No. K-43016/21/2026-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)
***

Vanijya Bhawan, New Delhi
Dated the 17th August, 2026

OFFICE MEMORANDUM

Subject: 142nd Meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) – Agenda – Reg.

The undersigned is directed to refer to the subject cited above and to inform that the 142nd meeting of the BoA for SEZs is tentatively scheduled to be held on **21st August, 2026 from 12.00 p.m. to 2.00 p.m. in Room No. 427, Vanijya Bhawan, New Delhi** under the Chairmanship of Commerce Secretary, Department of Commerce in **Hybrid Mode**.

2. **The agenda items for the 142nd meeting of the BoA for SEZs is enclosed herewith.** The same has also been hosted on the website: www.sezindia.gov.in.

3. All the addresses are requested to kindly make it convenient to attend the meeting.

4. The meeting link of the aforesaid meeting will be shared shortly in due course.

17/08/26.

(Prateek Bajpai)
Under Secretary to the Government of India
Tel: 011-23039939
Email: prateekbajpai.moca@nic.in

To

1. Central Board of Excise and Customs, Member (Customs), Department of Revenue, 4th Floor, Kartavya Bhawan – I, New Delhi - 110001
2. Central Board of Direct Taxes, Member (IT), Department of Revenue, 4th Floor, Kartavya Bhawan – I, New Delhi - 110001
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. Ministry of Science and Technology, Sc 'G' & Head (TDT), Technology Bhavan, Mehrauli Road, New Delhi. (Telefax: 26862512)

6. Joint Secretary, Department of Biotechnology, Ministry of Science and Technology, 7th Floor, Block 2, CGO Complex, Lodhi Road, New Delhi - 110 003.
7. Additional Secretary and Development Commissioner (Micro, Small and Medium Enterprises Scale Industry), Room No. 701, Nirman Bhavan, New Delhi (Fax: 23062315).
8. Joint Secretary (IS-I), Ministry of Home Affairs, Kartavya Bhavan-03, Janpath, New Delhi - 110001
9. Ministry of Defence, Joint Secretary (C&W), 6th Floor, Kartavya Bhavan-2, New Delhi - 110001
10. Joint Secretary, Ministry of Environment and Forests, Pariyavaran Bhavan, CGO Complex, New Delhi – 110003 (Fax: 24363577)
11. Joint Secretary & Legislative Counsel, Legislative Department, M/o Law & Justice, A-Wing, Shastri Bhavan, New Delhi. (Tel: 23387095).
12. Department of Legal Affairs (Shri Hemant Kumar, Assistant Legal Adviser), M/o Law & Justice, New Delhi.
13. Chief Planner, Department of Urban Affairs, Town Country Planning Organisation, Vikas Bhavan (E-Block), I.P. Estate, New Delhi. (Fax: 23073678/23379197)
14. Director General, Director General of Foreign Trade, Department of Commerce, Udyog Bhavan, New Delhi.
15. Director General, Export Promotion Council for EOUs/SEZs, 8G, 8th Floor, Hansalaya Building, 15, Barakhamba Road, New Delhi – 110 001 (Fax: 223329770)
16. Dr. Rupa Chanda, Professor, Indian Institute of Management, Bangalore, Bennerghata Road, Bangalore, Karnataka
17. Development Commissioner, Noida Special Economic Zone, Noida.
18. Development Commissioner, Kandla Special Economic Zone, Gandhidham.
19. Development Commissioner, Falta Special Economic Zone, Kolkata.
20. Development Commissioner, SEEPZ Special Economic Zone, Mumbai.
21. Development Commissioner, Madras Special Economic Zone, Chennai
22. Development Commissioner, Visakhapatnam Special Economic Zone, Visakhapatnam
23. Development Commissioner, Cochin Special Economic Zone, Cochin.
24. Development Commissioner, Indore Special Economic Zone, Indore.
25. Development Commissioner, Mundra Special Economic Zone, 4th Floor, C Wing, Port Users Building, Mundra (Kutch) Gujarat.
26. Development Commissioner, Dahej Special Economic Zone, Fadia Chambers, Ashram Road, Ahmedabad, Gujarat
27. Development Commissioner, Navi Mumbai Special Economic Zone, SEEPZ Service Center, Central Road, Andheri (East), Mumbai – 400 096
28. Development Commissioner, Sterling Special Economic Zone, Sandesara Estate, Atladra Padra Road, Vadodara - 390012
29. Development Commissioner, Andhra Pradesh Special Economic Zone, Udyog Bhawan, 9th Floor, Siripuram, Visakhapatnam – 3
30. Development Commissioner, Reliance Jamnagar Special Economic Zone, Jamnagar, Gujarat
31. Administrator (IFSCA) International Financial Services Centres Authority 2nd & 3rd Floor, PRAGYA Tower, Block 15, Zone 1, Road 1C, GIFT SEZ, GIFT City, Gandhinagar, Gujarat
32. Development Commissioner, Surat Special Economic Zone, Surat, Gujarat

33. Development Commissioner, Mihan Special Economic Zone, Nagpur, Maharashtra
34. Development Commissioner, Sricity Special Economic Zone, Andhra Pradesh.
35. Development Commissioner, Mangalore Special Economic Zone, Mangalore.
36. Government of Andhra Pradesh, Principal Secretary and CIP, Industries and Commerce Department, A.P. Secretariat, Hyderabad – 500022. (Fax: 040-23452895).
37. Government of Telangana, Special Chief Secretary, Industries and Commerce Department, Telangana Secretariat Khairatabad, Hyderabad, Telangana.
38. Government of Maharashtra, Principal Secretary (Industries), Energy and Labour Department, Mumbai – 400 032.
39. Government of Gujarat, Principal Secretary, Industries and Mines Department Sardar Patel Bhawan, Block No. 5, 3rd Floor, Gandhinagar – 382010 (Fax: 079-23250844).
40. Government of Tamil Nadu, Principal Secretary (Industries), Fort St. George, Chennai – 600009 (Fax: 044-25370822).
41. Government of Kerala, Principal Secretary (Industries), Government Secretariat, Trivandrum – 695001 (Fax: 0471-2333017).
42. Government of Uttar Pradesh, Principal Secretary, (Industries), Lal Bahadur Shastri Bhawan, Lucknow – 226001 (Fax: 0522-2238255).
43. Government of Madhya Pradesh, Chief Secretary, (Commerce and Industry), Vallabh Bhavan, Bhopal (Fax: 0755-2559974)
44. Government of Nagaland, Principal Secretary, Department of Industries and Commerce), Kohima, Nagaland.
45. Government of Chattishgarh, Commissioner-cum-Secretary Industries, Directorate of Industries, LIC Building Campus, 2nd Floor, Pandri, Raipur, Chhattisgarh.

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

Agenda items for the 142nd Meeting of the BoA for SEZs to be held on 21st August, 2026.

SEZ AGENDA ITEMS

S. No.	Subject	Zone
142.1	**Ratification of the minutes of the 141st meeting of the Board of Approval for Special Economic Zones (SEZs) held on 17th July, 2026.**	
142.2	**Request for extension of Formal approval of SEZ – 2 proposals**	
i.	M/s. Google Connect Services India Private Limited, at Ranga Reddy District, Telangana	VSEZ
ii.	M/s. ClearTrail Technologies Pvt. Ltd, at Indore, Madhya Pradesh	ISEZ
142.3	**Request for extension of LoA of SEZ Unit – 5 Proposals**	
i.	M/s Felix Generics Pvt. Ltd, a unit in Indore SEZ	ISEZ
ii.	M/s. Northern Arc Investment Managers Private Limited, GIFT-Multi Services -SEZ, Gandhinagar	IFSCA
iii.	Proposal for renewal/ extension of Letter of Approval (LoAs) of 16 worn/ clothing units at Kandla SEZ for a period of 5 years in terms of Rule 18(4) of SEZ Rules 2006.	KASEZ
iv.	Request of M/s. Gujarat Textiles, a garments recycling unit at Falta SEZ	FSEZ
v.	M/s SGPharma Global Private Limited located at JNPA-SEZ, Maharashtra	SEEPZ
142.4	**Request for Co-Developer status/ increase or decrease in area by Co-developer or Cancellation of Co-Developer Status – 4 proposals**	
i.	M/s. OSEL Industrial Park Private Limited In JNPA-SEZ Village-Savarkar, Taluka Uran, District- Raigad Maharashtra	SEEPZ
ii.	M/s. Black Canyon SEZ Private Limited at Village Gwal Pahari, Gurugram	NSEZ
iii.	M/s. Hetero Drugs Ltd, at Polepally Village, Jedcherla Mandal, Mahaboob Nagar District, Telangana	VSEZ
iv.	M/s. Cityrise Infra Pvt. Ltd at Greater Noida (Uttar Pradesh)	NSEZ
142.5	**Request for conversion of Processing Area into Non-Processing Area under Rule 11(B) – 2 proposals**	
i.	M/s Ganesh Housing Limited at Ahmedabad, Gujarat	KASEZ
ii.	M/s. Candor Gurgaon One Realty Projects Private Limited at Village Tikri, Sector-48, Gurugram (Haryana)	NSEZ
142.6	**Miscellaneous – 4 proposals**	
i.	M/s Plastic Processors & Exporter Pvt. Ltd., a unit at NSEZ	NSEZ
ii.	M/s. Aurobindo Pharma Limited in M/s. APIIC Limited EZ, Naidupeta, Tirupati District, A.P.	VSEZ
iii.	M/s Afcan Impex Pvt. Ltd, a worn/used clothing unit in KASEZ	KASEZ
iv.	Representation of SEEPZ Gems & Jewellery Manufacturers' Association (SGJMA)	SEEPZ
142.7	**Appeal – 1 proposal**	
i.	M/s Dahej SEZ Limited, developer of Multi-Products SEZ at Dahaj, Taluka Vagra, District Bharuch, Gujarat	Dahej SEZ
142.8	**New SEZ for Formal Approval – 1 Proposal**	
i.	M/s. NIDP Developers Private Limited at, Greater Noida, Gautam Buddha Nagar District, Uttar Pradesh	NSEZ

Agenda for the 142nd meeting of the Board of Approval for Special Economic Zones (SEZs) to be held on 21st August, 2026.

Agenda Item No. 142.1:

Ratification of the minutes of the 141th meeting of the Board of Approval for Special Economic Zones (SEZs) held on 17th July, 2026.

Agenda Item No. 142.2:
Request for extension of Formal approval of SEZ [2 proposals –142.2(i) – 142.2(ii)]

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

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

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

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

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

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

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

142.2(i) Proposal of M/s. Google Connect Services India Private Limited, Developer of IT/ITES SEZ at Nanakramguda village, Serilingampally Mandal, Ranga Reddy District, Telangana for extension of the validity period of formal approval from 30.08.2026 to 29.08.2027.

Jurisdictional SEZ: VSEZ

Facts of the Case:

1	Name and Location of the Developer	M/s. Google Connect Services India Private Limited at Plot No 8B, Sy. No. 115/3 115/5, 115/7 and 115/35 Nanakramguda village, Serilingampally Mandal, Ranga Reddy District, Telangana - 500081
2	LoA issued on date	30.8.2019
	Date of Notification	13.10.2022
3	Sector of SEZ	IT/ITES
4	Area of SEZ	2.90 Ha.
5	No. of Extensions	Four (04), 4th extension was granted upto 29.08.2026
6	LOA valid upto	29.08.2026
7	Request	For further extension **from 30.08.2026 to 29.08.2027**

Present Progress:

a. **Details of Business plan:**

Sl. No.	Type of Cost	Proposed Investment (Rs. in crores)
1	Land Cost	34.82
2	Construction Cost	4073.08
	Total	**4107.90**

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

Sl. No.	Type of Cost	Total investment made so far (Rs. In Crore) upto to 31.3.2025	Incremental Investment since last extension (Rs. In Crores)	Total investment made so far upto 31.3.2026

1	Land Cost	34.82	-	34.82
2	Material procurement	-	-	-
3	Construction	624.36	279.85	904.21
Total		**659.18**	**279.85**	**939.03**

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

S. No	Activity	% Completed	% completion during last one year	Deadline for completion of balance work
1	Excavation and Ground levelling	100%	-	Excavation works are completed
2	Civil Structure	50%	9%	31.7.2027

d. **Time frame to complete the project**

Sl NO	Activity	% completion	% completion during last one year	Deadline for completion of balance work
1	Excavation/Ground up	100%	-	Deadline NA as works are completed
2	Civil Structure	50%	9%	31-Jul-27
3	Building Envelope	0%	0%	28-Feb-28
4	Mechanical	0%	0%	31-Mar-28
5	Electrical	0%	0%	31-Mar-28
6	Plumbing Works	0%	0%	31-Mar-28
7	Warm shell finishes	0%	0%	31-Mar-28
8	Fit-out space	0%	0%	11-Nov-28

-
The Developer has requested for further extension up to **30.11.2028.**

Detailed reasons for delay: -

The DC, VSEZ has informed that the Developer vide letters dated 25.06.2026 & 23.07.2026, has informed that out of total proposed 25 floors, 14 floors have been constructed. Therefore, it has become necessary to revise the project completion date from 13.12.2027 to 11.11.2028 due to Changes in design, development and modifications made beyond the assumptions made at the time of the tender. Construction Complexity Transfer Beam Construction. The execution of transfer beams required specialized construction methodologies, enhanced temporary work arrangements, and additional quality measures. Execution and external factors - Reduced labour availability and limited availability of a skilled workforce. External force majeure Disruption in LPG supply, logistics, and adverse market

The Developer has submitted photographs depicting present status of the construction activities. The Specified Officer has informed that site was inspected and noticed that construction was underway and base build (roof only) of 10 floors had been completed. The applicant has stated for targeting completion of the project by 11.11.2028, as against the earlier projection of 13.12.2027 and requested to consider request for extension.

Recommendation by DC, VSEZ:

The proposal has been recommended for extension of LoA for the period from 30.08.2026 to 29.08.2027, in view of the investment made and pace of ongoing construction activities at the site in terms of Rule 6(2)(a) of the SEZ Rules, 2006.

142.2(ii) Proposal of M/s. ClearTrail Technologies Pvt. Ltd, Developer of IT/ITES SEZ at Plot No. 2A, Scheme No. 166 IDA, Near Super Corridor, Indore, Madhya Pradesh for extension of the validity period of Formal approval up to 29.08.2027 - Reg.

Jurisdictional SEZ – Indore SEZ
Facts of the Case:

1.	Name of the Developer	M/s ClearTrail Technologies Pvt. Ltd.
2.	Sector	IT/ITES
3.	Location	Plot No. 2A, Scheme No. 166 IDA, Near Super Corridor, Indore, Madhya Pradesh
4.	Formal approval	F.1.6/2019-SEZ dated 30.08.2019
5.	Area	2.183 Ha.
6.	Date of Notification	17.12.2019
7.	Operational Status	Non-operational
8.	Reason for seeking extension:	The Developer was unable to commence the development of proposed SEZ within the stipulated timeline due to exceptional circumstances arising from the COVID-19 pandemic and its prolonged after-effects till the end of 2023, including widespread adoption of work-from-home models, operational constraints across the IT industry, and consequential delays in infrastructure planning and execution. Further, global macroeconomic conditions and phase of lesser growth of IT industry trends during 2024 and 2025 have continued its consequential impact on project implementation and expansion decisions.
9.	Request for extension	Formal approval to the Developer was granted on 30.08.2019, which was valid up to 29.08.2022. The Developer has now requested for extension up to 29.08.2028 i.e. for a period of 6 years beyond the original validity of formal approval.

Post-notification, the Developer neither commenced implementation nor submitted the project implementation report/Bond-cum-LUT. Vide letter dated 11.02.2021, the Developer was advised to submit a road map for making the SEZ operational. In reply dated 15.02.2021, the Developer cited Covid-19 lockdown and WFH as reasons for delay and assured a phase-wise road map. As no extension request or concrete schedule was received, vide letter dated 30.06.2025, the Developer was informed that validity of formal approval expired on 29.08.2022 and it may apply for de-notification under Rule 8 of SEZ Rules, 2006. The Developer has now requested extension of validity till 29.08.2028.

Present Progress:-

a. **Details of business plan:**

S. No.	**Type of cost**	**Earlier proposed Investment at the time of submission of application (Rs. In Crores)**	**Revised Proposed Investment (Rs. In Crores)**
1.	Land Cost – Freehold land	20.20	20.65
2.	Development of Land (excavation, leveling, soil filling etc.)	2.30	2.00
3.	Boundary wall, Roads, drainage, water supply, electricity	0.50	4.00
4.	Ready built-up premises (main RCC structure, civil, finishing, lifts, firefighting, HVAC/basic MEP, main gate etc.)	50.00	70.00
5.	Others including overheads (consultants, architect, approvals, contingency, project management, legal, miscellaneous)	0.00	3.35
	Total	73.00	100.00

b. **Incremental investment since last extension:**

S.No.	**Type of cost**	**Total Investment made so far (Rs. In Crores)**	**Incremental Investment made during last one year (Rs. In crores)**
1.	Land Cost – Freehold land	20.65	Nil
2.	Development of Land (excavation, leveling, soil filling etc.)	Nil	Nil
3.	Boundary wall, Roads, drainage, water supply, electricity	Nil	Nil

4.	Ready built-up premises (main RCC structure, civil, finishing, lifts, firefighting, HVAC/basic MEP, main gate etc.)	Nil	Nil
5.	Others including overheads (consultants, architect, approvals, contingency, project management, legal, miscellaneous)	Nil	Nil
	Total	20.65	Nil

c. **Details of physical progress till date: -** There is no physical progress in relation to the project till date except for purchase of freehold land.

d. **Detailed reasons for delay:**

The Developer has intimated the following reasons for delay in implementation of the project:

i. **Force Majeure Circumstances Affecting Project Implementation (COVID-19 Impact)**

The Formal Approval was granted on 30th August 2019. However, soon thereafter, the outbreak of the COVID-19 pandemic severely disrupted economic activities across the country followed by a nationwide lockdown. The impact of the pandemic continued well beyond the initial lockdown period, with prolonged disruptions in business operations, manpower availability, supply chains, and funding arrangements. As a result, the implementation of the project remained affected till the expiry of the Formal Approval on 30th August 2022. The condition became normalized by end of 2023.

ii. **Work from Home and other constraints of IT Industries**

During this period and in the subsequent years, the IT Industries were constrained to adopt a Work from Home (WFH) model in line with government advisories. While this ensured continuity of operations, it significantly impacted the Company’s ability to undertake physical development, on-ground execution, and infrastructure-related activities essential for commencement of the project. The prolonged WFH environment, coupled with restricted movement, manpower challenges, and logistical constraints, resulted in unavoidable delays in implementation. The impact of these disruptions continued even in the post-pandemic phase, as the Company required time to stabilize operations, realign resources, and reassess project execution strategies.

iii. **Global Macroeconomic and IT Industry Trends Impacting Project Implementation and Expansion during 2024 and 2025**

The global IT and IT-enabled services (IT/ITES) sector experienced a phase of lesser growth during 2023–2025, influenced by broader macroeconomic factors such as inflationary pressures, elevated interest rates, geopolitical uncertainties, and recessionary concerns in key markets including the United States and Europe. Industry analyses published by recognized bodies such as NASSCOM and global research firms like Gartner indicate that enterprises adopted a cautious approach towards technology investments during this period. This was reflected in reduced momentum in discretionary spending, increased focus on cost optimization, and heightened scrutiny of new project commitments.

