

No. K-43016/16/2025-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)

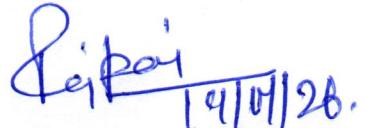
Vanijya Bhawan, New Delhi
Dated the 19th January, 2026

OFFICE MEMORANDUM

Subject: 135th Meeting of the Board of Approval on Special Economic Zones (SEZs) held on 30th December, 2025– Reg.

Please find enclosed herewith Minutes of the 135th meeting of the Board of Approval for SEZs held on 30th December, 2025 for information and necessary action.

2. The Development Commissioners are requested to take urgent necessary action, on the directions of BoA.


(Prateek Bajpai)
Under Secretary to the Government of India
Tel: 23039939
Email: prateekbajpai.moca@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. Joint 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
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.
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. Administrator (IFSCA) International Financial Services Centres Authority 2nd & 3rd Floor, PRAGYA Tower, Block 15, Zone 1, Road 1C, GIFT SEZ, GIFT City, Gandhinagar, Gujarat
38. Development Commissioner, Surat Special Economic Zone, Surat, Gujarat
39. Development Commissioner, Mihan Special Economic Zone, Nagpur, Maharashtra
40. Development Commissioner, Sricity Special Economic Zone, Andhra Pradesh.
41. Development Commissioner, Mangalore Special Economic Zone, Mangalore.

42. Government of Andhra Pradesh, Principal Secretary and CIP, Industries and 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. 49. Government of Haryana, Financial Commissioner and Principal Secretary), Department of Industries, Haryana Civil Secretariat, Chandigarh (Fax: 0172-2740526).
51. 50. Government of Rajasthan, Principal Secretary (Industries), Secretariat Campus, Bhagwan Das Road, Jaipur – 302005 (0141-2227788).
52. 51. Government of Uttar Pradesh, Principal Secretary, (Industries), Lal Bahadur Shastri Bhawan, Lucknow – 226001 (Fax: 0522-2238255).
53. 52. Government of Punjab, Principal Secretary Department of Industry & Commerce Udyog Bhawan), Sector -17, Chandigarh- 160017.
54. 53. Government of Puducherry, Secretary, Department of Industries, Chief Secretariat, Puducherry.
55. 54. Government of Odisha, Principal Secretary (Industries), Odisha Secretariat, Bhubaneshwar – 751001 (Fax: 0671-536819/2406299).
56. 55. Government of Madhya Pradesh, Chief Secretary, (Commerce and Industry), Vallabh Bhavan, Bhopal (Fax: 0755-2559974)
57. 56. Government of Uttarakhand, Principal Secretary, (Industries), No. 4, Subhash Road, Secretariat, Dehradun, Uttarakhand
58. 57. Government of Jharkhand (Secretary), Department of Industries Nepal House, Doranda, Ranchi – 834002.
59. 58. Union Territory of Daman and Diu and Dadra Nagar Haveli, Secretary (Industries), Department of Industries, Secretariat, Moti Daman – 396220 (Fax: 0260-2230775).
60. 59. Government of Nagaland, Principal Secretary, Department of Industries and Commerce), Kohima, Nagaland.
61. 60. Government of Chattishgarh, Commissioner-cum-Secretary Industries, Directorate of Industries, LIC Building Campus, 2nd Floor, Pandri, Raipur, Chhattisgarh.

Copy to:- PSO to CS / PPS to AS(AB) / PS to JS (VA)/ Sr.PPS to Dir (GP).

Minutes of the 135th meeting of the Board of Approval for Special Economic Zones (SEZs) held on 30th December, 2025

The One Hundred and Thirty-Five (135th) meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) was held on 30th December, 2025, through hybrid mode. The list of participants is at **Annexure-I**.

The item-wise decisions taken by the Board are as below:-

Agenda Item No. 135.1:

Ratification of the minutes of the 134th meeting of the Board of Approval for Special Economic Zones (SEZs) held on 20th & 26th November, 2025.

The Board ratified the minutes of the 134th meeting of the BoA for SEZs held on 20th & 26th November, 2025.

Agenda Item No.135.2:

Appeal [5 cases: 135.2(i) – 135.2(v)]

135.2(i) Appeal dated 29.04.2025 filed by M/s. Varsur Impex Pvt. Ltd. in KASEZ under the provision of Section 15(4) of the SEZ Act, 2005 against the decision of 212th UAC meeting held on 28.03.2025 conveyed vide email dated 09.04.2025.

The appeal was filed under Section 15(4) of the SEZ Act, 2005 and Rule 55 of SEZ Rule 2006, by M/s. Varsur Impex Pvt Ltd, a Warehousing Unit in Kandla Special Economic Zone.

The appeal was filed against the decision taken vide Agenda Point No 212.2.11 during the 212th meeting of Unit Approval Committee of Kandla Special Economic Zone (KASEZ), held on 28.03.2025.

The request of the said Unit for inclusion of additional items in the approved list of LOA issued on 10.04.2021 for warehousing activities was considered during the 212th meeting of UAC vide Agenda Point No 212.2.11 and permission for certain sensitive items were denied. Being aggrieved with the said decision, the Unit filed an appeal on 29.04.2025.

The Board in its 135th meeting held on 30.12.2025, heard the appellant virtually and the brief submission made by appellant are as follows:

- i. None of the provisions of SEZ law or instructions mandates that an FTWZ Unit or warehousing Unit in SEZ is required to take item/CTH wise approval from the UAC or Development Commissioner.
- ii. Rule 18(2) and Rule 18(5) of SEZ Rules, 2006 are not applicable in the present case, as the proposal does not relate to setting up of a new Unit or submission of a fresh warehousing proposal. Similarly, Proviso to Rule 19(2)



has no relevance, since there is no request for broad-banding or any change in the approved service activity of the Unit. In the absence of any enabling provision under the SEZ framework, the Unit Approval Committee has exceeded its delegated powers by introducing a permission requirement not contemplated under law.

- iii. Instruction No. 117 of Department of Commerce has been misapplied, especially regarding the stage at which KYC/ITR documents must be submitted.
- iv. The UAC has allegedly acted with **bias, selective approach**, and without citing legal provisions for rejection.
- v. Any statutory provision for rejection has not been cited and is therefore non-speaking and is contrary to basic principles of administrative fairness.
- vi. Examples of other SEZs/FTWZs was cited where all non-prohibited items are generally permitted.

