2028 in terms of proviso of Rule 18(4)(d) of SEZ Rules, 2006 is placed before the BoA for consideration.

114.7(iii) Clarification on instruction no. 95 allowing SEZ unit to set up cafeteria, crèche, gymnasium and similar facilities.

It may be noted that the Instruction no. 95 dated 11.06.2019 was issued by Department of Commerce for allowing SEZ units to set up cafeteria, crèche, gymnasium and similar facilities in the premises of a unit for the exclusive use of such units under the proviso to Rule 11(5) of the SEZ Rules, 2006 subject to the condition that the unit shall not be eligible for any exemptions, drawbacks, concessions or any other benefits available under Section 7 or Section 26 of the SEZ Act for creating or operating such facilities.

In this connection, Department of Commerce received various representations for withdrawal/modification of instruction no. 95 to the extent it restricts the exemptions/ concessions and other benefits to SEZ units for setting up and operating cafeteria, crèche, gymnasium etc. Further, it also came into light that the Specified Officers were issuing notices for curtailing GST zero-rating benefit on lease rental services provided by developer to SEZ units on such portion of space which are utilised for creating such employee welfare facilities.

The matter was examined by DoC in consultation with DGEP and GST Policy Wing. DGEP has drawn reference to Section 16 (1) of IGST Act, 2017 that provides that supply of goods or services or both to a Special Economic Zone developer or a Special Economic Zone unit are to be treated as zero rated supply. Further, second proviso to Rule 89(1) of CGST Rules, 2017 requires endorsement by the specified officer that the service has been received by the SEZ unit/ SEZ developer for authorized operations.

With regard to the denial of GST zero rating benefit on lease rental for the space utilised for creation of such employee welfare facilities, DGEP has opined that any view on the same is to be taken by the Board of Approval/ Development Commissioner. The instant issue appears to stem out of Instruction No. 95 dated 11.06.2019 issued by the SEZ Division, Department of Commerce. Para 3(b) of the same reads as follows:

"b. The units shall not be eligible for any exemptions, drawback, concessions or any other benefit available under Section 7 or Section 26 of the SEZ Act, for creating or operating such facilities."

Section 7 of SEZ Act pertains to Exemption from taxes, duties or cess and Section 26 of SEZ Act pertains to Exemptions, drawbacks and concessions to every Developer and entrepreneur. Further, it appears that it is prerogative of the Board of Approval/Development Commissioner to decide what services are meant for authorized operations. Also, exemptions, drawbacks and concessions under section 7 or 26 of the SEZ Act for creating or operating such facilities, has been barred by the Department of Commerce itself vide Instruction No. 95 dated 11.06.2019.

GST Policy Wing, CBIC vide their O.M no. CBEC-20/16/16/2018-GST(Vol.II) dated 03rd January, 2023 has informed that the reply of DGEP dated 08.07.2022 incorporates the views of GST Policy Wing, CBIC.

DoC is of the view that denial of benefits of zero rating on lease / other charges collected by the Developer from the units was never the intention of the said instruction. Accordingly, DoC is proposing to issue a clarification stating that the zero rating benefit continues to be available for lease rental / other charges collected by Developer from units for the space utilised for creation of employee welfare facilities exclusively for the employees of SEZ units.

The matter was placed in the last 113th meeting of the BoA, however, due to paucity of time, it was not discussed. Therefore, the matter is again placed before the BoA for a suitable clarification.

114.7(iv) Proposal of M/s. Prompt International Limited, an SEZ unit at Plot no. 119, NSEZ admeasuring 1000 sq. Mtrs. for revival of sick unit in terms of Rule 72(1) of SEZ Rules, 2006.

The brief background of the case is that vide letter dated 29.11.2021, Noida SEZ had forwarded the above proposal of the Unit for the consideration of the BoA. In this regard, NSEZ informed that the unit was granted LoA on 26.12.1991 for manufacturing of readymade garments and the LoA was last extended upto 31.03.2005. The unit was declared sick as per the certificate dated 12.02.2008 issued by the Joint Director, Directorate of Industries, Government of Uttar Pradesh, Meerut and as in W.P. no.1234(M.B.) of 2005 filed by the unit Vs. Department of Industries, Govt. Of Uttar Pradesh in connection to their application for rehabilitation, the Hon'ble Allahabad High Court had vide order dated 03.03.2005 cleared the rehabilitation of the unit and restrained the opposite parties from taking any coercive measures against the petitioner and directed the UP Govt. to decide on rehabilitation package to SME Units. Unit has informed that a committee was formed by the UP Govt. under the chairmanship of Chief Secretary for providing the relief.