In view of the above prevailing external factors, the Company adopted a calibrated and prudent approach towards capital expenditure and expansion planning. Accordingly, this had a consequential impact on the timing of commencement of operations at the ClearTrail IT SEZ, aligning the project execution with improved demand visibility and sustainable business conditions.

Additional details submitted by the Developer:

i. The Developer has submitted a Chartered Accountant certificate dated 28.05.2026 issued by R.B. Bandi & Associates, Indore (M.No. 071869) certifying the cost incurred in the project as Rs. 20.65 crores. Further, the CA has also issued a Net worth Certificate certifying the Net worth of the Company as on 31.03.2025 as Rs. 523 crores as per the audited financials of the Company. According to the Developer, this indicates a stable financial position supported by adequate reserves to successfully implement the proposed SEZ development and ability to mobilize additional financial resources, if required, for timely execution of the project.

ii. Commercial Viability of the ClearTrail IT SEZ - The Company is currently incurring significant rental and operating expenses across multiple premises within SEZ units situated at Indore. The rental and operating expenses payable by the Company amount to approximately Rs. 4.5 crore per annum for an occupied area of around 80,000 sq. ft. Accordingly, the Company proposes to consolidate its operations into a single, integrated facility at the ClearTrail IT SEZ at Super Corridor. This will result in significant operational efficiencies, improved coordination, and optimal utilization of resources. Further, it will enable the Company to achieve economies of scale, reduce overall occupancy costs in the long run, and create a unified, scalable infrastructure to support future growth. The proposed SEZ is designed to adequately cater to the Company's existing in-house space requirement of approximately 80,000 sq. ft., which in itself demonstrates the immediate usability, operational necessity, and inherent viability of the SEZ project. This also ensures assured initial occupancy, thereby reducing project risk and supporting sustainable long-term operations.

iii. Proposed Development Plan for ClearTrail IT SEZ

The Developer has proposed to invest Rs 100.00 crores for operation and maintenance of ClearTrail IT SEZ as below:

a. Rs 55 crore in the first Phase
b. Rs 45 crore in second Phase

iv. Reason for seeking extension in Formal Approval for more than one year - The Developer has submitted that the land for the proposed SEZ is already in possession and free from encumbrance. Considering the scale and nature of the proposed project, the phased investment plan, and the time required for development of infrastructure and making the SEZ fully operational, an extension of only one year would not suffice to achieve the intended objectives of operationalization of the project. The development of a sector-specific IT/ITES SEZ involves substantial capital investment, statutory approvals, construction timelines, and stabilization of operations, all of which require a reasonable and continuous time horizon.

In view of the above, the Developer has requested to grant an extension in the validity period of Formal Approval up to 30.08.2028, which would enable them to complete the project in a structured, phased, and time-bound manner, and fully realize the objectives envisaged under the SEZ framework.

v. With regard to the details of any duty benefits availed separately for pre-GST and post-GST era, the Developer has informed that the only benefit availed was exemption of stamp duty of Rs. 1,30,25,064/- granted by the Registration and Stamp Department of Government of Madhya Pradesh with respect to registration of land situated at plot No. 02 A, Scheme No. 166 IDA, Near Super Corridor, Indore, M.P.. The Developer has further stated that they have not availed any other duty benefit or tax benefit or any other benefit, whether under the pre-GST or post-GST era, in respect of the SEZ.

Observations of DC Indore SEZ:

M/s ClearTrail Technologies Pvt. Ltd. was granted Formal Approval dated 30.08.2019 for setting up of the Sector Specific IT/ITES SEZ at plot No. 2A, Scheme No. 166 IDA, Near Super Corridor, Indore, Madhya Pradesh having a three-year validity which expired on 29.08.2022. The Developer did not implement the project for setting up the

SEZ citing Covid-19 pandemic, nation-wide lockdown and thereafter work from home scenario in the IT sector. Despite regular follow-ups the Developer did not set up the SEZ. Now the Developer has expressed its willingness to implement the project and has proposed an investment of Rs.100.00 crores in two phases. The Chartered Accountant has certified a Net worth of Rs. 523.00 crores of the Company. The Developer is holding free-hold land allotted by Indore Development Authority which is free from encumbrance and has no thoroughfare. Considering that the Developer is inclined to set up the IT/ITES SEZ and an extension till 29.08.2026 may not be sufficient for any significant progress, a further extension of one more year i.e. up to 29.08.2027, if considered by the Board of Approval, will enable the Developer to start project implementation activities.

Recommendation by DC, Indore SEZ

DC, Indore SEZ recommended the extension of validity of formal approval for a period up to 29.08.2027 to enable the Developer to start the development activities and operationalize the SEZ within the extended period.

Agenda Item No. 142.3:
Request for extension of LoA of SEZ Unit [5 proposals – 142.3(i) – 142.3(v)]

<u>Relevant Rule position</u>:

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

142.3(i) Request of M/s Felix Generics Pvt. Ltd, a unit in Indore SEZ for extension of Letter of Permission (LoA) beyond 24.07.2026 for a further period up to 31.03.2027.

Jurisdictional SEZ – Indore SEZ
Facts of the case:

1	Name of the Unit	**M/s Felix Generics Pvt. Ltd**
2	LoA issued on date	25.07.2022
3	Nature of business of the Unit	Manufacturing of Injectables (for veterinary use)
4	No. of Extensions	(03) by DC Indore SEZ beyond original validity
5	LOA valid upto	24.07.2026
6	Request	For further extension upto 31.03.2027

Present Progress:

a. **Details of Business plan:-**

S.No.	**Type of Cost**	**Proposed Investment (Rs. in crores)**
1.	Land	2.49
2.	Building, Plant, Machinery & Other Equipment	140.19
3.	Others& Contingencies	8.79
Total		**151.47**

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

As per the Certificate dated 10.07.2026 issued by the Chartered Accountant, M/s Anukul Mishra & Company, Indore, the details of incremental investment made so far is as under:

S. No.	**Type of Cost**	**Total investment made so far (Rs. In Crores)**	**Incremental Investment since last extension during FY 2025-26 (up to 24.03.2026)**
1.	Land	2.49	--
2.	Building, Plant, Machinery & Other	140.19	21.23

	Equipment		
3.	Others & Contingencies	2.20	--
Total		**144.88 crores**	**21.23 crores**

The CA has certified that the Company has declared a proposed investment of Rs. 151.47 crores and has made an actual investment of Rs. 144.88 crores in the project up to 31.05.2026. The said investment comprises of expenditure incurred towards fixed assets, leasehold land and pre-operative expenses as recorded in the books of accounts. It is further certified that the difference of Rs. 6.59 crores between the proposed investment of Rs.151.44 crores and the actual investment of Rs. 144.88 crores is solely on account of lower expenditure incurred under the head Other Contingencies. As per the project proposal, an amount of Rs. 8.77 crores was established towards Other Contingencies, however, the actual expenditure incurred under this head up to 31.05.2026 amounts to only Rs. 2.22 crores, resulting in a reduction of Rs. 6.55 crores in the overall project cost.

(c) Details of physical progress till date:-

S. No.	**Activity**	**% completion**	**% completion during last one year**	**Deadline for completion of ongoing balance work**
1.	Acquisition of Land	100%	--	Completed
2.	Civil	100%	0%	Completed
3.	Electrical	100%	0%	Completed
4.	Utility	100%	0%	Completed
5.	HVAC	100%	0%	Completed
6.	Process Equipment	100%	0%	Completed
7.	Clean Room Participation (CRP)	100%	0%	Completed
8.	Sewage Treatment	100%	0%	Completed
9.	Fire Fighting	100%	0%	Completed
10.	Facility Validation	100%	0%	Completed
11.	Validation & Filing Batches	100%	0%	Completed
12.	USFDA Audit	100%	0%	Completed
13.	Approval from USFDA	0%	0%	Expected by December 2026
14.	Commercialization	0%	0%	March 2027

%age of Total progress from start of civil work to commercialization	100%		

According to the unit, the project is 100% complete and the USFDA audit has also been done and they are awaiting USFDA approval by December 2026 after which the commencement of production will start by March 2027.

As per the Certificate dated 11.07.2026 issued by the Chartered Engineer, Er. Subrata Sen Bhowmik, M/s Heacon Pharma Audit & Consultancy Pvt. Ltd., Bhopal the project construction, machinery installation, facility validation filling batches and the USFDA inspection of the site at plot No. A-8 & A-9, SEZ Phase II has been completed and that the project has achieved 100% physical completion as on 31.05.2026 with the cumulative investment of Rs.144.88 crores. It has been confirmed that FDA approval is presently awaited and as per Company management is expected to be received on or before 31.12.2026.

(d) Detailed reasons for delay –

i. The unit has stated that the project timeline was extended due to the extensive qualification, validation, and regulatory filing activities required to ensure compliance with cGMP and regulatory expectations. Following completion of installation and construction activities, considerable time was devoted to equipment qualification, utility qualification, process validation, cleaning validation, analytical method validation, review, and approval of supporting documentation. In addition, substantial efforts were required to generate, review, and consolidate validation data and prepare the regulatory dossier for submission.

ii. Subsequent to the regulatory filing, the scheduling of the USFDA inspection was entirely dependent on the USFDA's inspection planning and resource availability. The inspection could not be aligned with the project's internal timelines, as the inspection schedule is determined independently by the regulatory authority. The delay was therefore attributable to:

- Long lead time of Filling machine and it’s validation
- Waiting period between filing submission and USFDA inspection scheduling.
- Conduct of the USFDA audit as per the agency's independent inspection plan and timeline.
- Post-inspection follow-up activities, documentation support, and maintenance of inspection readiness.

iii. The project has now near to achieve it's intended objectives, and the USFDA audit has been successfully completed. Before commercial manufacturing, USFDA approval is required which is expected to receive before December 2026.

iv. The LOA extension will facilitate the following:

- USFDA approval
- Readiness for commercial production
- General cleaning, housekeeping, Pest control activities etc.
- Preventive and routine maintenance of equipment and facilities etc.
- Procurement of maintenance consumables and spare parts etc.
- Facility upkeep and inspection readiness activities etc..
- Quality control lab chemicals, Consumables etc.
- Material required for trail batches, scale-up batches, exhibit batches etc.
- Minor corrective actions and maintenance requirements arising from routine operations etc.

(v) The delay was primarily driven by the USFDA approval, which was outside the company's control. Continued LOA support is essential to maintain GMP compliance, facility upkeep, and operational readiness for commercial production until all remaining closure activities are fully completed.

(f) Observations of DC, Indore SEZ:

The instant request for extension of validity is beyond the 3rd year of expiry of the original validity. In this case, post completion of the requisite two-third of activities as per the provisions of Rule 19(4) of SEZ Rules, 2006, the validity of LoA was extended for the third year up to 24.07.2026. At present, as per the Chartered Engineer certificate dated 11.07.2026 issued by Er. Subrata Sen Bhowmik (Registration No. F-124306-5), M/s Heacon Pharma Audit & Consultancy Pvt. Ltd., Bhopal, the project construction, machinery installation, facility validation filling batches and the USFDA inspection of the site has been completed and that the project has achieved 100% physical completion as on 31.05.2026. The unit is awaiting approval from USFDA and the same is expected to be received by December 2026 pursuant to which the unit will commence production by 31.03.2027.

Further, the Chartered Accountant, M/s Anukul Mishra & Company, Indore (M. No. 459934) vide Certificate dated 10.07.2026 has certified that the Company declared a proposed investment of Rs. 151.47 crores and has made an actual investment of Rs. 144.88 crores in the project up to 31.05.2026.

Recommendation by DC, Indore SEZ:

DC Indore SEZ recommended the extension of validity of LoA dated 25.07.2022 for a further period of up to 31.03.2027, as requested by the unit, as per Rule 19(4) of SEZ Rules, 2006 to BoA for its consideration.

142.3(ii) Request of M/s. Northern Arc Investment Managers Private Limited, GIFT-Multi Services -SEZ, Gandhinagar for extension of LOA from 05.07.2026 to 04.07.2027.

Jurisdictional SEZ: **IFSCA**

Facts of the Case:

1	Name of the Applicant	M/s. Northern Arc Investment Managers Private Limited	
2	Address	Unit No. GB-26, Seat Nos. 1 & 2, Ground Floor, Pragya Accelerator, Block-l5, Zone-L, Road No.11, GIFT SEZ, Gandhinagar-382355	
3	Original LOA details	KASEZ/DCO/GIFT/SEZ/II/42/2022-23 dtd. 05.07.2022	
4	Authorised Operations	FME (Non-Retail) under the IFSCA (Fund Management) Regulations, 2025.	
	Broad Banding Service Approved	No	
5	Present date of Validity of the LOA	04.07.2026	
6	Previous LOA extension details		
	1st Extension upto 28.02.2025	Administrator (IFSCA)	22.10.2024
	2nd Extension upto 04.07.2025	Administrator (IFSCA)	28.03.2025
	3rd Extension upto 04.07.2026	BOA (139th Meeting)	11.05.2026
7	Date of Commencement of Operations	Not commenced	
8	Status of BLUT	Accepted on 18.04.2023	
9	Status of Lease Deed	Executed on 12.11.2024	
10	IFSCA approval for Unit (Date if CoR)	31.10.2022	

The progress report of the unit is as below –

a. **Details of Business plan:**

S. No	Type of Cost	Proposed Investment (Rs. In Crores)	Total investment made so Far (Rs. In Crores)
1	Cost of project	0.14 (Indigenous)	1.23
	Total	0.14	1.23

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

S. No	Type of Cost	Total investment made so Far (Rs. In Crores)	Incremental investment since the last extension (Rs. In Crores)
1	Incorporation expenses and rent and consultancy fees.	0.92	0.57
2	Fees/stamp duty of increase in Authorized Capital	0.31	0.00
	Total	1.23	0.57

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

S. No	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	Bond Cum Legal Undertaking for the IFSC Unit	100%	-	-
2	GST of the Unit	100%	-	-
3	IEC of obtained the Unit has been	0%	0%	July 2026
4	Lease Deed for the IFSC Unit	100%	-	-
5	RCMC	0%	0%	July 2026

d. **Details of operational progress under IFSCA Regulations till date:**

S. No	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	IFSCA Registration as a Fund Management Entity	100%	-	-

e. **Any other progress update:**

The Unit has launched a scheme in the IFSC named ‘Northern Arc Blue Horizon Fund’ (‘IFSC Scheme’) as a restricted scheme categorised as Category II AIF under the IFSCA (Fund Management) Regulations, 2025. The IFSC scheme has already obtained SEZ approval from the SEZ authority and now is in the process of the following.

i. Registration of the Trust Deed of the IFSC Fund;
ii. Completion of fundraising efforts and receipt of executed investor commitment letters for the IFSC Fund;
iii. The proposed platform is expected to launch two investment funds with an aggregate target size of approximately USD 50 milion + USD 50 Million Green Shoe;
iv. Finalisation of documentation including Private Placement Memorandum required for IFSCA filing with respect to the IFSC Fund

f. **Reasons for delay in commencement of operations:**

Due to the change in administration in the United States, the USDFC commitment of USD 50 million was placed on hold for nearly a year and subsequently cancelled in February 2026, following a shift in investment priorities toward public sector opportunities such as defense, mining, and minerals. Formal confirmation was received in early March 2026.

While the IFSC fund platform has progressed to an advanced stage of readiness, certain regulatory and implementation steps remain to be completed prior to commencement of operations. These include:

i. Filing of the application of the IFSC Fund with the IFSCA to obtain letter of acknowledgement as a Category III AIF
ii. Establishment and operationalisation of the corresponding Master fund structure under the applicable SEBI framework;
iii. Completion of investor onboarding, banking, custody and related operational arrangements.

The LOA of the Unit was extended from 05.07.2025 to 04.07.2026 by the BoA in its 139th meeting held on 11.05.2026 [Agenda item No. 139.2(ii)]. In the period since the said meeting, the Unit has been unable raise investor funds and commence operations. Accordingly, the Unit has sought extension for a period from 05.07.2026 to 04.07.2027.

Further, A chronology of events w.r.t. the issue of request of the Unit for extension of the validity of their LOA, is given

Sl. No.	Events/Action	Date
1	Request for Application for LOA extension by the Unit through mail without any supportive documents	02.06.2026/ 24.06.2026
2	Communication by the Office of Administrator (IFSCA) to the Unit to submit the application alongwith reasons for delay in commencement of services with supporting documents.	06.07.2026
3	Application for LOA extension on SEZ Portal with reasons for delay in commencement submitted by the Unit.	21.07.2026

Recommendation of Administrator, IFSCA:

In view of the above facts and the progress made so far in commencement of the operations from the GIFT IFSC, the request of the Unit has been recommended for consideration of extension of their LOA for the period upto 04.07.2027 in the next meeting of the BOA.

142.3(iii) Proposal for renewal/ extension of Letter of Approval (LoAs) of 16 worn/ clothing units at Kandla SEZ for a period of 5 years in terms of Rule 18(4) of SEZ Rules 2006.

Jurisdictional SEZ: **Kandla SEZ**

Facts of the Case:

There are 16 operational units in worn/used clothing sectors in KASEZ. The LOA of worn/used clothing units is valid till 30.06.2026. Kandla SEZ informed that after the issuance of policy dated 27.05.2021 for used/worn clothing and plastic recycling units in SEZs/ EOUs, the Board of Approval (BoA) for SEZs in its 104th meeting held on 28.05.2021, decided to grant further extension of five years to the worn and used clothing units beyond 30.06.2021. Accordingly, LoAs of these 16 following units is valid till 30.06.2026.:

The 16 worn/used clothing units have submitted their request in Form F1 for renewal of their LOAs for a further period of five years and the performance of the units has been review in terms of the following:

i. Net Foreign Exchange (NFE) earning obligations for the period from 01.12.2018 to 31.03.2026.
ii. Export obligations, both in value and tonnage, for the period from 01.12.2018 to 31.05.2026.