The DC, KASEZ made following submissions in response to the contentions of the appellant:

- i. DoC's Instruction No. 117 dated 24.09.2024 lays down guidelines for the operation of FTWZ and SEZ warehousing units, directing DCs to strictly monitor high-risk commodities and restrict dealings in sensitive items, if necessary, with periodic review by the UAC.
- ii. In this instant case only, sensitive items were rejected for storing in FTWZ as there is high risk of diversion of these items in DTA due to its high import duty.
- iii. The minutes of the 212th UAC meeting were uploaded on the KASEZ website and the email dated 09.04.2025 was issued only to inform the Unit and ensure compliance with the UAC's decision; More, non-sensitive items permitted to be stored by other warehousing units were also granted to the appellant subject to submission of clients' KYC and ITR, while sensitive items such as cigarettes were denied by the UAC.
- iv. The appellant's contention that approvals are granted arbitrarily is not correct. In the 116th UAC meeting held on 19.07.2017, it was decided that warehousing units in KASEZ must seek prior permission for inclusion of any new items and submit client KYC before warehousing. Further it was also submitted that the Approval Committee is duly empowered under the first proviso to Rule 19(2) of the SEZ Rules, 2006 to approve changes in items and activities, and the UAC's decision is therefore in accordance with the said Rules.
- v. Further, prayer of the appellant requires to be summarily rejected and no relief of any kind be granted to them and the decision of the UAC is a well reasoned as per past approval of not approving the sensitive items such as cigarettes, etc. Sensitive items (e.g., cigarettes) have been disallowed by Board of Approval (BoA) in past cases. *[88th BoA meeting held on 25.02.2019 in the case of M/s. Zest Marine Services Pvt. Ltd., KASEZ and in the 74th BoA meeting held on 06.01.2017 in the case of M/s. A One Duty Free Pvt. Ltd.]*

The Board, after detailed deliberations, made the following observations:

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- i. SEZs are foreign territory for Customs purposes and they are prone to circumvention of duty in respect of high risk and high duty value commodities.
- ii. DC has been authorised to recognize the risky commodities and deny permission for warehousing of such commodities.
- iii. KASEZ in its 116th meeting of UAC set up a procedure whereby warehousing units in KASEZ must seek prior permission for inclusion of any new items and submit client KYC before warehousing which has been accepted by the appellant while accepting LoA.
- iv. DoC's Instruction No. 117 also empowers UAC/DC to keep a strict watch on high risk commodities.
- v. The decision taken by UAC in the instant case is within the ambit of proviso to Rule 19(2) of SEZ Rules, 2006.

Accordingly, the Board, after taking into consideration the above submissions, **upheld** the decision of the UAC, KASEZ and rejected the above appeal of M/s. Varsur Impex Pvt. Ltd.

135.2(ii) Appeal of M/s. Flamingo Logistics (Warehousing Division) against the decision of 213rd UAC meeting held on 30.04.2025 -reg.

The appeal was filed under Section 15(4) of the SEZ Act, 2005 and Rule 55 of SEZ Rule 2006, by **M/s. Flamingo Logistics (Warehousing Division)**, a Warehousing Unit in Kandla Special Economic Zone (KASEZ).

The appeal was filed against the KASEZ's Order Letter No. KASEZ/IA1/FTWZ/01/2011-12/Vol-1/859 dated 22.05.2025 communicating the decision taken during the 213th meeting of Unit Approval Committee (UAC) of KASEZ, held on 30.04.2025, rejecting the request to warehouse cigarettes.

The request of the appellant for permission to warehouse cigarettes (CTH 24022090) on behalf of their foreign client at KASEZ was considered in 213th meeting of UAC held on 30.04.2025 and rejected on the ground that the item being sensitive commodity and prone to diversion. Being aggrieved with the decision, the said Unit has filed an appeal on 27.05.2025.

The appellant is engaged in activity of warehousing services and trading activity of all the items except restricted and prohibited. The appellant commenced its authorized operations on 28/04/2014. The LOA of the appellant is valid up to 28/04/2029.

The Board in its 135th meeting held on 30.12.2025, heard the appellant virtually and the brief submissions made by appellant are as follows:

- i. The appellant intends to warehouse super slim cigarettes imported from South Korea. The appellant undertakes that the goods shall be dispatched exclusively to the DTA on payment of applicable customs duties and taxes, or physically exported, in accordance with applicable laws and regulations.
- ii. The original Letter of Approval (LOA) granted to the appellant permits



warehousing and trading of all goods, except those classified as restricted or prohibited, without imposing any item-specific restriction.

- iii. The authority failed to appreciate that cigarettes falling under CTH 24022090 are classified under the Free Import category. As per the Foreign Trade Policy (FTP), various varieties of cigarettes covered under CTH 2402 are freely importable by any importer in India.
- iv. The apprehension of UAC that cigarettes are a sensitive commodity and prone to diversion is baseless, as multiple entities in the Domestic Tariff Area (DTA) are importing the same as the item is in free list. Therefore, putting restriction on SEZ Unit is unjustified, arbitrary, and unwarranted.
- v. The appellant is engaged exclusively in the business of providing warehousing services, and therefore treating the commodity as prone to diversion in the appellant's case is not justified.

The DC, KASEZ made the following arguments against the contentions of the appellant:

- i. The UAC's decision in its 116th meeting held on 19.07.2017 mandates that warehousing units in KASEZ must seek prior approval for each new item to be warehoused, along with submission of Know Your Customer (KYC) details for clients. This requirement was introduced to ensure compliance with SEZ regulations and to mitigate risks associated with sensitive commodities. These conditions were accepted by the appellant in their renewal of LOA dated 30.04.2019 and 31.05.2024.
- ii. The UAC's rejection of the appellant's request is based on the current risk perception of cigarettes, which are prone to diversion and mis-declaration. The appellant's past activities do not confer an automatic right to continue warehousing such items under the updated regulatory framework.
- iii. The appellant's argument that cigarettes are freely importable under the Foreign Trade Policy (FTP) and thus should be permitted for warehousing is not valid in the context of SEZ regulations. Although cigarettes may be freely importable under the FTP in the DTA, SEZ units are governed under the SEZ Act, 2005 and SEZ Rules, 2006, and under the first proviso to Rule 19(2), the UAC is empowered to approve or reject inclusion of such items based on compliance with Rule 18, including risk and regulatory considerations.
- iv. The UAC's decision to deny permission for cigarettes is within its statutory authority and is consistent with the DoC's guidelines on high-risk commodities, reflecting a precautionary approach to risk mitigation even where DTA imports are permitted. The appellant's contention that the apprehension of diversion is unfounded is untenable, as the Department's concerns are duly supported by Instruction No. 117 dated 24.09.2024, which explicitly identifies sensitive commodities like cigarettes as high-risk due to potential diversion and mis-declaration.
- v. The appellant's undertaking to dispatch cigarettes to the DTA market only upon payment of applicable customs duties and taxes, or through physical export, does not mitigate the inherent risks associated with warehousing such sensitive commodities.
- vi. The decision of the 213th UAC meeting and the Development Commissioner's letter dated 22.05.2025 be upheld. No relief of any kind be granted to the appellant, as the UAC's decision is lawful and based on

established guidelines and precedents.