The unit has stated there is no litigation pending and also requested to give relief in lease rent dues. The Unit had provided copy of settlement order dated 07.07.2021 received from UPFC and informed that they are making payment of UPFC (Uttar Pradesh Financial Corporation) as per their schedule and cleared the dues of Canara bank. The Unit has stated that during 2008, due to the international economic recession of Lehman Bros, export orders were not forthcoming and also due to the quota system on garments, as a result unit became sick as declared by the competent authority on 12.02.2008.

The details of export done by the unit from 1993–2007 is as below:-

Year	Export (in Rs.)
1993	84,13,689.68
1994	110,16,602.53
1995	154,05,995.56
1996	374,14,721.35
1997	393,82,703.05
1998	318,43,530.75
1999	286,39,454.15
2000	431,53,999.45
2001	1014,95,176.39
2002	706,10,991.74
2003	163,32,648.00

2004	8,56,368.00
2005	Nil
2006	15,32,800.00
2007	Nil

Further, it was informed that in the meeting held on 20.11.2019, the UAC approved the proposal for revival package of the unit and gave the unit 2 years' time to make payment of loan on instalment basis. Furthermore, the proposal of M/s. Prompt International Ltd. was considered by the Approval Committee in its meeting held on 07.09.2021 wherein Sh. L.S. Ruprai, Director of the company appeared before the Approval Committee and informed that he has paid outstanding amounts to the financial institutions. Remaining amount of UPFC shall be paid within 6 months. He further informed that they proposed to do export of garments to United Kingdom. He requested the Approval Committee for revival of their unit in NSEZ and also requested to grant 1 year time to pay the lease rent in instalments. He assured the Approval Committee to pay entire outstanding lease rent within given time schedule.

The Approval Committee directed that 50% outstanding lease rent amount shall be paid by unit in one go and balance amount shall be paid by unit in one year in 4 equal instalments and decided to empower DC, NSEZ to obtain necessary details/documents and forward the proposal of unit to the Board in terms of Rule 72(1) of SEZ Rules, 2006 along with his recommendation.

In the matter, NSEZ also obtained legal opinion from M/s Surana & Surana International Attorneys, Delhi regarding the proposal of the unit for revival who have inter alia mentioned that as per Section 10(10) of Chapter III of the SEZ Act, 2005, *The Board may, in order to promote exports or to protect the interest of Units or in the public interest, issue such directions or formulate such scheme as it may consider necessary for operation of the Special Economic Zone.*

As regards some observations/query of this Department, NSEZ has submitted the following point-wise reply: -

S. No.	Observation/query	Reply from NSEZ
a.	What further action was taken after reply was received from the unit w.r.t. the notices/order served to under the Public Premises Act, 1971.	Details of action taken are given below:- <ul style="list-style-type: none"> • Notice u/s 4 of P.P. Act, 1971 was issued on 14.10.2011. • Order u/s 5 of P.P. Act, 1971 was issued on 08.11.2011. • The unit vide letter dated 02.12.2011 requested NSEZ not to take any action against their unit as the unit has been declared sick. • Legal opinion was sought from the advocate authorized by NSEZ. As per the opinion of the advocate, a letter dated 20.06.2012 and reminder dated 30.08.2012 were issued to the unit to submit a certificate from the Ministry of Industries/PICUP clearly certifying that the rehabilitation scheme has been finalized and the dues of various entities including NSEZ are being considered therein. • The unit vide letter dated 23.04.2013 requested NSEZ that no harassing action should be initiated against the unit as per the stay order dated 03.03.2005 passed by Hon'ble High Court of Allahabad. • NSEZ vide e-mail dated 24.06.2013
b.	Though it is mentioned that vide order dated 03.03.2005, the Hon'ble High Court has restrained the opposite parties from taking any coercive measures against the unit, it is to be ascertained as to what is the status of the case and the implication of the directions of the Court abstaining from, coercive action as on date.	