The proposals for renewal/extension of their LoA have been categorized into the following three groups:

Categories	Description	Number of unit
Category A	Fulfilled the prescribed export obligations in terms of both export value and tonnage	12
Category B	Fulfilled the prescribed export obligation in terms of export value, but **marginally shortfalls** in terms of tonnage	02
Category C	**Not fulfilled** the prescribed export obligations in terms of either export value or tonnage	02
	Total	**16**

Category A. Units complying with the export obligations in terms of both value and tonnage:

The following 12 units have fulfilled the prescribed export obligations in terms of both export value and tonnage**.** The findings and recommendations in respect of each unit are summarized below:

S. No.	Name of unit	Findings and recommendations
	M/s Canam International Pvt. Ltd.	**Findings:** During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 15694 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **93.17%** against 66.67% (i.e. 2/3rd)) of the exports in terms of annual turnover) and in terms of tonnage of **50.50%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. **Recommendations:** In view of above, the request of M/s Canam International Pvt. Ltd. for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations: (i) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K- 43014(16)/9/2020-SEZ for used/worn clothing units in SEZs shall be strictly followed.
	M/s. Flax Apparels Pvt. Ltd.	**Findings:** to During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 13933.60 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **92.11%** against 66.67% (i.e. 2 / (3 ^ (rd)) of the exports in terms of annual turnover) and in terms of tonnage of **51.80%** against the prescribed requirement of 50%, for the

		period from 01.12.2018 to 31.05.2026. Recommendations: In view of above, the request of M/s. Flax Apparels Pvt. Ltd. for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations: (i) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-(43014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZs shall be strictly followed.
	M/s. Maruti Exports	**Findings:** to During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 4010.33 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **86.06%** against 66.67% (i.e. 2 / (3 ^ (rd)) of the exports in terms of annual turnover) and in terms of tonnage of **50.59%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. **Recommendations: -** In view of above, the request of M/s. Maruti Exports for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations: (i) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-(43014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZs shall be strictly followed.
	M/s. Om Siddh Vinayak Impex Pvt. Ltd.	**Findings:** to During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied

		with the prescribed requirements, as detailed below: (i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 1271.53 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **85.18%** against 66.67% (i.e. 2 / (3 ^ (nd)) of the exports in terms of annual turnover) and in terms of tonnage of **50.70%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. Recommendations: In view of above, the request of M/s. Om Siddh Vinayak Impex Pvt. Ltd. for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following. recommendations: (i) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-(43014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZS .
	M/s. Raghvani Textiles Pvt. Ltd.	**Findings:** During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 8756.04 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **94.42%** against 66.67% (i.e. 2 / (3 ^ (rd)) of the exports in terms of annual turnover) and in terms of tonnage of **63.37%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. Recommendations: - In view of above, the request of M/s. Raghvani Textiles Pvt. Ltd. for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations: (1) All the conditions stipulated as per DoC's policy guidelines

		dated 27th May, 2021 issued vide F.No. K-(43014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZS
	M/s. Safari Fine Clothing Pvt. ltd.	**Findings**: During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has **cumulatively achieved positive Net Foreign Exchange (NFE)** earning of Rs. 935.03 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **82%** against 66.67% (i.e. 2 / (3 ^ (rd)) of the exports in terms of annual turnover) and in terms of tonnage of **50.38%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. **Recommendations:** In view of above, the request of M/s. Safari Fine Clothing Pvt. ltd. for renewal of LOA for next five years beyond 30/06/2026 s forwarded herewith for placing before BOA in terms of Rule 8(4) of SEZ Rules, 2006, with the following recommendations: (All the conditions stipulated as per DoC's policy Cuidelines dated 27th May, 2021 issued vide F.No. K-(3014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZS hall be strictly followed.
	M/s. Star Shine Clothing Pvt. Ltd.	**Findings:** to During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has **cumulatively achieved positive Net Foreign Exchange (NFE)** earning of Rs. 399.18 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **80.15%** against 66.67% (i.e. 2 / 3rd) of the exports in terms of annual turnover) and in terms of tonnage of **50.78%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026.

		Recommendations: - In view of above, the request of M/s. Star Shine Clothing Pvt. Ltd. for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations: (i) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-(43014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZS shall be strictly followed.
	M/s. Texpoly Impex (earlier known as C.J. Plastics Pvt. Ltd.)	**Findings:** During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with Page 5 of 11 to policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 6583 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **90.61%** against 66.67% (i.e. 2 / (3 ^ (rd)) of the exports in terms of annual turnover) and in terms of tonnage of **51.73%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. **Recommendations: -** In view of above, the request of M/s. Texpoly Impex (earlier known as C.J. Plastics Pvt. Ltd.) for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations: (i) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-(43014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZs
	M/s. Texwool Spinners and Clothing	**Findings:** to During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below:

		(i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 2067 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **91.06%** against 66.67% (i.e. 2 / (3 ^ (rd)) of the exports in terms of annual turnover) and in terms of tonnage of **62.95%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. **Recommendations: -** In view of above, the request of M/s. Texwool Spinners and Clothing (earlier known as Texool Spinners) for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations: (i) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-(43014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZs shall be strictly followed.
	M/s. Tulip Exim Pvt. Ltd.	**Findings:** During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with Page 6 of 11 to policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 4297.71 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **91.73%** against 66.67% (i.e. 2 / (3 ^ (rd)) of the exports in terms of annual turnover) and in terms of tonnage of **53.97%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. **Recommendations:** In view of above, the request of M/s. Tulip Exim Pvt. Ltd. for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations:

		(1) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-(43014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZS shall be strictly followed
	M/s. U.S. Clothing India Pvt. Ltd.	**Findings:** to During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 2508.82 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both value and tonnage. The unit has achieved physical export obligation of **79.86%** against 66.67% (i.e. 2/3rd of the exports in terms of annual turnover) and in terms of tonnage of **50.06%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. **Recommendations:** In view of above, the request of M/s. U.S. Clothing India Pvt. Ltd. for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations: (i) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-43014(16)/9/2020-SEZ for used/worn clothing units in SEZS shall be strictly followed.
	M/s. Kandla Exim Pvt. Ltd.	**Findings:** During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable worn/used clothing unit in SEZs, it has been observed that to Page 7 of 11 the unit has complied with the prescribed requirements, as detailed below: (i) The unit has **cumulatively achieved positive Net Foreign Exchange (NFE)** earning of Rs. 2209.03 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of both

		value and tonnage. The unit has achieved physical export obligation of **86.47%** against 66.67% (i.e. 2 / (3 ^ (rd)) of the exports in terms of annual turnover) and in terms of tonnage of **50.59%** against the prescribed requirement of 50%, for the period from 01.12.2018 to 31.05.2026. **Recommendations**: - In view of above, the request of M/s. Kandla Exim Pvt. Ltd. for renewal of LOA for next five years beyond 30/06/2026 is forwarded herewith for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the following recommendations: (i) All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-(43014(16) / 9) / 2020 - SEZ for used/worn clothing units in SEZs

Category B. Units complying with export obligation in terms of Value but marginally short in terms of tonnage:

The following 02 units have fulfilled the prescribed export obligation in terms of export value. However, they have marginal shortfalls in tonnage. The shortfall in terms of tonnage in respect of **M/s Babu International is 0.11%,** and of **M/s Lotus Recyclers is 0.29%.** The findings and recommendations in respect of these units are summarized below:

	M/s. Babu International	**Findings:** During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable to worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 1287.50 lakhs during the period from 01.12.2018 to 31.03.2026. ii) The unit has fulfilled its export obligation in terms of value as achieved 81.92% against 66.67% (i.e. 2/3rd of the exports in terms of annual turnover). However, in terms of tonnage, the unit achieved **49.89%** against the prescribed requirement of 50%, which appear to be a shortfall of **0.11%** for the period from 01.12.2018 to 31.05.2026. For this shortfall, the unit has stated that they will achieved the 50% of annual turnover within the period upto 30.06.2026. Page 8 of 11 **Recommendations: -**

		(i) The proposal may be considered positively subject to the monitoring of the unit's export performance for the remaining 1 month of the current block period i.e. from 01.06.2026 to 30.06.2026, as the unit has stated that they will achieved the 50% of annual turnover within the period upto 30.06.2026. In the event of any shortfall in the prescribed export obligation, Permission for DTA sales may be stopped until the unit fulfils its export obligation in both quantity and value terms. (ii). All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-43014(16)/9/2020-SEZ for used/worn clothing units in SEZs shall be strictly followed.
	M/s. Lotus recyclers (Texool Wastesavers)	Findings: During the review of the performance of the unit under Rule 54 and Rule 18 4(B) (c) of SEZ Rule, 2006 read with policy guidelines dated 27.05.2021 applicable to worn/used clothing unit in SEZs, it has been observed that the unit has complied with the prescribed requirements, as detailed below: (i) The unit has cumulatively **achieved positive Net Foreign Exchange (NFE)** earning of Rs. 976.69 lakhs during the period from 01.12.2018 to 31.03.2026. (ii) The unit has fulfilled its export obligation in terms of value as achieved 76.91% against 66.67% (i.e. 2/3rd of the exports in terms of annual turnover). However, in terms of tonnage, the unit achieved **49.71%** against the prescribed requirement of 50%, which appear to be a shortfall of **0.29%** for the period from 01.12.2018 to 31.05.2026. For this shortfall, the unit has stated that they will achieved the 50% of annual turnover within the period upto 30.06.2026. Recommendations: (i). The proposal may be considered positively subject to the monitoring of the unit's export performance for the remaining 1 month of the current block period i.e. from 01.06.2026 to 30.06.2026, as the unit has stated that they will achieve the 50% of annual turnover within the period upto 30.06.2026. In the event of any shortfall in the prescribed export obligation, Permission for DTA sales may be stopped until the unit fulfils its export obligation in both quantity and value terms. (ii). All the conditions stipulated as per DoC's policy guidelines dated 27th May, 2021 issued vide F.No. K-43014(16)/9/2020-SEZ for used/worn clothing units in SEZs shall be strictly followed.

Category C. Units not complying with export obligations in terms of both Value and Tonnage

The following 02 units have not fulfilled the prescribed export obligations in terms of either export value or tonnage. The findings and recommendations are summarized below:

Sr. No.	Name of Unit	Finding and recommendations
	M/s. Anita Export	Findings: (i) The unit has failed to achieve the physical export obligation prescribed under the policy guidelines dated 27.05.2021. The unit has achieved only 33.88% of the prescribed export obligation against 66.67% (i.e. 2/3rd of the exports in terms of annual turnover). Further, in terms of sonnage, the unit achieved only 22.12% against the stipulated requirement of 50%, resulting in a significant shortfall in both terms for the period from 01.12.2018 to 28.02.2026. (ii) The unit has consistently failed to achieve the prescribed export obligation not only during the current block period but also during the previous block period **(2013-2018),** Indicating a persistent pattern of non-compliance with the export performance requirements. (iii) The unit has become a habitual defaulter for making che payment of rental dues towards lease rent and user charges. The dues have remained outstanding for more than mine quarters and amount to Rs. **53,27,535/-** towards lease rent and user charges for the period upto 30.06.2026. (iv) The unit has not submitted the Annual Performance Reports for the financial years 2022-23, 2023-24, 2024-25 till date. Due to non-submission of APRs, the Net Foreign Exchange (NFE) earning of the unit could not be ascertained. For this violation, the Unit Approval Committee (UAC), in its 227th meeting held on 04.06.2026 decided to issue a Show Cause Notice (SCN) to the unit. Accordingly, an SCN has been issued. **Recommendations: -** In view of above, this office is not in a position to recommend the proposal of the unit for renewal of their LoA for a further period five years beyond 30/06/2026.
	M/s. Jindal Fibres	**Findings:** (1) The unit has failed to achieve the physical export obligation prescribed under the policy guidelines dated 27.05.2021. The unit has achieved only **66.01%** of the prescribed export obligation against 66.67% (i.e. 2/3rd of the exports in terms of annual turnover). Further, in terms of tonnage,

		the unit achieved only **22.24%** against the stipulated requirement of 50% till the period upto 28.02.2026, resulting in a significant shortfall in both terms for the period from 01.12.2018 to 28.02.2026. (ii) The unit has consistently failed to achieve the prescribed export obligation not only during the current block period but also during the previous block period **(2013-2018),** indicating a persistent pattern of non-compliance with the export performance requirements. (iii) The unit has become a habitual defaulter for making the payment of rental dues towards lease rent and user charges. The dues have remained outstanding for more than six quarters and amount to Rs. **32,90,053/-** towards lease rent and user charges for the period upto 30.06.2026. (iv) The unit has not submitted the Annual Performance Reports for the financial years 2024-25 till date. Due to non-submission of APRs, the Net Foreign Exchange (NFE) earning of the unit could not be ascertained. For this violation, the Unit Approval Committee (UAC), in its 227th meeting held on Page 10 of 11 04.06.2026 decided to issue a Show Cause Notice (SCN) to the unit. Accordingly, an SCN has been issued. **Recommendations: -** In view of above, this office is not in a position to recommend the proposal of the unit for renewal of their LoA for a further period five years beyond 30/06/2026.

4. The proposal of KASEZ may be summarised as below:

Description	Number of unit	Comments of O/o DC, KASEZ
Fulfilled the prescribed export obligations in terms of both export value and tonnage	12	The proposal has been forwarded for placing before BOA in terms of Rule 18(4) of SEZ Rules, 2006, with the recommendations that all the conditions stipulated as per policy dated 27.05.2021 shall be strictly followed.
Fulfilled the prescribed export obligation in terms of export value, but marginal shortfalls in terms of tonnage	02	The proposal may be considered positively subject to the monitoring of the unit's export performance for the remaining 1 month of the current block period i.e. from 01.06.2026 to 30.06.2026, as the unit has stated that they will achieve the 50% of annual turnover within the period upto 30.06.2026. In the event of any shortfall in the prescribed export obligation, Permission for DTA sales may be stopped until the unit fulfils its export obligation in both quantity and

		value terms. Further, all the conditions stipulated as per policy dated 27.05.2021 shall be strictly followed.
Not fulfilled the prescribed export obligations in terms of either export value or tonnage	02	The units have consistently failed to achieve the prescribed export obligation not only during the current block period but also during the previous block period (2013-2018). Further, the units have become a habitual defaulter for making the payment of rental dues towards lease rent and user charges. Further, the units have not submitted the Annual Performance Reports for the financial years 2024-25 till date. Accordingly, KASEZ has not recommend the proposal for renewal of their LoA.

-

<u>Rule position</u>

As per Rule 18(4) (c) of the SEZ Rules,

No proposal shall be considered for reprocessing of Garments or used clothing or secondary textile materials and other recyclable textile materials into clipping or rags or industrial wipers or shoddy wool or yarn or blankets or shawls; Provided that extension of Letter of Approval for an existing Unit shall be decided by the Board.

As per policy dated 27.05.2021, in respect of worn and used clothing units:

i. Setting up of new units in SEZ/ EOUs is not allowed
ii. Extension/ renewal of LoA of existing units will be considered for a period of five years by BoA.
iii. Besides the NFE obligations, the unit shall be required to comply with export obligation to the extent that 66.67% i.e. 2/3rd of the exports in terms of annual turnover and 50% in terms of tonnage
iv. They shall be allowed to make clearance in DTA, to other SEZ units as well as EOUs as long as they fulfil the NFE and other conditions. Clearance to other SEZ units/ EOUs will not be counted towards mandatory minimum physical export obligations.

Further, there is a precedence of approval by BoA for temporary extension of these worn and used clothing units for six months, subject to various conditions including finalisation of policy for units engaged in recycling of worn and used clothing. (refer to para 102.7 (iii) of minutes of 102nd meeting of BoA held on 06.01.2021).

Decision at 141st meeting of BoA held on 17.07.2026(agenda item no. 141.8(iii)) in this regard is as follows:

*"The Board after deliberation **deferred** the proposal for extension of Letter of Approval (LoAs) of 16 worn/ clothing units at Kandla SEZ. However, considering the ongoing process and business requirements of units, the Board **ratified** the earlier interim extension granted by Commerce Secretary as Chairperson of the BoA upto 15.08.2026, and **granted** further interim extension of validity of LoA of all 16 units upto 15.09.2026, pending final decision of the BoA. "*

The proposal is submitted before BoA for its consideration.

142.3(iv) Request of M/s. Gujarat Textiles, a garments recycling unit in Falta SEZ for renewal of its LOA for a further period of five years

Jurisdictional SEZ – Falta SEZ (FSEZ)

Facts of the case:

M/s. Gujarat Textiles, a garments recycling unit in Falta SEZ holding LOA No. FEPZ/LIC//G-7/2000/862 dated 02.05.2000 for manufacturing and export of 'All kinds of re-processed garments/used clothing/secondary textile materials/clippings/rags/ Industrial wipers/shoddy wool/yarn/blanket/shawls and other re-cyclable textiles materials', has requested for renewal of LOA for a further period of 05 years. The unit had commenced its production on 17.07.2000, and the LOP of the unit expired on 30.06.2026.

The unit has submitted its application in Form F1 in terms of Rules 19(6A)(1) of SEZ Rules, 2006.

1.	Name of the Unit	M/s. Gujarat Textiles Ltd.
2.	IEC No.	0200006754
3.	Registered Office Address	C-012, DLF Pinnacle, Horizon Drive, Sector-43, Golf Course Road, Phase-S, Gurgaon, Po: Galleria DLF-IV, Gurgaon, Haryana- 122009
4	Location of the Unit	Falta SEZ, Sector-II, Falta
5	LOA No. Date	FSEZ/LIC/G-7/2007/862 dated 02.05.2000
6	Item of manufacture as per LOA	All kinds of re-processed garments/ Used Clothing/Secondary Textiles materials/Clippings/Rags/Industrial Wipers/Shoddy Wool/Yarn/Blanket/Shawls and other re-cyclable textiles materials
7.	Date of Commencement of Production	17.07.2000
8.	LOA valid up to	30.06.2026
10.	Monitoring of APR done up to which period	APR monitoring was done for the year 2025-26 and up to June 2026 in the 215th UAC.

The details of the FOREX Balance Sheet (Rs. in lakh**)** for the current Block as per the Form F1 submitted by the unit are as follows: -

	1st year (2021-22)	**2nd year (2022-23**	**3rd year (2023-24)**	**4th year (2024-25)**	**5th year (2025-26)**	**6th year Up to 30th June**	**Total**
free on-Board Value of Export in the first five years	0	0	0	0	0	41.49	41.49
Foreign Exchange Outgo on for the first five years	0	0	0	0	0	0	0
Net Foreign Exchange Earnings for the first five years (1-2)	0	0	0	0	0	41.49	41.49

Estimated FOREX Balance Sheet (Rs. in lakh) for Next Block (5 years) (Rs. in lakh)

Year	1st	2nd	3rd	4th	5th	Total
Free on-Board Value of Export in first five years	1500	1573	1654	1737	1824	8290
Foreign Exchange Outgo for the first five years	1050	1103	1158	1216	1277	5804
Net Foreign Exchange Earnings for the first five years (1-2)	450	472	496	521	547	2486

<u>The details of Investment & Employment as submitted by the unit are</u>: -

13.	Employment	**Existing**		**Proposed for Renewed period**	
		Men	3	Men	160
		Women	2	Women	120
		Total	**5**	**Total**	**280**
14.	Details Investment	Capital Goods	**Existing (In Lakh)**		**Proposed for Renewed period (In Lakh)**
			Indigenous	0	10
			Import	0	0.00
			Total	**0**	**0.00**

		Raw Material	Indigenous	0	0.00
			Import	0	1500
			Total	**0**	

The following outcomes were observed during the 215th Unit Approval Committee (UAC) Meeting:

1. The unit has achieved positive Net Foreign Exchange earnings during the block period from 1.07.2021 to 30.06.2026.
2. The unit has fulfilled 100% of the Physical Export Obligation in terms of value from 01.12.2018 to 30.06.2026.
3. The unit has fulfilled 100% of the Physical Export Obligation in terms of quantity from 01.12.2018 to 30.06.2026.
4. No shortfall has been observed during the said period.