The Board, after deliberations, observed that -

- i. DC has been authorised to recognize risky commodities and deny permission of warehousing of such commodities. DoC's Instruction No. 117 also empowers UAC/DC to keep a strict watch on high risk commodity.
- ii. KASEZ in its 116th meeting of UAC set up a procedure whereby warehousing units in KASEZ must seek prior permission for inclusion of any new items and submit client KYC before warehousing which were acknowledged by the appellant while accepting LoA.

Accordingly, the Board, after taking into consideration the above submissions, **upheld** the decision of the UAC, KASEZ and rejected the above appeal of **M/s. Flamingo Logistics (Warehousing Division)**.

135.2(iii) Appeal dated 17.07.2025 filed by M/s Diligent Logistics Solution Pvt. Ltd. in NSEZ under the provision of Section 15(4) of the SEZ Act, 2005 against the decision of UAC meeting held on 05.06.2025.

The appeal was filed under Section 15(4) of the SEZ Act, 2005 and Rule 55 of SEZ Rule 2006, by M/s Diligent Logistics Solution Pvt. Ltd, a warehousing Unit in Free Trade and Warehousing Zone (FTWZ) developed by Arshiya Northern FTWZ Ltd. at Khurja, District Bulandshahar, Uttar Pradesh, under the jurisdiction of Noida Special Economic Zone (NSEZ)

The appeal was filed against the NSEZ's Minutes of Meeting of Unit Approval Committee (UAC) bearing No. 10/06/2022-SEZ/5305 dated 19.06.2025 communicating the decision of UAC not approving the request of warehousing additional items (33 previous and 52 new items) in LOA dated 03.10.2024

The request of appellant was rejected taking into account the serious nature of fraudulent transactions by M/s Diligent Logistics Solution as Customs House Agent (CHA). Being aggrieved with the decision, the said Unit has filed an appeal on 17.07.2025.

The appellant is engaged in activity of warehousing services with following activities as Authorised Operations:

Service, Warehousing, Trading with or without labeling, packing & re-packing without any process, Assembly of Completely Knocked Down or Semi Knocked Down in respect of items under following HS Codes, excluding those items Restricted' & 'Prohibited' for imports & exports:-

HS Code: 2202, 2209, 2714, 27L5, 2934, 321,0, 39L4, 3822, 3903, 3904, 3905, 3906, 3907, 3908, 3909....

The Board in its 135th meeting held on 30.12.2025, heard the appellant virtually and the brief submissions made by appellant are as follows:

- i. Diligent Logistics Solutions, operating as a CHA, is a proprietorship firm and is completely separate in law and fact from the Appellant i.e. Diligent



Logistics Solutions Pvt. Ltd., a company incorporated under the Companies Act, 2013 and registered as a Unit at Arshiya Northern FTWZ Ltd.

- ii. There is no criminal, civil or quasi-judicial proceeding pending against the Appellant. No show-cause notice has been issued to the Appellant under any provision of the SEZ Act, SEZ Rules or the Customs Act.
- iii. The refusal to allow legitimate business operations by denying inclusion of additional items is wholly disproportionate.
- iv. Rejection was passed without issuance of any show-cause notice or opportunity of hearing to the Appellant.
- v. The Appellant has consistently complied with all provisions of the SEZ Act, Customs Act and the operational rules of Arshiya FTWZ. There is no record of non-compliance, evasion or procedural lapses against the Appellant.
- vi. The arbitrary refusal to allow the inclusion of new items causes grave financial loss and operational disruption to the Appellant's business. It also prejudices the credibility of the Appellant before its clients and partners, damaging its commercial standing.
- vii. The decision of the UAC vide 19.06.2025 may be quashed and set aside and the application for inclusion of the additional items (33 previous + 52 new) in the LoA of the Appellant be approved.

The DC, NSEZ made following submissions in response to the contentions of the appellant:

- i. The CHA along with the DTA importer used fake documents wilfully mis-stating the Country of Origin of impugned goods as Afghanistan in the subject Bill of Entry filed, with intent to evade payment of Customs Duty. A fake Bank Guarantees were also submitted. CHA along with the DTA importer is engaged in manipulation, forging the documents and submitting fake documents to the department only for the purpose of evading payment of due customs duties on removal of their goods into DTA.
- ii. Mr. Rakesh Trikha is also the proprietor of the CHA "Diligent Logistics Solutions", directly implicated in providing fake COOs and forged bank guarantees.
- iii. A draft SCN has been forwarded by Noida Customs and no formal SCN has yet been served, however, the Specified Officer's report provides independent and credible documentary verification of misconduct.
- iv. The grounds raised by the Unit i.e. separate identity, absence of SCN service, discrimination, and financial hardship do not dislodge the Committee's preventive, reasoned stance as action of UAC under proviso of Rule 19 (2) of SEZ Rule, 2006- "*Provided that the Approval Committee also approve proposals for broad-banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity, if it meets the requirements of Rule 18*". Further, Section 147, Customs Act, 1962 makes both importer and CHA/Unit liable for offences committed.

The Board, after deliberations, observed that only a draft Show Cause Notice (SCN) has been forwarded by Noida Customs and no formal SCN has yet been served. A draft SCN cannot be a basis for such 'preemptive' penal action. Further no



punitive action has been taken yet against the CHA itself. Also, the SEZ Unit (a private limited company) and the alleged CHA (proprietorship concern) are distinct legal entities.

Accordingly, the Board, taking into consideration of above submissions, **remanded** the matter back to the UAC, NSEZ for reconsideration.

132.(iv) Appeal filed by M/s. Pfizer Healthcare India Limited, an SEZ Unit in VSEZ, under Section 16(4) of the SEZ Act, 2005, against the order passed by Unit Approval Committee in its 201st meeting held on 25.12.2024.

This appeal was filed under Rule 55 of SEZ Rule 2006 by M/s. Pfizer Healthcare India Limited, an SEZ Unit in Visakha Pharmacy Ltd (erstwhile Ramky Pharma City) SEZ, Parawada, Anakapalle under jurisdiction Visakhapatnam Special Economic Zone (VSEZ).

The said Unit is engaged in manufacturing medicaments (HSN 30049099) holding LOA dated 25.06.2010, procured food services from M/s Sodexo India Pvt. Ltd. (SAC 996333) claiming zero-rated supply under LUT.

The Unit Approval Committee (UAC) in its 201st meeting held on 25.12.2024 rejected inclusion of Other Contract Food Service (SAC 996337) as authorized/zero-rated on the ground that services to employees are not zero-rated under GST. Being aggrieved with the decision of UAC the Unit filed an appeal against the rejection on 20.01.2025.