		<p>requested their authorized advocate whether Stay Order is still valid or not. In response of the same, Advocate vide e-mail dated 06.08.2013 informed that the order of the Hon'ble Allahabad High Court is still valid, but the same is Only against the coercive action to be taken by UPFC or DIC and not against NSEZ as NSEZ was never a party to the said proceedings and no other orders was passed against NSEZ. Thus NSEZ is free to take any steps to initiate actions against M/s. Prompt International.</p> <ul style="list-style-type: none"> • Hon'ble High Court of Allahabad vide order dated 22.01.2016 dismissed the Writ Petition as in fructuous. • Uttar Pradesh Financial Corporation (UPFC) vide letter dated 23.08.2018 requested NSEZ to intimate the latest position of the dues of NSEZ and whether the lease of the plot was renewed by the department in favour of M/s. Prompt International Ltd. and the present status of lease. The same was informed to UPFC vide NSEZ letter dated 06.12.2018 and it was also requested from UPFC to let NSEZ know if any litigation is pending against Plot No. 119, NSEZ and what action is to be taken by UPFC against their dues and reminder of the same was issued on 09.09.2020. • UPFC vide letter dated 16.09.2020 informed that no litigation is pending against the property at Plot No. 119, NSEZ, Noida and on the request of the company, the settlement of the dues of the Corporation has been approved at Rs.69.50 lacs under One Time Settlement Scheme of the Corporation and approval of OTS has been communicated to the company vide letter No. 493 dated 10.01.2020. The company is paying dues as per the terms of One Time Settlement. • A letter dated 25.09.2020 was issued to UPFC to clarify whether the outstanding lease rent dues of NSEZ are included in One Time Settlement Scheme or not.
c.	<p>As per Rule 72(1) of the SEZ Rules, the Board shall consider the extension in the period for fulfilment of positive NFE for a further period upto a maximum of five years, it is not clear as to how the period can be regularized after a lapse of 13 years from being declared a sick unit.</p>	<p>The proposal was forwarded to DOC with recommendation for placing before the BOA as per decision of the Approval Committee held on 07.09.2021.</p> <p>Further, since the date of LOA issuance & its validity are falling in the period prior to commencement of the SEZ Act, 2005, hence proposal may be considered at DOC level also taking into account the provisions of Section 44 of the SEZ Act, 2005 which says that "<i>All the provisions of this Act (except sections 3 and 4) shall, as far as may be, apply to every existing Special Economic Zone.</i>"</p> <p>As regards earlier specific query reg. validity of sick unit concept as on date, NSEZ has requested that the provisions of Rule 72 may be revisited at appropriate level by DOC in view of current statutory provisions/scenario, including provisions of NCLT. <u>Further there appears to be no other specific provision for consideration of such proposals of revival of units except Rule 72.</u></p>

d.	<p>The criteria based on which the Development Commissioner has recommended the case for revival in terms of Rule 72 of the SEZ Rules, 2006 is not clear. There is nothing on record as regards the production capacity, proposed investment, source of capital investment, employment generation. Details on change of constitution of the unit as indicated in the minutes of the UAC, status of machinery, manpower, orders and proposed timeline to take up the operations to account for a "revival package".</p>	<p>The Approval Committee in its meeting held on 07/09/2021 had empowered DC, NSEZ to obtain following documents from the unit and forward the proposal of unit to the Board in terms of Rule 72(1) of SEZ Rules, 2006 along with his recommendation:-</p> <ol style="list-style-type: none"> i. Details of items including production capacity; and ITC(HS) codes of goods proposed to be manufactured and exported. ii. Projections of export, forex outgo and NFE earnings; iii. Cash flow statement and process flow chart as per format to be supplied to unit. iv. Details of change of constitution of the unit along with all supporting chain of documents since inception along with change of shareholding and board resolution in favour of signatory. <p>2. The unit has also submitted following:-</p> <p>(A) Proposed items of manufacturing & ITC (HS) Code:-</p> <ol style="list-style-type: none"> i. Ready-made Garments (62034990, 62034200, 62034300 Capacity-200000 Nos/annual. ii. Bag HS Code 42021290 capacity-50000 Nos/annual. <p>(B) Projections for five year block:-</p> <table border="1" data-bbox="654 985 1420 1556"> <thead> <tr> <th colspan="2">Values in Rs. Lakhs</th> </tr> </thead> <tbody> <tr> <td>FOB Value of Export</td> <td>1900.00</td> </tr> <tr> <td>Forex Outgo</td> <td>521.00</td> </tr> <tr> <td>NEF Earnings</td> <td>1379.00</td> </tr> <tr> <td>Imported Capital goods</td> <td>0.00</td> </tr> <tr> <td>Indigenous Capital goods</td> <td>15.00</td> </tr> <tr> <td>Imported raw material, spares, consumables</td> <td>0.00</td> </tr> <tr> <td>Indigenous raw material, spares, consumables</td> <td>150.00</td> </tr> <tr> <td>Employment</td> <td>200</td> </tr> </tbody> </table> <ol style="list-style-type: none"> 3. Source of Capital Investment- Unit has stated that building, plant and machinery, raw material already available to restart the production. 4. Status of machinery- Unit has mentioned that sewing machines and ancillaries required for production exist. Minor repair and maintenance may be required. 5. Orders in hand- It has been informed by the unit that once the unit is ready for production, they will get confirmed orders from their existing buyers in UK. They had tie up with Spoke Jeans 888 UK. 6. Proposed timeline to take up the proposed operation- 6 Months after renewal of LOA. 7. Cost of fixed assets- Unit has mentioned the costs of existing 	Values in Rs. Lakhs		FOB Value of Export	1900.00	Forex Outgo	521.00	NEF Earnings	1379.00	Imported Capital goods	0.00	Indigenous Capital goods	15.00	Imported raw material, spares, consumables	0.00	Indigenous raw material, spares, consumables	150.00	Employment	200
Values in Rs. Lakhs																				
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Imported raw material, spares, consumables	0.00																			
Indigenous raw material, spares, consumables	150.00																			
Employment	200																			