<u>Rule position</u>

As per Rule 18(4) (c) of the SEZ Rules,
No proposal shall be considered for reprocessing of Garments or used clothing or secondary textile materials and other recyclable textile materials into clipping or rags or industrial wipers or shoddy wool or yarn or blankets or shawls; Provided that extension of Letter of Approval for an existing Unit shall be decided by the Board.

As per policy dated 27.05.2021, in respect of worn and used clothing units:

i. Setting up of new units in SEZ/ EOUs is not allowed
ii. Extension/ renewal of LoA of existing units will be considered for a period of five years by BoA.
iii. Besides the NFE obligations, the unit shall be required to comply with export obligation to the extent that 66.67% i.e. 2/3rd of the exports in terms of annual turnover and 50% in terms of tonnage
iv. They shall be allowed to make clearance in DTA, to other SEZ units as well as EOUs as long as they fulfil the NFE and other conditions. Clearance to other SEZ units/ EOUs will not be counted towards mandatory minimum physical export obligations.

Further, there is a precedence of approval by BoA for temporary extension of these worn and used clothing units for six months, subject to various conditions including finalisation of policy for units engaged in recycling of worn and used clothing. (refer to para 102.7 (iii) of minutes of 102nd meeting of BoA held on 06.01.2021).

Recommendation by DC, FSEZ:

The proposal of M/s Gujarat Textiles, being an existing unit, for extension/renewal of its Letter of Approval has been recommended and forwarded for consideration of BoA.

142.3(v) Request of M/s SGPharma Global Private Limited located at JNPA-SEZ for 3rd extension of LOA up to 06.06.2027.

Jurisdictional SEZ: SEEPZ SEZ

Fact of the Case:

S.No.	**Name of the Unit**	**M/s SGPharma Global Private Limited located at JNPA-SEZ**
1	LoA issued on date	07.06.2022
2	Nature of business of the Unit	Manufacturing Product- A: Oral Dosage i.e. Tablets, Capsules and Oral Sachets and other products under ITC HS Code chapter 30 Product B: Injection (Liquid) i.e. Ampoule and Vial, Injection (Dry Powder) and other products under ITC HS Code Chapter 30 etc. (as per approved LOA)
3	No. of Extensions	(02) Two by DC SEEPZ.
4	LOA valid upto	06.06.2026
5	Request	Further extension of one-year upto 06.06.2027

Present Progress:

(a) **Details of Business Plan: -**

S.No	Name of the activity	Proposed investment (Rs. In Lakhs)
1.	Land Cost	450.08
2.	Construction Cost (i.e. Mechanical, Electrical and Utilities etc.) -(100% Indigenous)	1250.00
3.	Computers, Software's, Licenses (100% Indigenous)	900.00
4.	Plant and machinery (50% Imported and 50% Indigenous)	24.92
5.	Office Furniture, Chairs, Workstation and other fit out related items etc. (80% indigenous & 20% Imported)	75.00
	Total	**2,700.00**

(b) Incremental investment made so far since last extension:

S.No	**Type of Cost**	**Investment made so far (Rs. In Lakhs)**	**Investment made during Last 1 year (Rs. In Lakhs)**
1.	Land Cost	450.08	106.78
2.	Construction Cost (Plot Soil testing, cleaning activity, Investigation &	5.31	3.24

	survey, Civil, Electrical, Mechanical)		
3.	Plant and Machinery	NIL	NIL
4	Computers, Software's, Licenses	NIL	NIL
5.	Office Capital Goods includes AV Equipments, PA Systems, Access	NIL	NIL
6.	Office Furniture, Chairs, Workstation and other fit-out related items such as carpets etc.	NIL	NIL
7.	Other pre-operative expenses, legal & scrutiny charges, land development charges or reports, etc.	104.02	104.02
Total		**559.41**	**69.21**

(c) **Details of physical progress till date: -**

Sr. No	**Authorized Activity**	**% Completion as on current date**	**% Completion during last two year**	**Deadline for completion of balance work**
1.	Generator Room/Electric Substation/FO Generators (To augment MSEB Power)/ UPS Room / Distribution substation/HSB Yard	0%	0%	Estimated Till May 2027
2.	Internal Roads with street Lighting and signage's	0%	0%	Estimated Till May 2027
3.	Boundary Walls/Gates/Fencing/Security office/Security Posts	0%	0%	Estimated Till May 2027
4.	All civil and Interior work/Electrical Work/BMS/Air Conditioning/Fire Protection System	0%	0%	Estimated Till May 2027
5.	Development of Landscaping/Garden space	0%	0%	Estimated Till May 2027
6.	Recruitment of Employees	0%	0%	Estimated Till May 2027
7.	Building Completion Certificate and occupancy certificate	0%	0%	Estimated Till May 2027

Detailed reasons for delay:-

As stated, on-ground construction activities have not commenced till date as the Commencement Certificate (CC), which is a prerequisite for initiation of construction, was obtained only on 23.04.2026. It has been informed that necessary steps for mobilization and initiation of construction activities are presently underway and construction work shall commence shortly.

<u>Undertaking submitted by the Unit:</u>

- The unit vide undertaking dated 03.08.2026 has submitted that the validity of its Letter of Approval (LOA) was extended up to 06.06.2026. However, the Company could not commence on-ground construction activities within the said as the commencement certificate was issued by the Developer only on **22.04.2026.**
- That upon receiving Commencement Certificate, it has onboarded Colliers International as the Project Management Consultant (PMC) for the project and has invited and shortlisted the piling contractor. The necessary steps for mobilization and commencement of construction activities for the **proposed SEZ unit shall be initiated upon receipt of extension of LOA.**
- That it shall make all reasonable efforts to expedite the execution of the project and ensure substantial investment and progress, with the objective of completing the construction on or before **December 2027.** The unit has further submitted that it shall remain committed to achieving the said timeline.
- That the Commencement Certificate was received on 22.04.2026, approximately eight months after the LOA extension granted on 28.08.2025, resulting in reduction of the available execution period. The unit has submitted that, in case additional time is required due to unforeseen and exceptional circumstances beyond its control, it shall approach the office with a request for further extension along with appropriate justification.

Comments from Specified Officer:-

The location of the subject unit was physically verified and it was observed that no commencement of operations has taken place at the unit's location. Photographs of the proposed unit site have been attached for reference.

Comments from Developer:-

As per the latest assessment, the physical progress of the project is as under:

a. JNPA has referred to the communication received from the Office of the Development Commissioner seeking detailed progress report in connection with the proposal of the unit for extension of Letter of Approval (LOA), which is expiring on 06.06.2026.
b. The unit has submitted all requisite drawings, applications, undertakings, and relevant documents to the SPA office in compliance with the established requirements on 15.09.2025.

c. Soil testing confirmatory test was conducted on 26.02.2026.
d. The unit had applied for Provisional Fire NOC on 28.01.2026, which was issued on 24.03.2026.
e. The building plans submitted by the unit have been approved, and the Development Permission Letter along with Commencement Certificate (CC) was issued on 22.04.2026.
f. JNPA has further informed that the unit has proposed commencement of construction activities from July 2026, with targeted completion by May 2027.
g. The unit has also awarded various service contracts for execution of the project.
h. JNPA has further stated that the unit has already paid the upfront lease premium for the said plot and is regularly paying applicable service charges against the plot.

Recommendation of the DC, SEEPZ:

The proposal of M/s SG Pharma Global Private Limited for further extension of validity of its Letter of Approval has been examined under Rule 19(4) of the SEZ Rules, 2006. The unit has not commenced construction or commercial operations and has not achieved two-thirds completion of the activities required for grant of further extension by the Development Commissioner. However, it has reported an investment of 559.41 lakh and has taken preparatory steps, including soil investigation, appointment of consultants and initiation of the tendering/contractor-selection process.

It is observed that, during the earlier extension proceedings, the unit had indicated a project-completion timeline up to December 2027, whereas the validity of the LoA was extended only up to 06.06.2026. The Developer issued the Development Permission and Commencement Certificate only on 22.04.2026. The unit has attributed the absence of physical construction progress to the delayed receipt of the Commencement Certificate, which was a prerequisite for commencement of construction.

The unit has since appointed the Project Management Consultant, undertaken soil testing and initiated the process for selection and mobilization of the piling contractor. The Developer, JNPA, has supported the request and conveyed its no objection to the proposed extension. The applicant submitted extension before expiry but we have requested developer for NoC for the proposal.

Since the prescribed physical progress has not been achieved, the matter falls within the competence of the Board of Approval. Accordingly, the proposal is submitted for consideration of the Board for grant of the third extension of the LoA for one year from 07.06.2026 to 06.06.2027, subject to commencement of construction, adherence to a time-bound implementation schedule and submission of periodic progress reports to the Development Commissioner.

Agenda Item No. 142.4:

Request for Co-Developer status/ increase or decrease in area by Co-developer or Cancellation of Co-Developer Status [4 proposals: 142.4(i)-142.4(iv)]

Rule position: *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.*

142.4(i) Proposal of M/s. OSEL Industrial Park Private Limited for approval as a Co-Developer in JNPA-SEZ Village-Savarkar, Taluka Uran, District- Raigad Maharashtra.

Jurisdictional SEZ –SEEPZ SEZ

Facts of the case:

1.	Name of the Developer Location	M/s. Jawaharlal Nehru Port Auhtority
2.	Date of LoA to Developer	16.07.2014
3.	Sector of the SEZ	Multi Product/Multi Sector
4.	Date of Notification	11.08.2014
5.	Total notified Area (in Hectares)	277.387 Hectares
6.	Whether the SEZ is operational or not	Operational, Jawaharlal Nehru Port Authority Special Economic Zone (JNPA SEZ) is a notified Multi Product/Multi Sector Special Economic Zone. The Letter of Approval (LoA) was granted on 16.07.2014, and the SEZ was notified on 11.08.2014 with a total notified area of 277.387 hectares. The SEZ became operational on 24.06.2020 and, as on date, 88 units have been approved/are operating in the SEZ.
	Employment Projections for Next 5 Year by co-developer	**Employment Projections for Next 5 Year**

Sr. No.	Particulars	1st Year	2nd Year	3rd year	4th Year	5th Year
A	Direct Employment- By Co-Developer	15	20	25	30	35
B	Proposed Direct Employment By Units	50	100	100	150	150
	Indirect Employment- During Construction and					

	maintenance					
	By Co-Developer	250	50	50	50	50
	By Units	50	75	75	100	100
	Total Indirect Employment	300	125	125	150	150
	Total Direct and Indirect Employment (A+B+C)	**365**	**245**	**250**	**330**	**335**

	Name of the proposed Co-developer	M/s. OSEL Industrial Park Private Limited, Plot No. 210-11, Sector 2 at JNPA SEZ, Village-Sewarkhar, Taluka-Uran , Dist- Raigad, Maharashtra - 400707
	Details of Infrastructure Facilities authorized operations to be undertaken by the co-developer	Development, operation and maintenance of industrial, logistics, manufacturing, IT/ITES and data centre infrastructure for IT/ITeS & Manufacturing SEZ Units and Free Trade & Warehousing Zone (FTWZ) units. at JNPA-SEZ and undertaking other default authorized operation as per MOCI Instruction No. 50 dated 15.03.2010.
	Total area (in Hectares) on which activities will be performed by the co- developer	Admeasuring 20,288 Sq. Mtrs. (2.02 Hectares/5.01 Acre) at Plot No. 210-211, Sector 2, at JNPA-SEZ Village-Savarkar Taluka – Uran District-Raigad, Maharashtra - 400707.
7.	Proposed investment by the Co-developer (Rs. in Cr.)	Rs. 74.20 Crores
8.	Net worth of the Co-developer (Rs. in Cr.)	107.95 Crores (of OSEL Devices Limited, (Holding company)
9.	Date of the Co-developer agreement	29.04.2026
10.	If yes, whether a copy of this agreement has been enclosed with this application form	YES
11.	Level of equity held by the Developer in the entity proposed to create business/recreational/residential	NIL

	facilities in the Special Economic Zone	

Comments from Specified Officer, JNPA-SEZ:

1. Profile of the Applicant:

M/s. OSEL Industrial Park Private Limited having is registered office unit no. 2603, 26th floor, Signature, Suresh Sawant Road, Off Veera Desai Road, Andheri (W), Mumbai, is a 100% wholly owned subsidiary of M/s. OSEL Devises Limited, a listed technology and electronics manufacturing company in india

2. Land Allotment and Legal Executions: Total area allotted to M/s. OSEL Industrial Park Pvt Ltd is 20,288 Sq Mtr (2.02 Hectare) at Plot no. 210-211, Sector - 2, JNPA SEZ, Village Sawarkhar, Taluka Uran, District Raigad, Maharashtra. LOI dated 13.04.2026 was issued by JNPA SEZ and executed co developer agreement between JNPA (Developer) and the applicant on 29.04.2026.

3. Site Verification:

1. The site inspection of Plot No. 210-211, Sector-2, JNPA SEZ, allotted to M/s. OSEL Industrial Park Private Limited, was conducted by the Authorised Officer along with the representative of the JNPA Planning Team.

2. During the site verification, it was observed that the said plot falls within the processing zone boundaries of JNPA SEZ and the demarcation of the plot is as per the approved SEZ layout plan.

3. Further it has also been stated by office of Specified Officer, JNSEZ,SEZ that no fencing has been provided at the said plot as on date. Photographs of the site inspection have been submitted along with the verification report and placed on file.

4. The Specified Officer has submitted the above verification report for further necessary action in respect of the proposal submitted by M/s. OSEL Industrial Park Private Limited for approval as Co-Developer under the SEZ Act, 2005 and SEZ Rules, 2006.

Recommendation of the DC, SEEPZ SEZ:

The proposal of M/s OSEL Industrial Park Private Limited for grant of approval as Co-Developer in JNPA-SEZ has been examined with reference to Section 3(11) of the Special Economic Zones Act, 2005 read with Rule 3A of the Special Economic Zones Rules, 2006.

M/s OSEL Industrial Park Private Limited is a wholly owned subsidiary and infrastructure special-purpose vehicle of M/s OSEL Devices Limited, a public listed

Indian technology and electronics manufacturing company. The applicant has been incorporated for development, operation, maintenance and management of a multi-sector industrial and technology infrastructure park within the existing notified JNPA-SEZ.

The applicant proposes to develop infrastructure over Plot Nos. 210–211, Sector 2, admeasuring 20,288 sq. metres, with a proposed investment of approximately ₹74.20 crore. The proposed development includes multi purpose industrial buildings, warehousing and logistics infrastructure, built up facilities for approved manufacturing and technology units, IT/ITeS infrastructure, data-centre-ready buildings, internal roads, drainage, parking, power distribution, telecom connectivity, common utilities and allied support facilities.

JNPA, being the Developer of the SEZ, has issued the revised Letter of Intent dated 13.04.2026 and executed the Co-Developer Agreement with the applicant on 29.04.2026. The site-verification report also confirms that the allotted plot falls within the processing area of JNPA-SEZ and is demarcated in accordance with the approved SEZ layout plan.

The proposed infrastructure is intended to cater to the captive/group requirements of M/s OSEL Devices Limited and its eligible group entities, as well as to other approved SEZ and FTWZ units. The proposal is for development of multi-sector infrastructure within the existing notified JNPA SEZ and does not involve establishment or notification of a separate Multi Sector SEZ.

It is further observed that M/s OSEL Industrial Park Private Limited is a Private Limited Company incorporated as a wholly owned subsidiary and infrastructure Special Purpose Vehicle (SPV) of M/s OSEL Devices Limited. M/s OSEL Devices Limited is a publicly listed Indian technology and electronics manufacturing company. The applicant has furnished details of its financial credentials, including Net Worth of ₹10,794.92 lakh as on 31st March 2025, indicating adequate financial capacity to undertake the propose ed infrastructure development activities as a Co-Developer in JNPA SEZ.

The applicant has furnished details relating to the project, land allotment, Co-Developer Agreement, shareholding pattern, promoter background, proposed investment, means of finance, employment projections and proposed authorised operations in support of its application. The proposed development is expected to augment ready-to-use infrastructure within JNPA-SEZ, facilitate establishment of new units, attract additional investment and support employment and export generation by approved tenant units.

In view of the above, the proposal of M/s OSEL Industrial Park Private Limited is submitted for consideration of the Board of Approval for grant of approval as Co-Developer in JNPA-SEZ under Section 3(11) of the SEZ Act, 2005 read with Rule 3A.

142.4(ii) Proposal of M/s. Black Canyon SEZ Private Limited, Co-developer in ASF Insignia SEZ IT/ITES SEZ at Village Gwal Pahari, Gurugram (Haryana) to surrender Co-developer status & exit from SEZ Scheme.

Jurisdictional SEZ –Noida SEZ (NSEZ)
Facts of the case:
M/s. Black Canyon SEZ Pvt. Ltd., a Co-Developer, of ASF Insignia, IT/ITES SEZ, Pvt. Ltd. located at Village Gwal Pahari, Distt- Gurgaon (Haryana), was granted LOA No. F.2/631/2006-SEZ dated 15.2.2018 for-

- Construction, development, re-development, operations, management and maintenance of the Black Canyon Building and allied infrastructure;
- Black Canyon Private Campus Land (hereafter collectively referred to as the "Black Canyon Undertaking") including maintenance / operations / management of electrical and mechanical installations, fire detection and firefighting equipment, water supply and waste disposal system;
- Car parking spaces pertaining to Black Canyon Undertaking, security and cleaning services;
- Providing/leasing spaces/infrastructure so constructed / developed within Black Canyon Undertaking to eligible tenants and management of such tenancies in the processing area of SEZ.

2. The Co-Developer, vide its letter dated 17.04.2026, informed that the Developer of ASF Insignia SEZ, had submitted request letters dated 02.06.2023 and 07.11.2024 to the Development Commissioner, NSEZ, seeking the de-notification of the land allocated to BCSPL from the SEZ regime, for the reasons explained in those letters. Accordingly, 11.05 and 0.68-acres land area out of the sub-project land area of BCSPL was de-notified vide S.O No. 844(E) dated 23.2.2024 and S.O. No. 950(E) dated 19.2.2026 respectively.

3. As per the certificates dated 16.8.2023 and 3.1.2025, issued by the Specified Officer (Customs), the BCSPL/Co-developer has already **refunded all the tax/duty of Rs.** ***24,53,22,000/-*** *for* **benefits previously availed on** creation of the infrastructure in the Black Canyon Sub-project of the ASF Insignia SEZ prior to issuance of the aforesaid De-notifications. The NOC/No-dues confirmation dated 7.12.2023 and 23.5.2025 from Govt. of Haryana has also been obtained. The Developer AISPL has also issued NOC dated 10.04.2026 regarding exit from SEZ regime and surrender of their Co-Developer status.

4. Upon issuance of the above referred De-notifications (post their complying with all the mandated requirements in this regard, in effect, they are now **bereft of any**

role or responsibility to be performed as a Co-developer within the ASF Insignia SEZ, and as such their status as a Co-developer of ASF Insignia SEZ has been rendered infructuous.