The Board in its 135th meeting held on 30.12.2025, heard the appellant virtually and the brief submissions made by the appellant is as follows:

- i. The services provided by Sodexo to the Appellant in relation to food supply qualify as outdoor caterer services, which form part of the default authorized services included in the uniform list of services approved by the Department of Commerce (F. No. D.12/19/2012013-SEZ dated 02.01.2018), and exemption cannot be denied on this basis.
- ii. The contract for supply is exclusively between the Appellant and Sodexo, and there is no privity of contract with the employees. Consequently, the Appellant is the recipient of the service, and not the employees, consistent with the legal principle that the contractual party and not the ultimate beneficiary is the correct service recipient for tax purposes (as upheld in *Vodafone India Ltd. v. Union of India* 2022 (66) GSTL 63 (Bom.)).
- iii. In terms of Section 16(1)(b) of the IGST Act, 2017, supplies of services to a SEZ Unit for its authorized operations are treated as zero-rated supplies, and since the services are received by the SEZ Unit for authorized operations, they qualify for zero-rating under GST; the ultimate fact that employees benefit from the food services is immaterial to the eligibility for exemption.
- iv. The UAC's reliance on Instruction No. 95 dated 11.06.2019, which prescribes conditions for creating or operating facilities like cafeterias under Rule 11(5) of the SEZ Rules is not applicable to the present case, as no separate request was made to create such facilities under that Rule, and the instruction



cannot curtail benefits beyond the parent SEZ Act/Rules (which provide zero-rating for supplies to SEZ units).

- v. Even if the services are not explicitly listed with a specific SAC in the default list, the default authorized services list should be interpreted broadly to include all outdoor caterer services (including those classified under SAC 996337), and substantive benefits cannot be denied on a mere technical non-mention of a specific SAC when the nature of service clearly falls within the authorized operations.
- vi. The appellant also placed reliance on the decision of the Hon'ble Bombay High Court in *Vodafone India Ltd. v. Union of India*, 2022 (66) GSTL 63 (Bom.), wherein it was categorically held that a "customer's customer" cannot be treated as the service recipient in the absence of privity of contract. The Court affirmed that where services are rendered to a third party at the behest of the contractual counter-party, and consideration flows from such counter-party, the recipient of service remains the contractual customer and not the ultimate beneficiary. Applying this settled principle, since there is no privity of contract between the employees and Sodexo, the employees cannot be regarded as recipients of supply, and the Appellant alone qualifies as the recipient of services provided by Sodexo.
- vii. Appellant submitted that the same benefits were easily accessible to the appellant prior to GST regime and mere category classification with lacks of clarity created hurdle under new regime.
- viii. The appellant prayed that the Board of Approval set aside the decision communicated vide the impugned order to the extent it is prejudicial to the Appellant and allow the appeal in full with consequential relief, if any. And approve the proposal for inclusion of other contract food service under SAC 996337 as authorized service.

DC, VSEZ made following submissions against the contentions of the appellant:

- i. The services provided by M/s Sodexo India Pvt. Ltd. to the SEZ Unit are in the nature of canteen / other contract food services, classifiable under SAC 996333 / 996337, which are distinct and separate from "outdoor caterer services" (SAC 996334) included in the default list of authorised services. As per the explanatory notes to Notification No. 11/2017-CT (Rate) dated 28.06.2017 and SEZ Instruction No. 79, outdoor catering services are event-based and occasional, whereas the impugned services are continuous, recurring and meant for daily consumption by employees.
- ii. The request of Unit for inclusion of other contract food service as authorized service is not tenable as it is not present in the default list of services for SEZs.
- iii. It was further submitted that employees are not SEZ units or developers, and supply of food to employees constitutes a personal benefit/incentive forming part of perks or salary, which does not qualify as authorised operations under the SEZ Act and Rules. Accordingly, such services are not eligible for zero-rated treatment or SEZ exemptions under Sections 7 or 26 of the SEZ Act.
- iv. DoC's Instruction no. 95 dated 11.06.2019, inter-alia, stipulates that the units shall not be eligible for any exemptions, drawback, concessions or any other

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benefit available under Section 7 or Section 26 of the SEZ Act, for creating or operating facilities under proviso to Rule 11(5) of SEZ Rules, 2006.

v. The decision of the UAC rejecting inclusion of "Other Contract Food Services" under SAC 996337 as an authorised service is therefore legal, justified and in conformity with the SEZ Act, SEZ Rules, relevant instructions and GST classification, and the appeal may be rejected.

The Board, after deliberations, observed that:

- i. While units are permitted to operate canteens for their employees, such services do not qualify for GST exemptions or zero-rated benefits.
- ii. The extant provisions of instructions issued by the Department of Commerce, including SEZ Instruction Nos. 79 and 95, form the basis for determining the authorized services, and under these instructions, food supplied to employees—whether directly or through DTA vendors—cannot be treated as part of authorized operations for GST benefit.

The Board, after taking into consideration the above submissions and based on its above observations, **upheld** the decision of the UAC, VSEZ and **rejected** the above appeal of **M/s. Pfizer Healthcare India Limited.**

135.2(v) Appeal filed by M/s. Proteam Computer reg. against the order No. NSEZ/03/05/2005-Proj/5259 dated 21.06.2024 issued by Assistant Development Commissioner, NSEZ

The appeal was filed under the provisions of Rule 55 of the SEZ Rules, 2006 by M/s. Proteam Computer, a Unit in Noida Special Economic Zone (NSEZ).

The appeal was filed against the decision of the Unit Approval Committee (UAC) conveyed vide letter dated 21.06.2024 (impugned decision), whereby the request of the appellant for allowing export of BIS-certified reengineered and upgraded IT/Telecom/electronic items to Taiwan, Hong Kong, and the UAE, as well as deemed export into the Domestic Tariff Area (DTA) under Rule 53A(i) of the SEZ Rules, was partially approved, permitting physical exports to overseas markets while expressly disallowing sales in the DTA.

The appellant has requested to consider the appeal after condoning the delay in filing the appeal as the appellant was under the process to get its products BIS Mark which is a primary and mandatory requirement before getting approval from BIS Lab of re-engineering and remarking of computer peripherals/ products. The said approval was received on 26.11.2024 therefore the appellant could not file his appeal within the prescribed limit.

The Board in its 135th meeting held on 30.12.2025, heard the appellant virtually and the brief submissions made by appellant are as follows:

- i. The Appellant is engaged in the business of technology up gradation and refurbishment of second-generation hardware. All such re-engineered and upgraded products are



certified by the Bureau of Indian Standards (BIS), thereby ensuring compliance with prescribed standards of safety, quality, and performance.