		Machinery- 86 Lakh, Building-150 Lakh. 8. Proposed Employment: 200 persons.
e.	The opinion of the zone on request of the unit for waiver/ exemption of interest on lease rent has also not been provided.	<p>Lease rent amounting to Rs.23,64,425/- (Principal amount of Rs.15,15,011/- + Interest of Rs. 8,49,414/-) is outstanding upto 30.06.2022 in respect of Plot No.119, NSEZ hence, waiver/exemption of interest on lease rent is beyond the powers of CEO, NSEZ Authority as per Sub-rule (6) of Rule No. 7 of SEZ Authority Rules, 2009 which is reproduced below:-</p> <p><i>"The Authority shall have powers to write off irrecoverable losses of its property on account of theft, fraud, negligence, natural calamity, fire and irrecoverable lease rent, licence fee and other user charges in respect of the assets and services of the Authority, including irrecoverable dues on account of Court orders and other statutory proceedings:-</i></p> <p><i>Provided that any write-off of losses beyond the sum of rupees one lakh shall be with the prior approval of the Central Government.</i></p> <p><i>Provided further that in all cases of write-off of "losses full details and reasons for doing so shall be recorded in writing."</i></p> <p>Further, UAC in its meeting dated 07.09.2021 has not granted any waiver in lease rent. UAC decided that 50% outstanding lease rent shall be paid by the unit in one go and balance amount shall be paid by the unit in one year in 4 equal instalment.</p>

Further DDC has stated that w.r.t submission made by the unit about availability of raw material stock, a report from NSEZ Customs was sought and the report received from Customs is reproduced as under:-

"As directed, undersigned visited the premises of M/s Prompt International Ltd., Plot No. 119, NSEZ, Noida on 14.12.2022 for taking position of availability of raw material. On visiting the premises of the Unit, Stock of Rolls of fabric around 240 in number and accessories such as buttons, zips, etc. were found to be lying in the Unit. The Stock of fabric appear to be quite old and in a shabby condition (Images placed on file for ready reference please). Further, the machinery i.e. Sewing machines appear to be quite old and in a dilapidated condition (Images placed on file). The Unit vide letter dated 15.12.2022 had informed that around 240 rolls (Denim) of around 100 metres each along with accessories such as zips, buttons etc., were lying in the Unit. It was informed by the director of the firm, Shri L.S. Ruprai, that the stocks of fabric as well as the capital goods shall be ready for use after washing, dent and repair etc. and other necessary actions. Further, it has been apprised that the Unit shall infuse funds from its sources for making the Unit operational in addition to make use of the material available at the site. The Unit has submitted Balance Sheet which reflects the value of fixed assets as Rs. 1,31,72,496.73/- and the value of raw material is shown of zero value in the Balance Sheet. It is also submitted by the Unit that no procurement Invoice & other related documents are available with the Unit."

Rule position: In terms of rule 72(1) of the SEZ Rules, 2006:

"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."

Recommendation of DC, NSEZ:-

The proposal has been recommended by DC, NSEZ subject to condition that 50% outstanding lease rent amount shall be paid by unit in one go and balance amount shall be paid by unit in one year in 4 equal instalments.

The proposal is placed before the BoA for its consideration.