5. The following documents have been submitted by the Co-Developer:-

i. NOC dated 16.8.2023 and 3.1.2025 issued by Specified officer;
ii. State NOC/No-dues dated 07.12.2023
iii. NOC dated 10.04.2026 issued by M/s ASF Insignia SEZ Pvt. Ltd (Developer) in regard to exist of Black Canyon from the SEZ regime and for surrender of their Co-developer status;
iv. Agreement dated 30.03.2026 for cancelling the Co-developer Agreement dated 14.11.2017 (to be read with its addendums) executed between BCSPL/Co-developer and AISPL/ Developer (Cancellation Agreement).
v. Surrender Deed dated 08.10.2024 and 30.03.2026 for termination /surrender of lease deed dated 09.03.2018 and dated 08.10.2024 respectively (to be read with its addendums) executed between BCSPL/ Co-developer and AISPL/Developer (Surrender Deed).

Recommendation of the DC, NSEZ

The proposal of M/s Black Canyon SEZ Private Limited Co-developer in ASF Insignia SEZ for surrender of Co-developer status and exit from SEZ Scheme has been receommended and forwarded for consideration of BoA.

142.4(iii) Request of M/s. Hetero Drugs Ltd, Co-Developer for inclusion of additional area in the SEZ developed by /s. TSIIC Limited, SEZ at Polepally Village, Jedcherla Mandal, Mahaboob Nagar District, Telangana.

Jurisdictional SEZ – Visakhapatnam SEZ (VSEZ)

Facts of the case:

M/s. Hetero Drugs Ltd (HDL) was issued Formal Approval No. F. 2/527/2006-SEZ dated 14.08.2008 for Co-Developer status for providing infrastructure facilities in the sector specific SEZ for Pharmaceutical Formulations in M/s. TSIIC Limited, SEZ at Polepally Village, Jedcherla Mandal, Mahaboob Nagar District, Telangana in an area of 26.04 Ha.

2. Initially, TSIIC Limited allotted 9 Acres land at plot no. S-2/B in Sy No. in Sy no. 439/P and Part of (440,441 & 458) to M/s Hetero labs Limited. However, later being Hetero Group of units the land was transferred to M/s HDL- Co-Developer in the SEZ. Accordingly, the lease deed agreement dated 06.04.2026 was executed in which the above land was allotted to M/s HDL. The Developer, TSIIC vide letter dated 30.08.2025 has given consent for inclusion of additional area under Co-Developer.

3. The Co-Developer has stated that more than 15 years have been completed and changes are taking place in the group companies. Thus, Co-Developer has requested for increase/addition of **9 Acre of land** located at plot no. S-2/B in Sy No. in Sy no. 439/P and Part of (440,441 & 458) to the already approved **area 26.04 Ha** and thereby makes total area of Co- Developer as 29.68 Ha.

4. The Co-Developer has submitted following documents:-
   a. Amendment to Co-Developer Agreement dated 30.05.2026
   b. There will be no investment from Co-Developer point of view as it is already earmarked land and the unit had made investment substantially
   c. Networth Certificate as on 31.03.2025

ii. No Objection Certificate issued by SBI for transfer/release of charge against the NOC earlier issued by TSIIC for availing loan facilities.

Recommendation by DC, Visakhapatnam SEZ:
The request of Co-Developer M/s. Hetero Drugs Ltd for inclusion of additional area of 9 Acres of land which is 3.64 Ha to the existing approved area of 26.04 Ha and thereby makes total area of Co-Developer as 29.68 Ha in the above SEZ duly recommended by the Development Commissioner, VSEZ is forwarded to the Board of Approvals for consideration and approval.

142.4(iv) Proposal of M/s. Cityrise Infra Pvt. Ltd. for grant of Co-developer status in the IT/ITES SEZ of M/s. Artha Infratech Pvt. Ltd. located at Plot No. 21, Sector-Techzone IV. Greater Noida (Uttar Pradesh)

Jurisdictional SEZ: Noida SEZ

Facts of the Case:

<table>
<tr><th>Sr. No.</th><th>Parameter</th><th>Value</th></tr>
<tr><td></td><td>Name of the Developer & Location</td><td>M/s. Artha Infratech Private Limited, IT/ITES SEZ, Plot No. 21, Sector-Techzone IV, Greater Noida (Uttar Pradesh)</td></tr>
<tr><td></td><td>Date of LoA to Developer</td><td>No. F.1/1/2011-SEZ Dated 08.04.2011</td></tr>
<tr><td></td><td>Sector of the SEZ</td><td>IT/ITES SEZ</td></tr>
<tr><td></td><td>Date of Notification</td><td>11.05.2011, 11.09.2019, 10.11.2020 & 30.12.2021</td></tr>
<tr><td></td><td>Total notified area (in Hectares)</td><td>2.576754 Hectares</td></tr>
<tr><td></td><td>Whether the SEZ is operational or not</td><td>SEZ is operational</td></tr>
<tr><td></td><td>(i) If operational, date of operationalization</td><td>18.08.2014</td></tr>
<tr><td></td><td>(ii) No. of Units</td><td>13 Nos.</td></tr>
<tr><td></td><td>(iii) Total Exports & Imports for the last 5 years (Rs. in Cr.)</td><td>(Rs. In Crore)<table>
<tr><th>Year</th><th>Export</th><th>Import</th></tr>
<tr><td>2021-22</td><td>830.21</td><td>4.00</td></tr>
<tr><td>2022-23</td><td>1151.31</td><td>2.00</td></tr>
<tr><td>2023-24</td><td>1114.09</td><td>0.00</td></tr>
<tr><td>2024-25</td><td>1093.96</td><td>2.00</td></tr>
<tr><td>2025-26</td><td>2153.82</td><td>8.00</td></tr>
</table></td></tr>
<tr><td></td><td>(iv) Total Employment (In Nos.)</td><td>4696 Nos.</td></tr>
<tr><td></td><td>Name of the proposed Co-developer</td><td>M/s. Cityrise Infra Pvt. Ltd.</td></tr>
<tr><td></td><td>Details of Infrastructure facilities / authorized operations</td><td>Conversion from warm shell to total ready to move in infrastructure and renovation of existing furniture & fit outs including maintaining and managing facility management on One floor (2nd floor) of Tower No.1 of approx. 30707 Sqft. Super area of SEZ.</td></tr>
<tr><td></td><td>Total area on which activities will be performed by the co-developer. (a</td><td>One floor (2nd floor) of Tower No.1 of approx. 30707 Sqft. Super area in the Processing area</td></tr>
</table>

	map showing the Area of Basement, Area of Appurtenant Land and Additional Appurtenant Land is attached for reference.	of SEZ
	Proposed investment by the Co-developer	Rs.10.7475 Crore (On Warm Shell Space & Renovation and installation of furniture and fit out)
	Net worth of the Co-developer	Net-worth of proposed Co-developer is Rs.0.96307 lakhs as on 15.05.2026. Total net-worth of the partners is Rs. 7516.41 lakhs as on 31.03.2025.
	Date of the Co-developer agreement	06.05.2026

Recommendation by DC, Noida SEZ:

The proposal has been examined and recommended for grant of Co-developer status M/s. Cityrise Infra Pvt. Ltd. in respect of IT/ITES of M/s. Artha Infratech Pvt. Ltd. located at Plot No. 21, Techzone-IV, Greater Noida (Uttar Pradesh) for "Conversion from warm shell to total ready to move in infrastructure and renovation of existing furniture & fit outs including maintaining and managing facility management on One floor (2nd floor) of Tower No.1 of approx. 30707 Sqft. Super area of SEZ".

Agenda Item No. 142.5:

Request for conversion of Processing Area into Non-Processing Area under Rule 11(B) [2 proposals – 142.5(i) – 142.5(ii)]

Rule position:
In terms of the Rule 11 B regarding Non-processing areas for IT/ITES SEZ:
(1) Notwithstanding anything contained in rules, 5,11,11A or any other rule, the Board of Approval, on request of a Developer of an Information Technology or Information Technology Enabled Services Special Economic Zones, may, permit demarcation of a portion of the built-up area of an Information Technology or Information Technology Enabled Services Special Economic Zone as a non-processing area of the Information Technology or Information Technology Enabled Services Special Economic Zone to be called a non-processing area.
(2) A Non-processing area may be used for setting up and operation of businesses engaged in Information Technology or Information Technology Enabled services, and at such terms and conditions as may be specified by the Board of Approval under sub-rule (1),
(3) A Non-processing area shall consist of complete floor and part of a floor shall not be demarcated as a non-processing area.
(4) There shall be appropriate access control mechanisms for Special Economic Zone Unit and businesses engaged in Information Technology or Information Technology Enabled Services in non-processing areas of Information Technology or Information Technology Enabled Services Special Economic Zones, to ensure adequate screening of movement of persons as well as goods in and out of their premises.
(5) Board of Approval shall permit demarcation of a non-processing area for a business engaged in Information Technology or Information Technology Enabled Services Special Economic Zone, only after repayment, without interest, by the Developer, —
(i) tax benefits attributable to the non-processing area, calculated as the benefits provided for the processing area of the Special Economic Zone, in proportion of the built up area of the non-processing area to the total built up area of the processing area of the Information Technology or Information Technology Enabled Services Special Economic Zone, as specified by the Central Government.
(ii) tax benefits already availed for creation of social or commercial infrastructure and other facilities if proposed to be used by both the Information Technology or Information Technology Enabled Services Special Economic Zone Units and business engaged in Information Technology or Information Technology Enabled Services in non-processing area.
(6) The amount to be repaid by Developer under sub-rule (5) shall be based on a certificate issued by a Chartered Engineer.

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

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

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

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

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

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

142.5(i) Proposal of M/s Ganesh Housing Limited, the Developer for demarcation of 52263.97 sq.mtr. processing (built-up) area as Non-Processing Area in terms of Rule 11B of SEZ Rules, 2006

Jurisdictional SEZ: Kandla SEZ (KASEZ)

Facts of the Case:

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>1. Name & Address of Developer</td><td>Ganesh Housing Limited
Village Tragad and Chharodi, Taluka Dascroi, Ahmedabad, Gujarat.</td></tr>
<tr><td>2. Letter of Approval & Date</td><td>F.2/494/2006-EPZ dated 20.12.2006</td></tr>
<tr><td>3. Date of notification</td><td>S.O 1011(E) Dated: 22.06.2007 ;
S.O. 1577(E) Dated: 19.09.2007 and</td></tr>
<tr><td>4. Name of sector for which approval has been given</td><td>IT/ITES SEZ</td></tr>
<tr><td>5.Total Notified land area of SEZ (in hectare)</td><td>25.9181</td></tr>
<tr><td>6.Total area of-
(i)Processing area-

(ii)Non-Processing area-</td><td>
24.9281 Ha

0.99 Ha</td></tr>
<tr><td>7.Details of Built-up area:
(i)No. of towers with built-up area of each tower (In sqmtr)

(ii)Total Built up area (In sqmtr)</td><td><table><tr><th>Sr.No.</th><th>Particulars</th><th>Built up area (sq. mtr)</th></tr><tr><td>1</td><td>Tower 1</td><td>1,28,456.76</td></tr><tr><td></td><td>Total</td><td>1,28,456.76</td></tr></table>Total Built up area 1,28,456.76 Sqmtrs including 23,905.17Sq. mtr of Common social and commercial infrastructure</td></tr>
<tr><td>8.Total Built up area in-
(i)Processing area

(ii)Non-Processing area-(In Sq mtrs);</td><td>
Total Built up area: 1,28,456.76 Sqmtrs (104551.59 of built up area+ 23.905.17 of common infrastructure)

Built up area: Nil</td></tr>
<tr><td>9. Total numbers of floors in the building wherein</td><td>Tower 1: 2 Basement + G + 16 Floors</td></tr>
</table>

<table>
<tr><td>demarcation of NPA is proposed</td><td></td></tr>
<tr><td>Floor wise details are as below:-</td><td></td></tr>
<tr><td>Tower 1</td><td>
<table>
<tr><th>Sr. No.</th><th>Floor</th><th>Sq. Mtrs.</th></tr>
<tr><td>1</td><td>Basement 2</td><td>18,646.24</td></tr>
<tr><td>2</td><td>Basement 1</td><td>19,421.02</td></tr>
<tr><td>3</td><td>Ground Floor (Common Amenity and services)</td><td>16,957.13</td></tr>
<tr><td>4</td><td>1st Floor (Common Amenity and services)</td><td>6,391.88</td></tr>
<tr><td>5</td><td>2nd Floor</td><td>4,432.05</td></tr>
<tr><td>6</td><td>3rd Floor</td><td>4,432.05</td></tr>
<tr><td>7</td><td>4th Floor</td><td>4,432.05</td></tr>
<tr><td>8</td><td>5th Floor</td><td>4,432.05</td></tr>
<tr><td>9</td><td>6th Floor</td><td>4,432.05</td></tr>
<tr><td>10</td><td>7th Floor</td><td>4,432.05</td></tr>
<tr><td>11</td><td>8th Floor</td><td>4,435.63</td></tr>
<tr><td>12</td><td>9th Floor</td><td>4,432.05</td></tr>
<tr><td>13</td><td>10th Floor</td><td>4,432.05</td></tr>
<tr><td>14</td><td>11th Floor</td><td>4,432.05</td></tr>
<tr><td>15</td><td>12th Floor</td><td>4,432.05</td></tr>
<tr><td>16</td><td>13th Floor</td><td>4,432.05</td></tr>
<tr><td>17</td><td>14th Floor</td><td>4,432.05</td></tr>
<tr><td>18</td><td>15th Floor</td><td>4,432.05</td></tr>
<tr><td>19</td><td>16th Floor</td><td>4,432.05</td></tr>
<tr><td>20</td><td>Terrace Floor (Utility area)</td><td>516.69</td></tr>
<tr><td>21</td><td>Lift MC Room, Overhead Water Tank Room</td><td>39.47</td></tr>
<tr><td></td><td>Total</td><td>1,28,456.76</td></tr>
</table>
</td></tr>
<tr><td>10.Total Built up area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units</td><td>52263.97 Sqmtrs of Built up area is proposed for demarcation as NPA for use by Non SEZ IT/ITES Unit</td></tr>
<tr><td>11.How many floors are proposed for demarcation of NPA for setting up of</td><td>KASEZ vide letter dated 03.08.2026 informed that the developer has submitted to consider built-up area of 1,04,551.59 sq. mtrs. for demarcation into Processing and</td></tr>
</table>

<table>
<tr>
<td>Non SEZ IT/ITES units</td>
<td>Non-Processing built-up area, while the common infrastructure area of 23,905.17 sq.mtrs. Continues to remain common to the SEZ and serves both areas. Therefore, Demarcating Total area of 52.263.97 Sqmtrs as below in Tower 1:
<table>
<tr><th>Sr. No.</th><th>Floor</th><th>Sq. Mtrs.</th></tr>
<tr><td>1</td><td>Basement 2</td><td rowspan="2">21236.04</td></tr>
<tr><td>2</td><td>Basement 1</td></tr>
<tr><td>3</td><td>2nd Floor</td><td>4,432.05</td></tr>
<tr><td>4</td><td>3rd Floor</td><td>4,432.05</td></tr>
<tr><td>5</td><td>4th Floor</td><td>4,432.05</td></tr>
<tr><td>6</td><td>5th Floor</td><td>4,432.05</td></tr>
<tr><td>7</td><td>6th Floor</td><td>4,432.05</td></tr>
<tr><td>8</td><td>7th Floor</td><td>4,432.05</td></tr>
<tr><td>9</td><td>8th Floor</td><td>4,435.63</td></tr>
<tr><td></td><td>Total</td><td>52,263.97</td></tr>
</table>
<u>Common Infrastructure/utilities and other social and commercial infrastructure such as food court, retail space, visitor centre (in Sqmtrs)- For Duty and tax payment:</u>
<table>
<tr><td>Sr. No.</td><td>Floor</td><td>Sq. Mtrs.</td></tr>
<tr><td>1</td><td>Ground Floor</td><td>16,957.13</td></tr>
<tr><td>2</td><td>1st Floor</td><td>6,391.88</td></tr>
<tr><td>3</td><td>Terrace Floor (Utility area)</td><td>516.69</td></tr>
<tr><td>4</td><td>Lift MC Room, Overhead Water Tank Room</td><td>39.47</td></tr>
<tr><td></td><td>Total</td><td>23,905.17</td></tr>
</table>
</td>
</tr>
<tr>
<td>12.Total Duty benefits and tax exemption availed on the built area proposed to be demarcated as NPA, as per chartered Engineers</td>
<td>Rs. 58.44 Crores (58,44,31,041/-) (Rupees Fifty Eight Crore Fourty Four Lakh Thirty One Thousand Fourty One Only)</td>
</tr>
</table>

certificate (In Rupees crore)	
13.Whether Duty benefits and tax exemption availed has been refunded and NOC from Specified officer has been obtained (Please enclose NOC from Specified officer)	Yes, all applicable duty benefits and tax exemption availed have been refunded and NOC from Specified Officer has also been obtained.
14.Reasons for demarcation of NPA:	We are in continuous discussion with various prospective units for leasing out built up SEZ space, however due to sunset date of Income tax benefit as well as work from home facility extended to units due to COVID-19 pandemic, we are not able to find tenants for SEZ space. This is leading to the fact that we could sign up only one tenant for part of the SEZ floor and rest of the floors are still vacant as tenants are looking for Non processing area for their IT/ITES Unit set up
15.Total remaining built-up area (in sqmtr)	KASEZ vide letter dated 03.08.2026 informed that the developer has submitted to consider built-up area of 1,04,551.59 sq. mtrs. for demarcation into Processing and Non-Processing built-up area, while the common infrastructure area of 23,905.17 sq.mtrs. Continues to remain common to the SEZ and serves both areas. Therefore, Demarcating Total area of 52.263.97 Sqmtrs Consequently, Balance Built Up Processing area after as per above clarification of Developer will be 52287.62 Sq Mtrs (i.e. 1,04,551.59 – 52,263.97)
16.Whether remaining built-up area fulfils the Minimum Built up area requirement as per Rule 5 of SEZ Rules 2006	Yes
17. Purpose and usage of such demarcation of NPA:	To give Non processing area on lease to IT/ITES units who does not wish to set up as SEZ Unit

In respect of the proposal, clarification regarding demarcation of NPA was sought from KASEZ. Now KASEZ vide letter 03.08.2026 informed that the matter were taken up with the Developer. In response, the Developer has submitted its clarification vide letter dated 30.07.2026 as below:

i. Developer has submitted that it has now reduced total area proposed for demarcation to 52,263.97 sq. mtrs. i.e. 49.99% of Total area considered for calculation purpose for Rule 11 B demarcation submission as against earlier proposed area for demarcation i.e. 54,363.97. The Developer has also enclosed revised map of basement 1 and 2 along with a statement containing total area, area proposed for demarcation and remaining processing area.
ii. Developer has further submitted that the total constructed built-up area of the SEZ is 1,28,456.76 sq. mtrs. Out of this, 23,905.17 sq. mtrs. Comprises of common social and commercial infrastructure and common amenities, including the food court, retail facilities, visitor center, reception and waiting area, and other shared support facilities developed for the overall functioning of the SEZ. These facilities are common-use infrastructure and are not allocable or demarcated as either Processing Area or Non-Processing Area for the purpose of conversion under Rule 11B. Accordingly, for determining the 50% criteria, built-up area of 1,04,551.59 sq. mtrs. has been considered for demarcation into Processing and Non-Processing built-up area, while the common infrastructure area of 23,905.17 sq.mtrs. Continues to remain common to the SEZ and serves both areas.
iii. The Developer has further stated that the remaining built-up processing area is 50.01% of the existing processing area and is more than the minimum built-up area requirement prescribed under Rule 5 of the SEZ Rules, 2006, the SEZ will continue to comply with the minimum built-up area requirement even after the proposed demarcation.