- ii. The Appellant submitted that restriction of exports to overseas markets while expressly disallowing sales in the DTA, is contrary to Notification No. 13/2024-2025 dated 20.05.2024 issued by the DGFT, Ministry of Commerce and Industry, which permits such transactions. The impugned restriction has exposed the Appellant to substantial financial loss due to the inability to execute confirmed export and domestic supply orders.
- iii. The Appellant submits that BIS-certified re-engineered or upgraded products are equal to, and in many cases superior to, new products and do not cause any adverse environmental impact.
- iv. The decision of the UAC is arbitrary, suffers from non-application of mind, and is in violation of the principles of natural justice. It causes grave prejudice not only to the Appellant but also to Indian consumers, who are deprived of access to affordable BIS-certified products. The UAC has failed to appreciate that there is sustained domestic and international demand for upgraded and second-generation technology products and that uninterrupted access to such markets is essential for the Appellant's business viability and growth. Accordingly, the impugned decision warrants review and reconsideration.
- v. The appellant requested to review the impugned decision by removing the restriction of sale of BIS certified reconditioned, repaired, re-engineered or upgraded products in DTA market after condoning the delay in filing the appeal beyond 30 days.

The DC, NSEZ made following submission against the contentions of the appellant:

- i. The UAC denied permission for DTA sale of goods because Rule 18(4)(d) of the SEZ Rules, 2006 strictly requires that any imported items brought in for reconditioning, repair, or re-engineering must have one-to-one export-import correlation, and all such goods, including scrap, must be exported. No DTA sale or destruction is allowed.
- ii. A DGFT Notification No. 13/2024-25 dated 20.05.2024 amended Para 2.31 of the Foreign Trade Policy (FTP) regarding import conditions for electronics requiring BIS registration. However, this amendment does not change SEZ Rules, including Rule 18(4)(d).
- iii. Therefore, DGFT's relaxation for BIS-compliant imports does not permit SEZ units to sell such goods in the DTA. Further, the Unit was only permitted to import goods for re-engineering/upgradation on the condition that all finished products are exported (no DTA clearance).
- iv. Rule 53 (A) (i) on deemed exports under Advance Authorisation does not apply to these goods; the Unit's claim is invalid.

The Board, after deliberations, observed that:

- i. At the very outset the Board observed that the Unit has failed to file the appeal within the time prescribed under the provisions of Rule 56(1) and 56(2) of the SEZ Rules. However, after hearing the appellant as well as the DC, the Board condoned the delay in filing the appeal within the prescribed time, in accordance with the proviso to Section 15(5) of the SEZ Act.
- ii. DC has followed the due diligence as prescribed in the Rule 18(4)(d) of SEZ Rules, 2006 and rightly put the condition that exports shall have one to one correlation with imports and all the reconditioned or repaired or re-engineered



or upgraded products and scrap or remnants or waste shall be exported and none of these goods shall be allowed to be sold in the Domestic Tariff Area or destroyed.

- iii. Further, appellant contention regarding BIS certification citing DGFT Notification does not necessarily implies change in SEZ Act and Rules.
- iv. It appears that appellant is trying to take benefit of non-BIS standard imports in SEZ and then clearing finished goods as BIS certified to DTA.
- v. The UAC has already permitted Unit to export to overseas market ensuring one-to-one correlation with import, in-line with the overall purpose of SEZs. If the goods are ultimately meant for the DTA, they could be directly imported into the DTA instead of routing them through an SEZ by taking policy arbitrage.

Accordingly, after taking into consideration the above submissions, and relying on the provisions of Rule 18(4)(d) of the SEZ Rules which govern the import of used goods for recycling by an SEZ Unit and export thereof, the Board rejected the appeal and **upheld** the decision of the UAC, NSEZ.

Agenda Item No. 135.3:

Request for extension of LoA of SEZ Unit [4 proposals – 135.3(i) - 135.3(iv)]

135.3(i) Request of M/s. Envopap Private Limited in Jawaharlal Nehru Port Authority SEZ at Maharashtra for the Extension of the Letter of Approval (LOA) for further period of one year i.e. 12.10.2026.

DC SEEPZ-SEZ informed the Board that the Unit has not yet started operations but has assured commencement within the extended period. The Developer, Jawaharlal Nehru Port Authority (JNPA), has issued No Objection Certificates (NOCs), confirming that M/s Envopap has completed soil testing and received approval for construction permission, which will be formally issued upon submission of a valid LoA. It was informed that the LOA was issued on 13.10.2021 and delay in commencement of operation resulted from pending approvals, documentation issues, and unforeseen challenges including excavation difficulties, monsoon disruptions, funding delays, and statutory clearances. The basic PEB structure is ready, remaining work will take 5 to 6 months, and operations are planned to begin by August 2026 in compliance with SEZ regulations.

After consideration of the reasons for the delay, substantial activities undertaken and investment made, the Board being satisfied that it is necessary and expedient in pursuance to Rule 19(4) of SEZ Rules, 2006, **granted** extension of validity of LoA for a further period of one year, i.e. upto 12.10.2026.

135.3(ii) Request of M/s. Wockhardt Ltd in Wockhardt Infrastructure Development Ltd.-SEZ, Multi-Product SEZ at Shendra, Aurangabad, Maharashtra for the Extension of the Letter of Approval (LOA) for further period of one year i.e. 24.10.2026.



DC SEEPZ-SEZ informed the Board that the initial LOA was issued on 13.10.2021 and 11 extension have been given which was valid till 24.10.2025. An inspection of Unit-III of M/s Wockhardt Limited was conducted on 23.10.2025, during which the progress of work at the Unit was found to be satisfactory. The Unit has reported that there is no change in physical progress, as construction activities have been completed and the plant and machinery are fully installed.

However, commercial operations have not yet commenced due to pending approval from the USFDA. The Unit has been regularly applying for USFDA inspection and has paid the requisite registration fees for all years up to 31.12.2025.

It was also informed that the Unit is in the process of preparing applications for obtaining necessary statutory licenses from various countries, with the approval process being pursued on a priority basis to enable commencement of production. The Unit has further committed to making the facility operational within the next 18 to 24 months and is taking steps to achieve this by applying for phased broad-banding approvals for new products in due course.

Accordingly, the Board being satisfied with the recommendation of DC SEEPZ-SEZ that it is necessary and expedient in pursuance to third proviso to Rule 19(4) of SEZ Rules, 2006, granted extension of validity of LoA for a further period of one year, i.e. upto 24.10.2026.

135.3(iii) Request of M/s. RMIH Technology India Private Limited, a Unit in Mahindra World City, Chengalpattu, Tamil Nadu for extension of LOA upto 22.08.2026.

DDC, MEPZ-SEZ informed the Board that the Letter of Approval (LoA) was issued to M/s RMIH Technology on 23.08.2022 has been extended twice and was valid up to 22.08.2025. It was informed that layout design has been finalized, soil testing has completed and domestic and international vendors for machinery have also been finalised. The on-site civil construction activity has also commenced. It was added that the Unit is an established entity with existing EOU and DTA units having satisfactory performance. The proposal of extension has been submitted for consideration of the Board since 2/3rd of the work has not been completed.