Further, the following requisite documents have been submitted:

i. Duly filled application in the format prescribed vide Instruction No. 115 dated 09.04.2024, for demarcation of proposed built-up Processing Area into Non-Processing Area and recommendation of DC, KASEZ.
ii. Chartered Engineer Certificate dated 06.07.2026 of Shri Amit B. Rami, Chartered Engineer Membership Lic No. AMC 001ERH29072600098, towards calculation of taxes / duty to be refunded by the Developer.
iii. 'No Dues Certificate' issued by Specified Officer vide F.No. KASEZ/Million Minds/Approval File/01/2026-27 dated 08.07.2026.
iv. Certificate of Specified Officer in prescribed format, confirming refund of duty as per provisions of Rule 11B of SEZ Rules, 2006 and Instruction No. 115 dated 09.04.2024 duly countersignature of DC, KASEZ.
v. Checklist of Rule 11B in prescribed format, duly signed by Specified Officer and DC, KASEZ.
vi. An Undertaking from the SEZ Developer to the effect that they shall pay the differential / short paid / non-paid duty / tax benefits, if so determined at a later

date on being demanded by the department or any statutory authority without any demur or protest w.r.t. repayment of taxes and benefit availed in demarcation of built-up processing area of 54,363.97 Sq Mtrs Sq. Mtrs. located at village Tragad and Chharodi, Taluka Dascroi, Ahmedabad, Gujarat —382481 including Common area infrastructure & facilities admeasuring to and 23,905.17 Sq. Mtrs as per Rule 11B of SEZ (Fifth Amendment) Rules, 2023;

vii. Details of total Buildings / built-up area along with built-up area already demarcated as Non Processing Area and built-up Processing Area proposed to be demarcated as Non Processing Area.

Recommendation by DC, KASEZ:

The proposal of M/s Ganesh Housing Limited, the Developer for demarcation of processing (built-up) area (52,263.97 sqmtr) as Non-Processing Area in terms of Rule 11B of SEZ Rules, 2006 read with Instruction No.115 dated 09th April 2024, has been recommended and forwarded for consideration of BOA.

142.5(ii) M/s. Candor Gurgaon One Realty Projects Private Limited, Developer IT/ITES SEZ at Village Tikri, Sector-48, Gurugram (Haryana)– Proposal for demarcation of '15485.480 Sqmt. built-up processing area of 4^{th} 6^{th} 7^{th} & 8^{th} Floor of Tower-8 & 9567.530 Sqmt basement area for common usage into Non-Processing area of IT/ITES SEZ at Village-Tikri, Sector-48, Gurugram (Haryana), under Rule 11B of SEZ Rules, 2006- Reg.

Jurisdictional SEZ: Noida SEZ (NSEZ)

Facts of the Case:

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Details</th></tr>
<tr><td>1.</td><td>Name and address of the Developer</td><td>M/s. Candor Gurgaon One Realty Projects Private Limited, IT/ITES SEZ at Village Tikri, Sector-48, Gurugram (Haryana)</td></tr>
<tr><td>2.</td><td>Letter of Approval No. and date.</td><td>LOA No. F.2/119/2005-EPZ dated 30.07.2007</td></tr>
<tr><td>3.</td><td>Date of Notification</td><td>09.01.2008 & 15.04.2021.</td></tr>
<tr><td>4.</td><td>Name of the sector of SEZ for which approval has been given.</td><td>IT/ITES</td></tr>
<tr><td>5.</td><td>Total Notified land area (in Hectares)</td><td>10.1929 hectare</td></tr>
<tr><td>6.</td><td>Total land area of SEZ:
(i). Processing Area
(ii). Non-Processing Area</td><td>
Land area 10.1929 hectare.
0.00 hectare</td></tr>
<tr><td>7.</td><td>Details of Built-up area in Processing Area:

(i). No. of towers with built-up area in each tower (in Square meter)</td><td><table>
<tr><th>Tower No.</th><th>Built-up Area (in Sqmt)</th></tr>
<tr><td>Tower-1</td><td>26442.700</td></tr>
<tr><td>Tower-2</td><td>30534.300</td></tr>
<tr><td>Tower-3</td><td>23624.399</td></tr>
<tr><td>Tower-4</td><td>25984.334</td></tr>
<tr><td>Tower-5</td><td>30517.370</td></tr>
<tr><td>Tower-6</td><td>22323.040</td></tr>
<tr><td>Tower-9</td><td>22278.990</td></tr>
<tr><td>Tower-7</td><td>24886.200</td></tr>
</table></td></tr>
</table>

		SEZ Office / Tower-10	2911.161
		Amenity Block-2	2045.006
		Tower-8 (Part)	44072.021
		Tower-8 (Remaining)	8922.760
		Amenity Block-1	5184.619
		Total:	**2,69,726.900**
		Basement-1	76681.555
		Basement-2	68391.303
		Basement-3	66187.027
		Total:	**2,11,259.885**
	(ii). Total Built up area (in Square meter):	Built-up area: 2,69,726.900 Sqmt. Basement area: 2,11,259.885 Sqmt.	
8.	Total Built-up in: i. Processing Area: ii. Non-Processing Area:	Built-up area: 2,33,772,350 Sqmt. Basement Area: 1,76,797.965 Sqmt. Built-up area: 35,954.550 Sqmt. Basement area including dedicated Ramp 34,461.920 Sqmt.	
9.	Total number of floors in the building wherein demarcation of NPA is proposed:	Tower 8-3 Basements + Ground Floor+14 Floors	
10.	Total Built-up area proposed to be demarcation of NPA for setting up of Non SEZ IT/ITES Units:	**15485.480 Sqmt.** and **9,567.530 Sqmt. Basement Area**	

<table>
<tr><td>11.</td><td>How many floors area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES Units:</td><td><table>
<tr><th>Building / Tower / Block No.</th><th>Floor no. to be demarcated as NPA</th><th>Total built-up area (in Sqmt.)</th></tr>
<tr><td>Tower-8</td><td>4th Floor</td><td>3923.460</td></tr>
<tr><td></td><td>6th Floor</td><td>3,715.100</td></tr>
<tr><td></td><td>7th Floor</td><td>3,923.460</td></tr>
<tr><td></td><td>8th Floor</td><td>3,923.460</td></tr>
<tr><td>Total</td><td></td><td>15,485.480</td></tr>
</table>
<u>Basement</u>
<table>
<tr><th>Location</th><th>Area(in Sqmt.)</th></tr>
<tr><td>2nd Basement for Tower-8</td><td>9567.530 sqmt.</td></tr>
</table></td></tr>
<tr><td>12.</td><td>Total duty benefits and tax exemption availed on the built-up area proposed to be demarcated as NPA, as per Chartered Engineer Certificate:</td><td>Rs. 10,01,71,957/- (Rupees Ten crore One Lakh Seventy One Thousand Nine Hundred Fifty Seven)</td></tr>
<tr><td>13.</td><td>Whether duty benefits and tax exemption availed has been refunded and NOC from Specified Officer has been obtained?</td><td>The Developer has submitted ‘No Dues Certificate’ issued by Specified Officer vide letter No. CUS/CANDORSEZ/Demarcation/04/2024-102 dated 28.07.2026. The Specified Officer mentioned that the Developer has deposited Rs. 10,01,71,957/- (Rupees Ten Crore One Lakh Seventy One Thousand Nine Hundred Fifty Seven) towards refund of duty/taxes and there are no dues payable by the Developer w.r.t. demarcation of SEZ built up area admeasuring 15485.48 Sq. Mtrs including basement area admeasuring 9567.53 Sq. Mtrs.</td></tr>
<tr><td>14.</td><td>Reasons for demarcation of NPA</td><td>The Developer has mentioned that IT/ITES SEZ are facing challenges to lease out the vacated space due to substantial decrease in demand because of slowdown of economic activities and work from home.</td></tr>
<tr><td>15.</td><td>Remaining Built-up Processing Area after instant</td><td>Balance Built-up Processing Area after demarcation: 2,18,286.870 Sqmt.; and</td></tr>
</table>

	proposed demarcation:	Balance Basement Processing Area after demarcation: **1,67,230.435 Sqmt.**
16.	Whether remaining built-up area fulfils the minimum built-up area requirement as per Rule 5 of SEZ Rules, 2006.	Yes
17.	Whether application in the format prescribed vide Instruction No. 115 dated 09.04.2024, has been submitted.	Yes
18.	Whether copy of Chartered Engineer Certificate has been submitted?	Yes
19.	Whether 'No Dues Certificate' of Specified Officer has been submitted?	Yes
20.	Whether Certificate of Specified Officer in prescribed format, confirming refund of duty as per provisions of Rule 11B of SEZ Rules, 2006 and Instruction No. 115 dated 09.04.2024, has been submitted?	Yes
21.	Whether Checklist in prescribed format duly signed by Specified Officer has been received?	Yes
22.	Whether required Undertaking has been submitted:	Yes
23.	Access Control Mechanism for movement of employees & good for IT/ITES Business to be engaged in the area proposed to be demarcated as Non-Processing Area.	The Developer has mentioned that since they are proposing for demarcation of few floors into NPA for IT/ITES Units, they will ensure adequate control movement of people as well as good pertaining to SEZ Units and Non-processing area units. At the same time, they

		will place adequate security and gate entry management system to ensure goods pertaining to non-processing area units and processing area units are not mixed with each other.
24.	Purpose and usage of such demarcation of NPA.	To give Non Processing area on lease to Domestic Units who do not wish to set up as SEZ Unit.

Further, the following requisite documents have been submitted:

i. Duly filled application in the format prescribed vide Instruction No. 115 dated 09.04.2024, for demarcation of proposed built-up Processing Area into Non-Processing Area and recommendation of DC, NSEZ.

ii. Chartered Engineer Certificate dated 09.07.2026 issued by Shri R.K. Aggarwal, Chartered Engineer (Production / Mechanical) & Shri Mahesh Swaroop Gupta, Chartered Engineer (Civil), towards calculation of taxes / duty to be refunded by the Developer.

iii. Specified Officer of SEZ vide letter No. CUS/CANDORSEZ/ Demarcation/04/ 2024-102 dated 28.07.2026 has issued 'No Dues Certificate' in respect of area proposed to be demarcated as NPA along with copies of DRC-03 / GST PMT 06 / TR-6 challans.

iv. Certificate of Specified Officer in prescribed format, confirming refund of duty as per provisions of Rule 11B of SEZ Rules, 2006 and Instruction No. 115 dated 09.04.2024 duly countersignature of DC, NSEZ.

v. Checklist of Rule 11B in prescribed format, duly signed by Specified Officer and DC, NSEZ.

vi. An Undertaking from the Developer to the effect that they shall pay the differential / short paid / unpaid duty/ tax benefits if any so determined at later date on being demanded by the department or any statutory authority without any demur or protest w.r.t. repayment of taxes and benefit availed in respect of demarcation of 15485.480 Sqmt. built-up area as Non-Processing Area along with basement area admeasuring 9567.530 Sq. Mtrs., as per Rule 11B of SEZ (fifth amendment) Rules, 2023.

Recommendation by DC, NSEZ:

The proposal of M/s. Candor Gurgaon One Realty Projects Private Limited, for demarcation of '15485.480 Sqmt. built-up processing area of 4th 6th 7th & 8th Floor of Tower-8 & 9567.530 Sqmt basement area for common usage into Non-Processing area in terms of Rule 11B of SEZ Rules, 2006 read with Instruction No.115 dated 09th April 2024, has been recommended and forwarded for consideration of BOA.

Agenda Item No. 142.6:

Miscellaneous [5 proposals 142.6(i) – 142.6(v)]

142.6(i) Proposal of M/s Plastic Processors & Exporter Pvt. Ltd., a unit at NSEZ for exit from SEZ Scheme under Rule 74 of SEZ Rules, 2006-reg.

Jurisdictional SEZ – Noida SEZ (NSEZ)

Facts of the case:

M/s. Plastic Processor & Exporter Private Limited had been granted LOA No. NEPZ/PROJ/13/01/97-NEPZ dated 05/11/1997 for setting up of unit in NSEZ for 'Manufacturing of Plastic Agglomerates/ Granules and Plastic Component and Articles (39011090) (15000.00 M. Tons/annum). The unit had been allotted Plot No. 24A (2700 Sqmt.) in NSEZ, Noida. The unit had commenced operation w.e.f. 15/04/1998. The Board of Approval (BoA) in its meeting held on 06.03.2024 had granted renewal of LOA of the unit for a period of five years from 20/03/2024 to 19/03/2029.

2. The performance of the unit during last two 5 year's blocks (as per APRs), are as under:-

(A) During block period 2013-14 to 2017-18:

(Rs. in lakhs)					
Year	**Export**		**Forex outgo**	**NFE Earning**	**DTA sale**
	Physical	**Supplies under Rule 53A**			
2013-14	0.00	0.00	0.00	0.00	0.00
2014-15	0.00	0.00	0.00	0.00	0.00
2015-16	0.00	0.00	0.00	0.00	0.00
2016-17	0.00	0.00	0.00	0.00	0.00
2017-18	0.00	702.16	593.88	108.28	6.08
Total	**0.00**	**702.16**	**593.88**	**108.28**	**6.08**

(B) During block period 2018-19 to 2022-23:

(Rs. in lakhs)					
Year	**Export**		**Forex outgo**	**NFE Earning**	**DTA sale**
	Physical	**Supplies under Rule 53A**			
2018-19	212.97	4219.90	2768.08	1664.79	8.46
2019-20	0.00	828.19	1883.90	-1055.71	1445.57
2020-21	0.00	0.00	0.00	0.00	7.07
2021-22	0.00	0.00	0.00	0.00	0.00
Total	**212.97**	**5048.09**	**4651.98**	**609.08**	**1461.10**

3. Unit has not submitted APRs for FY 2022-23, 2023-24 & 2024-25. As per NSDL Data, Unit has not made any 'Export' or 'Supplies under Rule 53A' or 'DTA Sale' during the period during 2022-23 to 2024-25.

4. The Board of Approval (BoA) in its meeting held on 06.03.2024 had granted renewal of LOA of the unit for a period of five years from 20/03/2024 to 19/03/2029, subject to following conditions:-

(i) The Unit shall ensure necessary funding is arranged within 3 months of the date of approval of extension and construction commences immediately to ensure that commercial production commences within 18 months of the date of approval.
(ii) The Unit would ensure their first export orders within 24 months from date of renewal of LoA. No further request will be considered to extend this time limit of 24 months.
(iii) No DTA sales would be allowed during the period of this 5-year extension irrespective of fulfilling of NFE and other conditions. Thereafter, DTA sales may be allowed as per prevailing norms.
(iv) Exit of the Unit in terms of Rules 74 and Transfer of its Assets in terms of Rule 74A of the SEZ Rules, 2006 would not be allowed during the period of this 5-year extension.
(v) Environment Clearance and other statutory clearances, required, would be obtained by the Unit.
(vi) The Unit will provide a clear roadmap and the UAC, NSEZ would examine the performance of the Unit after every six months period.
(vii) These conditions are over and above the extant conditions of NFE requirements under rule 53 of SEZ Rules.

5. However, the unit did not complied with the terms & conditions of LOA renewal as per directions of BOA viz. "construction activities commences immediately to ensure that commercial production commences within 18 months of the date of approval till date. Accordingly, vide letter dated 25/09/2025, unit was requested to show cause as to why action should not be initiated against them for cancellation of LOA for non-implementation of project and non-compliance with the decision of Approval Committee and Board of Approval.

6. The unit vide its letter dated 20/11/2025 submitted its reply stating that they tried to plan their operations in such a manner that they may be able to abide by this condition of export of 100% turnover, they found that it was an impossibility at the current juncture due to following reasons:-

(a) Political unrest in Bangladesh and Nepal which restrained us from securing any commitments for supply.

(b) New trade barriers and uncertain and sudden policy changes in export markets
(c) Apart from the above, the decision of the European Union (EU) to stop supplying raw materials to non-OECD countries led to major uncertainty on their supply chain and they had to scurry to explore new reliable and steady alternate sources.

7. Thereafter, Unit vide its letter dated 06/04/2026 had submitted request for surrender of LOA and exit from SEZ Scheme. However, it was observed that as per Condition No. (vi) of the BoA approval, renewal was granted subject to condition that 'Exit of the Unit in terms of Rules 74 and Transfer of its Assets in terms of Rule 74A of the SEZ Rules, 2006 would not be allowed during the period of this 5 years extension'.

8. Thereafter, the unit vide its letter dated 23/05/2026 requested to keep their request for surrender of LOA, in abeyance for two months. The unit stated that they are exploring the viability of a new product and other potential business for sustaining viability. The unit vide its letter dated 09/06/2026 submitted an implementation plan stating that it had completed the required financial tie-ups and explored manufacturing through job work in FALTA SEZ; however, unforeseen developments including political instability in Bangladesh, increased tariffs in the USA, restrictions on export of plastic waste from Europe, and global supply-chain disruptions adversely impacted its business plans. Consequently, the unit has revised its strategy and now proposes to undertake manufacturing of plastic articles using domestically procured raw materials, along with warehousing activities for polymers, lithium cells, packs, and batteries. The unit has assured that necessary infrastructure and machinery will be installed and commercial operations commenced within six months, while requisite details and projections for the proposed activities will be submitted separately. Meanwhile, they are proposing broad-banding of following product in LOA:-

Existing approved authorized operations	Proposed additional authorized operation
Manufacturing of: Plastic Agglomerates/ Granules and Plastic Component and Articles (39011090) (15000.00 M. Tons/annum).	**Manufacturing of:** Article of Plastic like Polythene bags in various thickness (HS Code 39011020-LDPE; and HS Code 39014010-LLDP) (250 Tons / annum)

9. Unit's request for broad-banding including it's performance were placed before the Approval Committee dated 23.06.2026 (minutes are attached).
The Committee observed that as per Rule 18 (4A) of SEZ Ruless, 2006, for existing plastic or used clothing Units in Special Economic Zones:-

(a) Broad banding and splitting of license for setting up of sub-Units shall not be allowed and all transactions of a Unit shall be regulated through a single bank account;
(b) no third-party exports shall be allowed by any such Unit;
(c) all such Units shall set up facilities to make products out of used clothing or plastic waste;
(d) 100 per cent. inspection of the consignment of used clothing sale to Domestic Tariff Area shall be under taken.

10. The Committee further observed that a physical verification on 20.06.2026 of M/s Plastic Processors & Exporter Pvt. Ltd. at Plot No. 24A, NSEZ revealed a completely non-operational, neglected site devoid of standing buildings, manufacturing infrastructure, or even a boundary gate. Furthermore, no staff or security personnel could be found on the premises. The huge plot currently serves merely as a dumping ground, heavily cluttered with discarded industrial scrap, including rusted motor parts, alongside significant piles of demolished brick and concrete rubble. No commercial or export activities are possible at this location sans a factory building. The Photographs taken during the visit were shown to the Committee members.