The Unit has contended that the ripple effect of COVID-19 affecting the global and local supply chain, labour availability, and logistical coordination disrupted the Unit ability to mobilize construction resources and initiate groundwork as scheduled. Further, changes in U.S. import/export tariffs, particularly those affecting EMS Sectors and related equipment have introduced unexpected financial and procurement uncertainties. The Unit is currently evaluating these revisions to assess their long-term impact on sourcing of international customers, machinery, packaging materials, and other essential infrastructure components.

Accordingly, the Board being satisfied that it is necessary and expedient and in

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pursuance to third proviso to Rule 19(4) of SEZ Rules, 2006, granted extension of validity of LoA for a further period of one year, i.e., upto 22.08.2026.

135.3(iv) Request of M/s Y R Dynamic Warehousing Services LLP in Jawaharlal Nehru Port Authority SEZ at Maharashtra for the Extension of the Letter of Approval (LOA) for further period of one-year upto 27.06.2026.

The DC, SEEPZ-SEZ informed the Board that the Letter of Approval (LoA) was issued to M/s Y R Dynamic Warehousing Services LLP, JNPA SEZ on 28.06.2023 and has been granted two extensions, the current validity being upto 27.06.2025.

The Unit has now requested the 3^d extension of the LoA for a further period of one year, i.e., from 28.06.2025 to 27.06.2026, in terms of Rule 19(4) of the SEZ Rules, 2006, citing delay in commencement of operations.

It was informed that the delay occurred mainly due to the time taken in the adjudication process and in obtaining development permission from JNPA, which is presently under review by the JNPA Architect. The proposal is also under process with the Chief Fire Officer for issuance of Provisional Fire NOC. The Unit has assured that construction activities will commence immediately upon receipt of the Commencement Certificate from JNPA.

The Board was also informed that the Specified Officer, JNPA SEZ, conducted a site visit and observed that construction activities have not yet commenced. Further, the Developer, Jawaharlal Nehru Port Authority (JNPA), has issued a No Objection Certificate and stated that soil testing has been completed. Construction permission has been approved by the competent authority and will be formally issued upon submission of a valid LOA. JNPA has conveyed **no objection** to the extension of the LOA.

Accordingly, the Board being satisfied that it is necessary and expedient in pursuance to third proviso to Rule 19(4) of SEZ Rules, 2006, granted extension of validity of LoA for a further period of one year, i.e., upto 27.06.2026.

Agenda Item No. 135.4:

Request for extension of LoA (In-Principle approval) of SEZ [1 proposal – 135.4(i)]

135.4(i) Proposal of M/s. Dahej SEZ Limited, requesting for 4th extension of validity in respect of their 'In-Principle Approval' granted for setting up of a Multi Sector SEZ at Pakhajan, Tal. Vagra, Dist. Bharuch, Gujarat over an area of 650 Ha - reg.

The DC informed the Board that the In-principle Approval for setting up of Multi Sector SEZ was granted on 03.11.2021. There is a delay in obtaining possession of land from the State Government authority; however, Dahej SEZ Limited (DSL)



has been actively following up with the concerned authority to expedite possession of the remaining government land. The total investment in the project stands at approximately ₹568.18 crore as of 30.09.2025.

The Board observed that DSL has already obtained 647 Ha and there is considerable delay in obtaining possession for only a small parcel of land (3.56 Ha). However, DSL has sufficient land in possession to be notified as SEZ and start activity for commencement of operation. It was submitted by the DC that although the land already acquired is more than the minimum threshold of 50 Ha required for notifying an SEZ, however until the remaining four land parcels are acquired, the land to be notified as SEZ will not be contiguous. Therefore, the Board advised that the DC, in the meanwhile, may also follow up with the concerned authorities for early notification of the SEZ.

Accordingly, the Board being satisfied with the written explanation/justification submitted by Developer and recommendation by DC, Dahej SEZ, in pursuance to proviso to Rule 6(2)(b) of SEZ Rules, 2006, granted extension of validity of the In-principle Approval for a further period of one year, i.e., up to 02.11.2026.

Agenda Item No. 135.5:

Request for full/partial de-notification of SEZ [2 proposals 135.5(i)- 135.5(ii)]

135.5(i) Request of M/s. Cognizant Technology Solutions India Private Limited, Developer for full de-notification of 2.56 Ha. of IT/ITES SEZ at Plot No. 24, 25 &26, Survey No. 115/1, 115/24, 115/25, 115/26 and 155/30, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Telangana.

DC, VSEZ informed the Board that M/s. Cognizant Technology Services Private Limited was issued the Letter of Approval on 21.04.2016 which was has lapsed/expired on 20.04.2019. The Developer has not sought/approached O/o DC for further extension of Formal Approval. No activities/development work done for implementing the SEZ has been done.

M/s. Cognizant Technology Services Private Limited vide its letter dated 15.10.2019 requested for full de-notification. The Government of Telangana vide letter dated 02.09.2024 has recommended for consideration of the proposal and informed that the de-notified land will conform to the land use guidelines/master plan of the Government.

The Board was informed that there are no units in the SEZ. Further, the Developer has not availed any Tax/Duty benefits under the SEZ Act/Rules, in r/o of the land being de-notified.

The Board, being satisfied in pursuance to first proviso to Rule 8 of SEZ Rules approved the full de-notification of the entire area of 2.56 Ha of M/s. Cognizant Technology Solutions India Private Limited, IT/ITES SEZ at Plot No. 24, 25 &26, Survey No. 115/1, 115/24, 115/25, 115/26 and 155/30, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Telangana.

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135.5(ii) Proposal of M/s. State Industries Promotion Corporation of Tamil Nadu Limited, Developer for partial de-notification of 1.214 Ha out of 56.841 Ha of Multi Sector SEZ at SIPCOT Industrial Park, Perundurai, Erode District, Tamil Nadu.

The Board was informed that the reason for instant partial de-notification proposal is to convert 1.214 Hectares from SEZ into DTA in Plot No. S-1 Pt.1 (surrendered by M/s. Wipro Infrastructure Engineering Pvt. Ltd.) for allotment to potential buyers. Site inspection has been carried out by DDC, MEPZ along with Specified Officer and Mandal Revenue Officer/Tahsildar. It has been confirmed that there are no Units in the area proposed to be de-notified in the SEZ.

The area remaining after the proposed partial de-notification is contiguous meeting all the requirements of built-up area in terms of SEZ Act and Rules and without any public thoroughfare. Further, DC certifies that Developer has not availed of any Tax/Duty benefits under the SEZ Act/Rules, in respect of the land being de-notified and State Govt. has provided its 'No Objection'.

The Board, being satisfied, in pursuance to first proviso to Rule 8 of SEZ Rules, 2006 approved the partial de-notification of 1.214 Ha out of 56.841 Ha of M/s. State Industries Promotion Corporation of Tamil Nadu Limited, of Multi Sector SEZ at SIPCOT Industrial Park, Perundurai, Erode District, Tamil Nadu.