11. Shri Mukesh Tandon, AVP of M/s Plastic Processors & Exporter Pvt. Ltd. joined the meeting through video conferencing and explained the proposal and reiterated his earlier written submissions.

12. The Committee observed that the unit had consistently failed to fulfil the basic objectives as envisaged in Section 05 of the SEZ Act, 2005, for which the Letter of Approval had been granted to them. The unit has been occupying valuable SEZ space (2700 Sq. Mtrs) for several years without making any meaningful contribution towards exports, employment generation, or achievement of the objectives of the SEZ. The continued retention of SEZ space by a non-performing unit adversely affects the optimal utilization of scarce land and infrastructure resources, which could otherwise be allotted to the prospective entrepreneurs capable of generating exports and employment. The committee also observed that NSEZ Noida being in close proximity to Delhi and NOIDA being an industrial hub, industrial land/plots are scarce and in great demand, therefore, keeping the SEZ land idle without any business/export activity is not acceptable.

13. The Approval Committee dated 23.06.2026(minutes are attached) discussed the agenda in details and after due deliberations, rejected the proposal for broad-banding in terms of Rule 18 (4A) of SEZ Rules, 2006 The Committee observed that the unit has been non-performing since FY 2019-20 and is non-compliant with the conditions laid down by BOA in its meeting held on 06.03.2024 while renewal of its LOA. The Committee also decided to recommend the unit's proposal dated 06.04.2026, for

surrender of LOA & exit from SEZ scheme, to BoA, to allow exit of unit under Rule 74 of SEZ Rules, 2006.

Recommendation by DC/UAC, Noida SEZ:

In view of above, since the unit has been non-performing from FY 2019-20, non-compliant with the conditions laid down by BOA in its meeting held on 06.03.2024 and has now requested for surrender of LOA and exit from SEZ Scheme, it is requested that the unit may be exempted from the Condition No. (vi) of the renewal of LOA granted by BOA in its meeting held on 06.03.2024, i.e., 'Exit of the Unit in terms of Rules 74 and Transfer of its Assets in terms of Rule 74A of the SEZ Rules, 2006 would not be allowed during the period of this 5 years extension', so that the unit may complete the exit formalities under Rule 74 of SEZ Rules, 2006. The Approval Committee recommends the unit's proposal for surrender of LOA & exit from SEZ scheme, to BoA, to allow exit of unit under Rule 74 of SEZ Rules, 2006.

142.6(ii) Proposal of M/s. Aurobindo Pharma Limited for setting up of a unit in M/s. APIIC Limited SEZ, Naidupeta, Tirupati District - Relaxation of condition imposed by BoA in 31 Meeting dated: 15.01.2009 – Reg

Jurisdictional SEZ – Visakhapatnam SEZ

Facts of the case:

M/s. Aurobindo Pharma Limited has submitted a proposal for setting up of Unit in M/s. APIIC Limited SEZ, Naidupeta, Menakur Mandal, Tirupati District in an area of 10.00 Acres for manufacture of pharmaceutical formulations. M/s. APIIC Limited, Developer has allotted an area measuring 10.00 Acres to M/s. Aurobindo Pharma Limited to set up a unit.

The proposal of M/s. Aurobindo Pharma Limited has been verified and it is observed that the unit has projected an investment of Rs. 82.60 crores, Exports for a value of Rs. 4,463.89 crores, and providing employment to 1000 Persons. The proposal was placed before the Unit Approval Committee meeting held on 24.07.2026 and the Committee has been apprised about the condition imposed by BoA in its 31st meeting dated: 15.01.2009 - that no LoA shall be issued till the entire measure to establish contiguity and securitisation of the processing area are completed by the Developer i.e., M/s. APIIC Limited.

The committee after deliberations has approved the proposal. However, it has been decided to take up the matter with the ministry for waiver of the above condition in light of the projections and the strong presence of the company in Pharma Sector.
In this regard it is to inform that Govt. of Andhra Pradesh vide G.O.Ms.No.178 dated: 20.07.2026 has accorded permission for construction of two-lane Fly-over cum Underpass in Km 11/4 to 12/0 of Naidupeta-Rapur Road in Tirupati District with an estimated cost of Rs.51.00 crores from the internal funds of APIIC on reimbursement basis from Govt. of Andhra Pradesh.

M/s. Aurobindo Pharma Limited has informed that they want to start the construction for speedy implementation of the project as they have to execute the orders in a time bound manner.

In this regards, Conditions imposed by BoA in its 31st meeting held on 15.01.2009 on SEZ Developed by M/s. APIIC Limited SEZ, Naidupeta, Tirupati District:

"(i) Developers would establish contiguity by dedicated security gates/overbridges/underpass thereby ensuring that no authorised entry would be

possible into the SEZ through these throughfares and also fence both sides of road with 2.4 meter high wall/chain link fencing and 0.6 meter barbed wire fencing as per the provisions of the SEZ Rules prior to amendment dated 16th March 2007.
(ii) No tax benefits would be available for the measures taken to establish contiguity.
(iii) The formal approval from authorities concerned like NHAI and others would be submitted to the department of commerce and work for establishing contiguity would be started only atter obtaining the requisite approvals.
*(iv) No LoA for any SEZ unit will be issued till the entire measur*es to establish contiguity and securitization of the processing area are completed."

Decision of the Board in its 137th meeting(agenda item 137.6(iv)) regarding proposal of partial de-notification:

The Board was informed that the reason for instant partial de-notification proposal is to convert 115.51 Hectares from SEZ into Domestic Tariff Area as most of the Entrepreneurs are approaching APIIC for allotment of land on sale basis instead of allotment on lease basis as they want Agreement for sale/sale deed for obtaining the financial assistance from the Banks, since the Banks are insisting for sale Deed Documents.

The Board was further informed that on-site inspection was conducted on 03.09.2025 in the presence of SEZ officials, Specified Officer, Tehsildar, Naidupeta & Tehsildar, Pellakur, along with Zonal Manager, APIIC Limited and it was informed that as per the inspection of the land proposed for partial denotification, the land measuring 115.51 Ha is vacant and has no units in the said area. The land remaining after the proposed partial denotification is not contiguous and a public thoroughfare at Km 11/4 to 12/0 of Naidupeta-Rapur road passing through the SEZ. In this regard, the Developer has submitted a request for waiver of the contiguity and no thoroughfare condition as per Rule-5 & 7 of SEZ Rules 2006.

Further, DC, VSEZ informed that the present proposal for de-notification will not alter the existing status quo in respect of the subject land. It was also informed that the Developer shall make necessary arrangements to ensure proper connectivity between the two parcels of land which stand bifurcated due to the State Highway, so as to maintain functional and operational continuity of the area concerned.
The Board was informed there are no units in the SEZ area proposed for de-notification and the Developer has returned all Tax/Duty benefits availed under the SEZ Act/Rules, in r/o of the land being de-notified to DC satisfaction and State Govt. of Andhra Pradesh has provided its 'No Objection'.

After deliberations, it was observed that the Board had earlier decided to relax the contiguity condition in terms of the provisio to Rule 7(2) of the SEZ Rules, during its 31st meeting dated 15.01.2009. However, this decision was subject to certain conditions, which have still not been complied with by the Developer. The conditions are reproduced as under:

"(i) Developers would establish contiguity by dedicated security gates/overbridges/underpass thereby ensuring that no authorised entry would be possible into the SEZ through these throughfares and also fence both sides of road with 2.4 meter high wall/chain link fencing and 0.6 meter barbed wire fencing as per the provisions of the SEZ Rules prior to amendment dated 16th March 2007.
(ii) No tax benefits would be available for the measures taken to establish contiguity.
(iii) The formal approval from authorities concerned like NHAI and others would be submitted to the department of commerce and work for establishing contiguity would be started only atter obtaining the requisite approvals.
*(iv) No LoA for any SEZ unit will be issued till the entire measur*es to establish contiguity and securitization of the processing area are completed."

Therefore, the Board directed DC, VSEZ, to ensure compliance of the aforesaid conditions at the earliest.

Accordingly, the Board **<u>rejected</u>** the instant proposal for partial de-notification with the direction that compliance of the earlier imposed conditions be ensured and reported prior to forwarding of the proposal for consideration of BoA.

Observation of DoC:
(i) G.O.Ms.No.178 dated 20.07.2026 is an *administrative sanction* for the flyover-cum-underpass. It is not a work order or completion of the work.
(iii) DC, VSEZ in the instant proposal requested for relaxation for *all units coming up in this SEZ* in addition to issuance of LoA to M/s. Aurobindo Pharma Limited.
(ii) The approval may be considered to permit LoA to the unit restricted to construction only, with the Unit barred from executing the Bond-cum-LUT, being bonded, or commencing operations until DC certify completion;

Recommendation by DC, Visakhapatnam SEZ:

In view of the above, it is requested to consider the above and relax the condition imposed by BoA and allow the Development Commissioner to grant Letter of Approval to M/s. Aurobindo Pharma Limited for setting up of Unit for manufacture of Pharmaceutical Formulations for export. Further, it is requested to relax the above conditions specifically to the units which are coming up in the above SEZ keeping in view of the export, investment and employment potential.

142.6(iii) Request of M/s Afcan Impex Pvt. Ltd., a worn/used clothing unit in KASEZ, seeking renewal/extension of its LoA which expired on 31.12.2020.

Jurisdictional SEZ – Kandla SEZ

Facts of the case:

M/s Afcan Impex Pvt. Ltd. was granted Letter of Approval (LoA) No. KASEZ/IA/1916/2003-2004/1999 dated 04.06.2003 for manufacture of Shoddy Synthetic Yarn, Shoddy Woollen Yarn and Blankets. The LoA was extended from time to time and was last valid upto 31.12.2020.

The BoA in its 104th Meeting dated 28.05.2021[item No. **104.8(i)**] decided that renewal of LoA of worn/used clothing units shall be considered only after clearance of all Government dues. The matter could not be processed earlier due to substantial outstanding Government dues, penalties for non-achievement of NFE/export obligations, and other violations.

Subsequently, CIRP proceedings were initiated and the Hon'ble NCLT approved a Resolution Plan on 30.09.2025, recognizing ₹7,20,431/- as full and final settlement of admitted dues of KASEZ as operational creditor and directing consideration of renewal/extension of LoA and lease deed. However, the NCLT order has been challenged before the Hon'ble NCLAT, New Delhi and the appeal remains pending.

Further, the proposal for renewal of LoA was placed before BoA in its 135th Meeting held on 30.12.2025. The matter was deferred for further comments/clarifications. DC, KASEZ furnished comments vide letter dated 23.04.2026 addressing observations of BoA.

KASEZ vide its letter dated 23.04.2026, has provided comments on the observations made by the BoA as follows:

SN	Observations noted in 135.8(i) Meeting of the BoA	Comments of the Development Commissioner, KASEZ
1.	All dues have not been paid and direction of 104th BoA are not complied	The DC, KASEZ vide letter dated 21.12.2020 recommended for renewal of LoA of 17 worn and used clothing unit for a period of 05 years w.e.f. 01.01.2021. The BoA in its 104th meeting held on 28.05.2021 granted renewal of LoA for a period of 06 months only subject to

clearance of all government dues including penalties and rents by the unit. (104.8(i))

M/S Afcan Impex Pvt. Ltd. failed to make payment of outstanding lease rent and penalty dues, hence BoA did not grant renewal of LoA (Valid Till 31.12.2020).

As stated in the DC, KASEZ letter dated 23.4.2026, Mr. Nitin Narang, IRP vide e-mail dated 5.3.2021 conveyed DC, KASEZ that the moratorium period was started from 17.02.2021 under Section 14 of the Insolvency & Bankruptcy Code, 2016. Since, the case was under Corporate Insolvency Resolution Process (CIRP), further extension could not be granted.

As intimated/ calculated by the DC and as per Form-B dated 15.4.2021 , Corporate debtor (M/s Afcan Impex) was liable to pay penalty of Rs. 1,18,43,000/- alongwith Rs, 2,11,407/- towards lease rent and user charge with applicable interest. total Rs. 1,20,54,407/-).

The details of the outstanding dues assess by the DC, KASEZ are as under:

Sl No	Penalty order date	Amount
	23.9.2013 Penalty	1710000.00
	15.1.2019 Penalty	9633000.00
	10.04.2019 Penalty	500000.00
	Rental and user charge alongwith 12% interest on lease rent and user charge.	70055.00 141352.00
Total amount claimed by DC KASEZ upto June 2021		12054407.00

However, against the total demand of Rs. 17.11 lakh towards penalty, against the corporate debtor, the Hon'ble Hight Court, Gujarat in case of SCA No. 18493 of 2019, vide order dated 22.1.2025 has modified the penalty to Rs. 10,000/- against actual penalty of Rs. 17.11 lakh.

The Gujarat High Court in case of SCA 3641 of 2021 vide order dated 25.2.2021 has directed for not taking coercive steps towards recovery of Rs. 96.33 lakh.

		For penalty of Rs. 5.00 lakh, the Gujarat High Court in case of SCA 4779 of 2021 vide order dated 24.3.2021 has directed DGFT to take appropriate decision/action with four weeks. The appeal filed by the unit is pending with DGFT. The NCLT in its order has approved resolution plan and admitted Rs. 7,20,431/- against the total claim of Rs. 1.18 crores towards KASEZ. Regarding disbursal of amounts to all operations creditors, the same has been confirmed Successful Resolution Applicant (SRA) has also paid outstanding lease rend and user charges alongwith interest amounting to Ts. 16,24,634/- of the allottee premises of M/S Afcon Impex for the period upto 31.12.2025. The DC KASEZ had sought legal opinion from Standing Counsel and Shri Ankit Shah, Standing Counsel has informed KASEZ that the provisions of the IBC do not provide for compulsory payment of the dues of operational creditors and department has no locus/legal ground to challenge non-payment of the dues. Thus, the SRA has paid outstanding dues.
2.	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	The Development Commissioner has monitored the export performance and Net Foreign Exchange (NFE) earning during 2013-18 and penalties were imposed vide order dated 23.9.2013 and 15.1.2019. The LoA of the unit has been expired on 31.12.2020. The DC vide letter dated 21.12.2020 forwarded case for renewal of LoA for a period of five years (2021-2016) taking into account previous infringement. Subsequently on 17.02.2021, IRP has been appointed by the Hon'ble NCLT, Ahmedabad vide order dated 17.2.2021 and moratorium under Section 14 of the insolvency and Bankruptcy Code came into effect from that day. During moratorium period, Resolution Professional (RP) has under an obligation to keep the unit operational, but after appointment of RP, the unit is non-operational till date. Hence, except NFE & export obligation rest is completed.
3.	DC has not certified that the new “beneficial owners” adhere to the guidelines as per Rule	As per NCLT, the successful resolution applicant has submitted resolution plan/revival package which has been approved by the Hon’ble NCLT. vide order dated 30.9.2025 Thus, approved RP revival package may be

	18(4) of the SEZ Rules, 2006.	considered as compliance/certification of adherence of Rule 18(4) of SEZ Rules, 2006

A Complaint dated 04.05.2026 alleging financial irregularities was received in SEZ Division which was forwarded to DC, KASEZ for comments. KASEZ vide email dated 09.07.2026 informed that the CBI, ACB Gandhinagar had initiated a secret enquiry into the allegations and sought the original physical files pertaining to the matter for verification. Accordingly, the O/o DC, KASEZ provided the available original files to the investigating agency which has been returned after retaining scanned copies. Thereafter, no further requisition has been received at KASEZ from the CBI in the matter.

Department vide letter dated 16.03.2026 advised DC, KASEZ to obtain legal opinion from Central Government Counsel/NCLAT counsel. In response, O/o DC, KASEZ vide email dated 14.06.2026 has, inter-alia, informed that Standing Counsel for Government of India has stated that provisions of the IBC do not provide for compulsory payment of the dues of operational creditors and department has no locus/legal ground to challenge non-payment of the dues.

O/O DC, KASEZ has also mentioned that legal opinion has been sought from Shri Pradip D. Bhate, Central Government Counsel and Litigation In-charge for the Central Government at the High Court of Gujarat, regarding the scope and merits of filing an appeal before the Hon'ble NCLAT, New Delhi, and the likelihood of its success. Further, Shri Ankit Shah, Senior Standing Counsel for the Central Government, vide letter dated 30.06.2026, informed that the matter had been assigned to him by Shri Pradip D. Bhate for rendering legal opinion; inter alia, opined by standing counsel is as under:

" (i) The Department, being an operational creditor, has no right - as a matter of right to vote upon the Resolution Plan or to demand a value higher than the admitted amount. There are no legally valid grounds for an appeal before the Hon'ble NCLAT, and the likelihood of success of any such appeal is negligible.
(ii) In any event, the appeal is barred by limitation. The provisions of appeal under the Code are strict; the outer period of forty-five days expired long before the date of reference, and the NCLAT has no power to condone the delay beyond that limit. An appeal now would be liable to dismissal as time-barred.
(iii) The penalties and dues not admitted/provided for under the approved Resolution Plan stand extinguished upon its approval under Section 31. Any such existing liability cannot be attached to the present management/Corporate Debtor.
(iv) The Department may consider and process the renewal/extension of the LoA in accordance with the applicable SEZ Act, 2005, the SEZ Rules, 2006 and the prevailing policy treating the financial dues as settled to the extent admitted under the approved plan and proceed further with the matter.

Filing of an appeal before the Hon'ble NCLAT is, accordingly, not advised, being devoid of legally valid grounds and barred by limitation."

Recommendation of DC, KASEZ:

Grant of extension of existing Letter of Approval (LOA) for the used/worn clothing unit under Rule 18(4) of the SEZ Rules, 2006, subject to the following conditions:

(i) Since, the insolvency proceedings against the unit was initiated by Bank of Maharashtra under Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT, Ahmedabad, accordingly, the successful resolution applicant placed the resolution plan before the Hon'ble NCLT, Ahmedabad and the same was approved by the Hon'ble Tribunal vide Order dated 30.09.2025.

In view of the approved final Resolution Plan by the Hon'ble NCLT, Ahmedabad and moratorium period which was got effective from 17.02.2021, the unit may be granted relaxation for non-achievement of NFE for the period from 01.01.2021 to till date.
Accordingly, the case may be considered in terms of Rule 72 of the SEZ Rules, 2006.

(ii) Grant relaxation for non-achievement of export obligation for the period from 01.01.2021 to till date, in terms of Rule 18(4B) (c) read with Policy issued under F. No. K-43014(16)/9/2020-SEZ dated 27.05.2021.

In light to the above, it is proposed that the request of the unit for extension of their LoA for the period from 01.01.2021 to 30.06.2026, in line with other existing used/worn clothing units in Kandla SEZ may be considered.

142.6(iv) Representation of SEEPZ Gems & Jewellery Manufacturers' Association (SGJMA) regarding permitting manufacture and export of studded gold jewellery of 3 carats and above from SEZs - reg.