Agenda Item No. 135.6:

Request for conversion of Processing Area into Non-Processing Area under Rule 11(B) [1 proposal – 135.6(i)]

135.6(i) Request of M/s. BSR Builder LLP - IT/ITES SEZ, Survey No. 135, 138, 141 & 142, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad State, for demarcation of SEZ Processing Built-up area (3,885.39 sq.mtr.) as Non-Processing Area in terms of Rule 11 B of SEZ Rules, 2006 -reg.

The Board, after deliberations, **permitted** the demarcation of the following area as Non Processing Area in terms of Rule 11B of SEZ Rules, 2006: -

Block No.	Floor	Area in Sq. Mtr
Block 2	1 st Floor	3,885.39
TOTAL		3,885.39 Sq.Mtrs

In addition to above, the Board stated that the responsibility to ensure that all the extant provisions relating to demarcation of processing area to non-processing area are implemented in letter and spirit, shall lie with the concerned DC. Further, the DC concerned shall also ensure that all the applicable duty benefits have been calculated in toto and the same has been fully repaid.

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Agenda Item No. 135.7:

Request for Cancellation of Co-Developer status [1 proposal-135.6(i)]

135.7(i) Request for cancellation of Co-Developer status - M/s. DLF Power & Services Ltd, Co-Developer in M/s. DLF Limited at Plot No. II-F/1, Block-II-F, Action Area-II, New Kolkata Township, Rajarhat, Kolkata, West Bengal.

DC, FSEZ informed the Board that M/s. DLF Power & Services Ltd. was issued the Letter of Approval as a Co-Developer for undertaking the Building Operations & Maintenance (O&M) Services at SEZ developed by M/s. DLF Limited SEZ at Plot No. II-F/1, Block-II-F, Action Area-II, New Kolkata Township, Rajarhat, Kolkata, West Bengal. Now, it has requested for cancellation of Co-Developer status as the Developer is in process of re-structuring the management of its SEZ and henceforth developer itself will take care of the Building Operation & Maintenance (O&M) Services. The Co-Developer has submitted following documents:-

- i. "No Objection Certificate" issued by M/s DLF Limited, the Developer for cancellation of Co-Developer status.
- ii. "No Due Certificate" issued by the Specified Officer.

Accordingly, the Board, after deliberations, **approved** the proposal for cancellation of Co-Developer status issued vide order no. F.2/43/2006-SEZ dated 05.12.2016. of M/s. DLF Power & Services Ltd in the SEZ developed by M/s. DLF Limited.

Agenda Item No.135.8:

Miscellaneous [1 proposal: 135.8(i)]

135.8(i) Proposal for consideration of renewal of Letter of Approval (LoA) of M/s. Afcan Impex Pvt. Ltd., a worn/used clothing Unit in KASEZ-Reg.

DC, KASEZ briefed the proposal to the Board and submitted that the proposal is basically for revival of the sick Unit. It was informed that the Unit underwent insolvency proceeding and Corporate Insolvency Resolution Process (CIRP) was initiated before Hon'ble NCLT Ahmedabad. The Successful Resolution Applicant (SRA) of M/s Afcan has referred to the Hon'ble NCLT order dated 30.09.2025, wherein IA No. 697/2021 (renewal of LoA) and IA No. 1113/2023 (renewal of Lease Deed) were disposed of with a direction to the Development Commissioner, KASEZ to take appropriate action for renewal/extension of LoA and Lease deed expeditiously, upon settlement of KASEZ's admitted dues under the approved Resolution Plan.

Clause 6.3.3 ("Revival of Business Operations") of approved Resolution plan, inter-alia, provide that in order to revive the business operations as going concern, following steps would be taken immediately after effective date by the Resolution

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Applicant acting through corporate debtor-

- i. Upon approval of this resolution plan, all the non-compliances, outstanding dues, penalties, legal proceedings towards LoA and lease deed pertaining to the period prior to effective date, whether matured or unmatured, crystallised or uncrystallised shall stand abated and terminated.
- ii. In case KASEZ Authority fails to honour the request made by AP for renewal of LOA, RA shall request the Development Commissioner, KASEZ for renewal of LOA subject to payment of entire outstanding dues till effective date as per clause 6.1 of resolution plan and any other dues that may be applicable as per LoA, lease deed and applicable laws for period after effective date
- iii. Approval of this resolution plan and compliance with above 2 clauses shall be treated as sufficient compliance for all the purposes pertaining to LoA and lease deed, and Development Commissioner, KASEZ shall be under obligation to renew the LoA and Lease deed in order to enable the RA to revive the operations of corporate debtor and implement this resolution plan.
- iv. RA may identify the target customers for revival of impex business and RA may also explore reviving the existing orders."

In this connection, the Board, took note of following comments of DGEP:

- i. all dues have not been paid and directions of 104th BOA are not complied
- ii. DC has not certified that the previous infringements of the applicant are duly taken into account in light of Rule 19(6B) of SEZ Rules, 2006.
- iii. DC has not certified that the new "beneficial owners" adhere to the guidelines as per Rule 18 (4) of the SEZ Rules, 2006

In view of the above, the Board after deliberations on several points of proposal including the order of NCLT and minutes of 104th meeting of the Board held on 28.05.2021, **deferred** the proposal as the proposal needs detailed examination of all aspects, hence, directed DC to submit a detailed factual report with the ground position along with his recommendations.

Supplementary Agenda for the 135th meeting of the BoA for SEZ

Agenda Item No. 135.9:

Request for partial/full de-notification of SEZ [1 proposal 134.9(i)]

135.9(i) Proposal of M/s. DLF Limited, Developer for partial de-notification of 7.1826 Ha out of 10.4813 Ha of IT/ITES SEZ at Plot No. II-F/1, Block-II-F, Action Area II, New Kolkata Township Rajarhat, Kolkata, West Bengal.

DC, FSEZ informed the Board that IT/ITES SEZ developed by M/s. DLF Limited at Plot No. II-F/1, Block-II-F, Action Area II, New Kolkata Township Rajarhat, Kolkata, West Bengal was issued LOA vide letter No. F.2/43/2006-EPZ dated 16th June, 2006 and the reasons for instant partial de-notification proposal is most tenants in SEZ are multinational companies, and they perceive limited advantage of operating in SEZs post the direct tax sunset clause. Heavy restrictions/ compliance remains

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in place for operating in such facilities, resulting in subdued demand for IT/ITES SEZs and rising vacancies. Post pandemic, due to the government's liberal relaxation to allow companies to operate work from home has further subdued the demand for IT/ITES SEZ.

The instant proposal was earlier considered in 134th meeting of BoA, whereby the BoA directed the concerned DC to resubmit the proposal with complete tabulated details of time and quantum of duty benefits availed and duty benefits returned/repaid. DC submitted the desired information and briefed to Board.

The DC has certified that there are no Units in the area proposed to be de-notified in the SEZ and area remaining after the proposed partial de-notification is contiguous meeting all the requirements of built-up area in terms of SEZ Act and Rules and without any public thoroughfare. Further, the DC has certified that the Developer has not availed of any Tax/Duty benefits under the SEZ Act/Rules, in respect of the land being de-notified. The State Government of West Bengal vide its letter dated 15.09.2025 has conveyed its no-objection for the proposal of partial denotification and informed that any change in future use of such de-notified land shall be upon prior approval of the appropriate authority of the State Government and in adherence to all the stipulations of the State Govt.

The Board, being satisfied, in pursuance to first proviso to Rule 8 of SEZ Rules, 2006 **approved** the partial de-notification of 7.1826 Ha out of 10.4813 Ha oM/s. DLF Limited, of IT/ITES SEZ at Plot No. II-F/1, Block-II-F, Action Area II, New Kolkata Township Rajarhat, Kolkata, West Bengal.

Agenda Item No.135.10

Request for Cancellation of Co-Developer status [1 proposal - 135.10(i)]

135.10(i) Request for cancellation of Co-Developer status - M/s Sri Channakeshava Tech Park, Co-Developer in Shyamaraju & Company (India) Private Limited (formerly Divyasree Technopark) SEZ, Bangalore.

DC, CSEZ informed the Board that M/s Sri Channakeshava Tech Park was issued Letter of Approval No.F.2/120/2004-EPZ dated 27th February 2009 as a Co-Developer for providing infrastructure facilities in an area of 4.76 Ha in the SEZ developed by M/s Shyamaraju and Company (India) Private Limited at Kundalahalli Village, Krishnarajapuram, Hobli, Bangalore East Taluk, Bangalore Dist., Karnataka. The Co-Developer has constructed a building (C01) admeasuring an area of 97494.90 sq.mtr. in the allotted space. Due to lack of demand for SEZ space, the same built-up area was demarcated as non-processing area as per Rule 11B of SEZ Rules 2006, by the Developer with the consent of Co-Developer, which was approved by the BoA in its 120th meeting held on 18th June 2024. While submitting the proposal for demarcation of built-up space as Non Processing Area, the Developer has refunded an amount ₹20,58,27,061/- (Rupees Twenty crore fifty eight lakh twenty seven thousand sixty) towards the duty/tax exemptions availed for the building including common facilities (Built-up area: ₹20,46,82,461/- & common facilities: ₹11,44,600/-)



Now, it has requested for cancellation of Co-Developer status as despite efforts to have the building designated as NPA and offer it to the IT/ITeS sector, prevailing economic uncertainty and recession have hindered the sector growth. Consequently, the demand for office space in IT/ITeS Sector decreased, leading many small and medium companies to adopt a cautious "wait-and-watch" approach. Further, the Co-Developer has been exploring the possibility of relinquishing its Co-Developer status to diversify the build use beyond IT/ITeS industries, aligning with the Technopark denotification process. In the light of the current uncertainty and subdued market conditions, their management has decided to surrender the Co-Developer status in SEZ. The Co-Developer has submitted following documents:-

- i. "No Objection Certificate" issued by M/s Shyamaraju and Company (India) Private Limited, the Developer for cancellation of Co-Developer status.
- ii. "No Due Certificate" dated 24.03.2025 issued by the Specified Officer.

Accordingly, the Board, after deliberations, **approved** the proposal for cancellation of Co-Developer status - M/s Sri Channakeshava Tech Park, in M/s. Shyamaraju & Company (India) Private Limited (formerly Divyasree Technopark) issued vide order no. F.2/120/2004-SEZ dated 27.02.2009.

Agenda Item No.135.11:

Miscellaneous [1 proposal: 135.11(i)]

135.11(i) Proposal of M/s. Wipro Limited, Developer for approval of 'Restricted' item to carry on authorized operations in the IT/ITES SEZ at Plot No. 2, 3 & 4, Sector-Knowledge Park IV, Greater Noida (U.P.)- Reg.

The Board, after deliberations, **approved** the proposal of M/s. Wipro Limited, duty free procurement of restricted item '500 Kg 'Refrigerant Gas (R-134a) – HS Code 29034500" for operation incidental to Authorised Operation: Air conditioning of processing area as per proviso to Rule 27(1) of SEZ Rules, 2006, subject to the condition that the DC may ensure that allowed items are actually used by the applicant for setting up of infrastructure facility for carrying on authorised operations

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Annexures- I

List of Participants for the Meeting of the Board of Approval for SEZ held on 30th December, 2025 under the Chairmanship of Commerce Secretary, Department of Commerce.

1. Shri Rajesh Agarwal, Chairman & Commerce Secretary, Department of Commerce
2. Shri Ajay Bhadoo, Additional Secretary, and DG, DGFT, Department of Commerce
3. Shri Vimal Anand, Joint Secretary, DoC
4. Shri Gaurav Pundir, Director, DoC
5. Shri D.B. Patil, Development Commissioner, SEEPZ-SEZ/ KASEZ
6. Shri Srinivas Muppaala, Development Commissioner, VSEZ
7. Shri D.B Singh, Development Commissioner, FSEZ/ NSEZ
8. Shri Paras Mani Tripathi, Joint Development Commissioner, NSEZ
9. Shri Lokesh H.D., Development Commissioner, Reliance SEZ
10. Shri Vinay .M, Development Commissioner Customs, VSEZ
11. Shri Kiran Mohan, Deputy Development Commissioner, NSEZ
12. Shri Darshan Gattani, Deputy Development Commissioner, KASEZ
13. Shri Prabu Kumar K, Deputy Development Commissioner, MEPZ-SEZ

List of participants connected with Video Conferencing: -

1. Shri Rajkumar, DG, DGEP, CBIC
2. Shri Ranjan Khanna, Pr. ADG, DGEP, CBIC
3. Shri Hardev Singh, DCIT (OSD), ITA-I, CBDT
4. Smt. P. Hemalatha, Development Commissioner, CSEZ
5. Shri Anupam Kumar, Development Commissioner, Dahej SEZ
6. Shri Abhimani Sharma, Development Commissioner, Surat SEZ
7. Dr. Praveen Kumar, Development Commissioner, Mihan SEZ
8. Smt. Dona Ghosh, Development Commissioner, Mangalore SEZ
9. Shri Abhishek Sharma, JDC, RA Indore
10. O/o EA, DPIIT
11. Shri Neeraj Rawat, Deputy Legal, D/o Legal Affairs
12. Shri O P Sharma, Tech. Consultant, Department of Chemicals & Petrochemicals,
13. Shri Lal Chand Dabaria, Assistant Legal Adviser, Legal Affairs