Jurisdictional SEZ: SEEPZ-SEZ

Facts of the Case:

S. No.	Particulars	Details
1.	Name of the Unit	SEEPZ Gems & Jewellery Manufacturers' Association (SGJMA) representing demand of Gems & Jewellery Units located in SEEPZ-SEZ
2.	Nature of Business	Export of Gems & Jewellery (8 KT to 22 KT)
3.	Request	To permit manufacture and export of studded gold jewellery of 3 carats and above from SEZ units
4.	Existing Provision	DGFT Notification No. 43/2015-20 dated 05.11.2018 read with DoC, Ministry of Commerce & Industry Instruction No. 91 dated 21.11.2018
5.	Present Position	Export of studded gold jewellery below 8 carats is not permitted for SEZ units

Brief Details:

i. SGJMA, vide letter No. SGJMA/2026-27/005 dated 21.04.2026, has represented that DGFT Notification No. 43/2015-20 dated 05.11.2018 amended Para 4.32(1) of the Foreign Trade Policy, 2015-20 whereby export of gold jewellery below 8 carats was prohibited. Subsequently, vide Ministry's Instruction No. 91 dated 21.11.2018, the provision of the said notification were made applicable mutatis mutandis to SEZ units.

ii. SGJMA has submitted that international gold prices have witnessed a significant increase in recent years, which has made higher caratage gold jewellery increasingly unaffordable for overseas buyers, particularly in major export destinations such as the United States and Europe.

iii. The Association has further stated that consumer preference in international markets is gradually shifting towards lower carat gold jewellery due to affordability considerations. According to the Association, the restriction on manufacture and export of jewellery below 8 carats adversely impacts demand and consequently affects export performance of SEZ units engaged in the gems and jewellery sector.

iv. SGJMA has also represented that competing countries, particularly China, are manufacturing and exporting low-carat gold jewellery, thereby placing Indian exporters at a competitive disadvantage in international markets.

v. The Association has requested that SEZ units may be permitted to manufacture and export studded gold jewellery of 3 carats and above, in line with the prevailing market requirements and international trade practices, to enhance competitiveness and sustain exports from the sector.

Recommendation by DC, SEEPZ-SEZ:

The Gems & Jewellery sector constitutes a major component of exports from SEEPZ-SEZ accounting for nearly 90% of the total exports of the Zone, with exports amounting to approximately Rs. 37,000 crore for F.Y. 2025-26. The representation submitted by SGJMA highlights the need for permitting manufacture and export of lower carat studded gold jewellery to align with evolving global market demand and to maintain the competitiveness of Indian SEZ exporters vis-à-vis competing countries

Further, 5th proviso to Rule 26 of SEZ Rules 2006 inter alia provides that:

"Provided also that Special Economic Zone Units shall be permitted to export prohibited items, if they import raw-material for the same, but each such case shall be placed before Board of Approval for approval."

Since the existing restriction emanates from Dept of Commerce Instruction No. 91 dated 21.11.2018, any modification in the policy position would require consideration and approval of the Board of Approval.

The representation received from SGJMA seeking permission for manufacture and export of studded gold jewellery **of 3 carats and above** by SEZ units is placed before the Board of Approval for kind consideration and appropriate decision regarding amendment/modification of the existing policy applicable to SEZ units under Instruction No. 91 dated 21.11.2018 issued by MoC&I, New Delhi.

Agenda Item 142.7:

Appeal [1 case: 142.7(i)]

<u>Rule position</u>: - *In terms of the Rule 55 of the SEZ Rules, 2006, any person aggrieved by an order passed by the Approval Committee under section 15 or against cancellation of Letter of Approval under section 16, may prefer an appeal to the Board in the Form J.* *Further, in terms of Rule 56, an appeal shall be preferred by the aggrieved person within a period of thirty days from the date of receipt of the order of the Approval Committee under rule 18. Furthermore, if the Board is satisfied that the appellant had sufficient cause for not preferring the appeal within the aforesaid period, it may for reasons to be recorded in writing, admit the appeal after the expiry of the aforesaid period but before the expiry of forty-five days from the date of communication to him of the order of the Approval Committee.*

142.7(i) Appeal filed by M/s Dahej SEZ Limited dated 04.06.2026 against the decisions of the 138th UAC held on 21.04.2026- reg.

Jurisdictional SEZ – Dahej SEZ

Brief Facts of the Case:

<u>Submission by the appellant is as follows:</u>

1. M/s. Dahej SEZ Limited is the joint venture company/SPV of Gujarat Industrial Development Corporation and M/s. ONGC Limited, which is created for setting up a Multi-Products Special Economic Zone at Village Dahej, Taluka Vagra, District Bharuch-392130, Gujarat, India.

2. M/s. Dahej SEZ Limited (hereinafter referred to as "DSL") has been granted the Letter of Approval under F. No. F.2/9/2003-EPZ dated September 21st, 2005 for setting up a Multi-Products SEZ at Dahaj, Taluka Vagra, District Bharuch-392130, in the State of Gujarat India.

3. The said Dahej SEZ Limited has been notified vide SEZ Notification No. S.O. 2131(E) dated December 20, 2006,

4. Dahej SEZ Limited has created various infrastructural faclities for the development of the said SEZ as allowed under the Letter of Approval and as per the decision of the Board of Directors of Dahej SEZ Ltd. and invested heavily in creating such infrastructural facilities in the said SEZ

5. The said Dahej SEZ Limited has commenced the commercial operations on 04/08/2009

6. As per Section 14 (2) of Gujarat SEZ Act, 2004, user charges or fees as may be approved by the Development Committee for providing infrastructural facilities, amenities and services.

7. As per Section 13 (1) & (12) of Gujarat SEZ Act, 2004 read with Rule 6 (12) & 7 of Gujarat SEZ Authority Rules, 2005, the Development Committee Determine the charges for infrastructural facilities, amenities and services provided by the Developer.

8. As per Section 14 (2) of Gujarat SEZ Act, 2004, user charges or fees as may be approved by the SEZ Development Committee for providing infrastructural facilities, amenities and services and as per Section 13 (1) & (12) of Gujarat SEZ Act, 2004 read with Rule 6 (12) & 7 of Gujarat SEZ Authority Rules, 2005, the Development Committee

Determine the charges for infrastructural facilities, amenities and services provided by the Developer. Please note that DC and his nominee is also the part of the SEZ Development Committee.

9. The Applicant state and submit that only the SEZ Development Committee is empowered to determine the charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services provided by the Developer and not the DC nor UAC

10. The Applicant state and submit that nowhere in the SEZ Act and SEZ Rules, there is a provision which empowers either the DC or the UAC to decide such charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services or entertain any disputes with respect to such charges, levies and fees or not to change them or obliterate them or provide waiver of such charges, fees, levies, rentals etc.

11. As per Section 7 (2) (d) of the Gujarat SEZ Regulation 2007, any dispute, complaint or issues with respect to charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services by the SEZ Unit has to be made to the Development Committee by way of appeal and it is the prerogative of only and only the Development Committee to decide on such matters and not the DC or UAC. Other than these disputes, complaints or issues with respect to charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services by the SEZ Unit, the DC or UAC may entertain other disputes or complaints of other the nature except the one specified in this para as and if allowed under the SEZ Act, 2005 and SEZ Rules, 2006.

12. M/s. Dahej SEZ Limited has charged the following charges to M/s. Arham Biochem Private Limited (erstwhile M/s. Bitumode International Pvt. Ltd.) which is subject matter of case and it is also charged all SEZ units uniformly as and when due in the Dahej SEZ based on the decisions of the Board of Directors and the SEZ Development Committee of the Dahej SEZ Ltd and/or as per surrender policy of DSL and agreement of plot from time to time:

12.1 Boundary Wall Charges
12.2 Plantation Fees & Non-Plantation Penalties / Charges.
12.3 Non-Utilization of Plot Charges
12.4 Transfer Fees part of surrender policy

13. As per the decision of Board of Director Dahej SEZ Limited, the SEZ Developer, the following charges are charged to all the SEZ Units and other entities located in the Dahej SEZ from time to time without making any partiality:

Description of Service Charges,	Applicable to	Decision taken in the Board of Director (DSL) and	Copy of the decision

Fees & Levies		Development Committee Meeting of DSL (Enclosed)	enclosed
Boundary Wall Charges	All SEZ Units & other Entities in SEZ which are utilising the boundary wall constructed by the Developer.		Exhibit-D (Copy of allotment letter enclosed)
Plantation Fees & Non- Plantation Penalties /Charges.	All SEZ units & other Entities in SEZ	4th Development Committee Meeting, 38th Development Committee Meeting, 66th Board of Director of DSL Meeting	Exhibit-E
Non-Utilization of Plot Charges	All SEZ units & other Entities in SEZ	26th Development Committee Meeting, 40th Board of Director of DSL Meeting	Exhibit-F
Transfer Fees	All SEZ units & other Entities in SEZ	40th Board of Director of DSL Meeting, 6.3 and 6.4 Para of Sub lease deed copy of Bitumode erstwhile name of Arham	Exhibit-G

14. DSL levies various charges like service charges, lease rent, ROU charges including above as and when due in the Dahej SEZ based on the decisions of the Board of Directors and the SEZ Development Committee of the Dahej SEZ Ltd and/or as per surrender policy of DSL and agreement of plot from time to time for financing the operational costs and smooth functioning of the said SEZ.

15. The Applicant also encloses herewith the copies of MIHAN SEZ Policy as well as Mundra SEZ Policy wherein the SEZ Developers of these SEZs also charges transfer charges if there is change of ownership or equities by any means.
Enclosed herewith and marked as Exhibit-C to such transfer of plot policy of MIHAN SEZ.

16. M/s. Bitumode International Pvt. Ltd. has applied for allotment of Land in Dahej SEZ Limited vide their Letter No. NIL dated 12/03/2012 as per the Policy of the Dahej SEZ Ltd. reflected in the Website of M/s. Dahej SEZ Limited at the rates and terms and conditions mentioned therein in APPLICATION FOR ALLOTMENT OF PLOT OF LAND IN DAHEJ SEZ available on the Website of the Dahej SEZ.

17. M/s. Bitumode International Pvt. Ltd. has obtained the Letter of Approval No. Dahej SEZ/II/36/BIPL/2011-12/6545 dated 02/04/2012 for setting up an SEZ Unit in Dahej SEZ Limited for manufacturing and export of "Waterproofing Membranes, Bitumode Liquids, Waterproofing Paints, Road Paving Materials, Geotextile, Thermal Insulation, Processed Plastic under Chapter 39,56,68 of ITC)"

18. Sub-Lease Deed between M/s. Dehaj SEZ Limited and M/s. Bitumode International Pvt. Ltd. on 08/05/2014.

19. M/s. Arham Biochem Private Limited has taken over M/s. Bitumode International Pvt. Ltd. by way of 100% share transfers of the said company and appointed all the new Directors of the said Company and changed the name of the company from M/s. Bitumode International Pvt. Ltd. to Arham Biochem Private Limited and applied for transfer of the said plot of lease hold land in the name of M/s, Arham Biochem Private Limited by way of Transfer Deed.

20. As per Clause No. 6.4 of the Sub-Lease Deed dated 08/05/2014, if there is a change in the shareholding pattern of the company such transfer of shares in view of the change in the in the name of the company of merger, de-merger, joint venture and takeover, its Boards of Directors and Managing Committee by whatever name called, is treated as change of the constitution of the sub-lease and deemed to be a transfer by the Sub-Lessee of its interest in the demised premises in favour of another person irrespective of whether there is a change in the legal entity or not which amounts to transfer of leasehold right/interest to another person for the purpose of charging transfer charges/fees as per surrender policy of DSL as provided in Clause no. 6.3 of sub-lease deed and accordingly the Applicant have raised the bill.

21. M/s. Arham Biochem Private Limited has obtained the Letter No. DAHEJ-SEZ/11/36/BIPL/2011-12/5396 dated 29/12/2022 for change of name from M/s. Bitumode International Pvt. Ltd. to M/s. Ahram Biochem Pvt. Ltd.

22. M/s. Arham Biochem Private Limited has again sold/transferred the said plant and machinery including land and building to M/s. Kumar Organic Products Pvt. Ltd. and approached M/s. Dahej SEZ Limited, the SEZ Developer for transferring such plot of land by way of transfer of sub-lease in the name of M/s. Kumar Organic Products Pvt. Ltd. vide their letter No. NIL dated 21/07/2025.

23. As per the land lease transfer under surrender policy of the SEZ Developer and as per the Condition No. 6.3 and 6.4 of the Sub-Lease Deed, M/s. Dahej SEZ Limited has demanded the transfer charges of Rs. 1,11,11,104/- vide their Invoice/Bill No. 25-

26/B2B/D/346 dated LTD 24/02/2026 which was paid by the transferee M/s. Kumar Organic Products Pvt. Ltd.

24. M/s. Arham Biochem Pvt. Ltd. Has applied for exit from SEZ Unit Scheme and the Exit Order dated 18/11/2025 is issued to them by the Honourable DC as per the decision of the 133rd UAC Minutes of the Meeting (Item No. 133.02.01) and M/s. Arham Biochem Pvt. Ltd. was no longer a SEZ Unit in the Dahej SEZ with effect from 18/11/2025.

25. For transferring the said sub-lease from M/s. Arham Biochem Pvt. Ltd. to M/s. Kumar Organic Products Pvt. Ltd., the SEZ Developer M/s. Dahej SEZ Limited demanded the Undertaking cum Consent Letter for doing so and M/s. Ahram Biochem Pvt. Ltd. issued the Undertaking cum Consent Letter dated 23/02/2026 for execution of Sub-Lease Deed in favour of M/s. Kumar Organic Products Pvt. Ltd.

26. M/s. Arham Biochem Pvt. Ltd. raised various complaints for waiver of various charges imposed by Dahej SEZ Limited, the SEZ Developer of the Dahej SEZ vide their Letter No. NIL dated 20/11/2025 and such complaints were inducted in the agenda of the 135th UAC Meeting of Dahej SEZ.

27. M/s. Dahej SEZ Ltd., the SEZ Developer of the Dahej SEZ, has replied to such complains and issues raised by M/s. Ahram Biochem Pvt. Ltd. vide their Letters DSL/DC/2025/2115 and dated 12/12/2025.

28. The 138th UAC Meeting was attended on 21/04/2026 by M/s. Dahej SEZ Ltd. and their Advocate Adv. Arun P. Sawant, who made serval submissions, arguments and presentations, which were not recorded in the said UAC Meeting.

29. Vide Letter/ Email Ref. No. DSL/DC-UAC138/REP/2026-27/2440 dated 27/04/2026 were submitted their written submissions along with supporting documents to Honourable DC.

30. Without considering any of the submissions made by the Applicant, the UAC took the decision which are conveyed by way of Minutes of the Meeting of 138th Unit Approval Committee of Dahej SEZ, which was received by the Applicant on 07/05/2026.

31. Being aggrieved with the decisions of the said Minutes of the Meeting of 138th Unit Approval Committee of Dahej SEZ and without passing the speaking order in the said matter, which is very arbitrary and high-handed actions on the part of the DC, thereby putting the Applicant in grave financial hardship, the Applicant prefers an Appeal before

your Lordship the Board of Approval, Ministry of Commerce & Industry, Udyog Bhavan, New Delhi-110 001 for fair justice.

GROUNDS OF APPEAL

1. The Applicant states & submits that all the decision of UAC taken relating to imposition of various charges, fees and levies by the SEZ Developer is not applicable to SEZ Units and such charges, fees and levies shall be refunded back to SEZ Units since such SEZ Units have raised complaint against such service charges, fees and levies is so arbitrary and without considering the principle of natural justice.

2. As per Section 14 (2) of Gujarat SEZ Act, 2004, user charges or fees as may be approved by the SEZ Development Committee of the SEZ for providing infrastructural facilities, amenities and services.

3. As per Section 13 (1) & (12) of Gujarat SEZ Act, 2004 read with Rule 6 (12) & 7 of Gujarat SEZ Authority Rules, 2005, the SEZ Development Committee of the SEZ determine the charges for infrastructural facilities, amenities and services provided by the Developer.

4. As per Section 12 (1) of the Gujarat SEZ Act, 2004, the SEZ Development Committee consist of the following members, namely:-

(i) Developer or his nominee;
(ii) DC of the Zone or his nominee;
(iii) Nominee of the State Government.

As per Section 12 (2), the Developer or his nominee shall be the Chairperson of the Development Committee.

As per Section 12 (3), the Development Committee may invite representatives of Units, residents, service providers and other interested persons in the meeting of the Committee.

As per Section 12 (4), the Development Committee shall meet at such place and observe such rules of procedure for transaction of its business at the meeting as it may deem fit.

5. As per Rule 7 (2) of the Gujarat SEZ Authority Rules, 2025, also if there is any grievances with respect to any charges and fees, an aggrieved person may appeal to the Development Committee against claim of the Developer or Co-developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving

a reasonable opportunity of being heard, to both the parties. In view of this, if there is any issue or grievance by the SEZ Unit, they should raise it or file the appeal to the Development Committee where the Honourable DC is also the Member of the Development Committee. The UAC has no power to entertain such issues, complaints and appeal by the SEZ Unit with respect to charges, levies and fees charged by the SEZ. Developer.

6. The UAC is heavily depending upon the Regulation 5 (3) of the Gujarat SEZ Regulations, 2007, which is reproduced below for your ready reference:
Regulation 5 (3): The Unit Approval Committee shall adopt the following procedure to resolve any dispute between the units and the Developer regarding infrastructure facilities, amenities and services: -

(a) A complaint received from the units and the DC shall examine the Developer or Co-developer.
(b) Comments shall be invited from the units and the Developer or Co- developer.
(c) The agenda shall be prepared and placed in the meeting of Unit Approval Committee for decision.
(d) The DC shall communicate the decision of the Unit Approval Committee to consumer and the Developer or Co-developer.

7. Your lordship will observe that under Regulation 5 (3) of the Gujarat SEZ Regulations, 2007, the Unit Approval Committee shall adopt the procedure to resolve any dispute between the units and the Developer regarding infrastructure facilities, amenities and services and not entertain the dispute relating to infrastructure facilities charges, amenities charges and services charges. Please note that the UAC can entertain disputes from SEZ Units with respect to any lacunae or shortage or inefficiency of providing infrastructural facilities or amenities or any services provided by the SEZ Developer, but such regulation does not authorise UAC to entertain disputes or complaints in the nature of commercial domain i.e. charges, fees and levies imposed by the SEZ Developer for providing such infrastructural facilities or amenities or any services and by doing so the UAC and the Honourable DC has travelled beyond their jurisdiction of entertaining such disputes and resolving it by taking arbitrary decisions, failure do understand the basic tenant of law and the authority given under Regulation 5 (3) of Gujarat SEZ Regulations, 2007 makes the decisions taken by UAC is illegal and beyond their jurisdiction and needs to be quashed and withdrawn immediately on this ground alone.

8. Your Lordship will appreciate that as per Regulation 7 (2) (d), of the Gujarat SEZ Regulations, 2007, if there is any grievances with respect to any charges, fees & levies charged by the SEZ Developer with respect to providing infrastructural facilities, amenities or services, an aggrieved person may appeal to the Development Committee

against claim of the Developer or Co-developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving a reasonable opportunity of being heard, to both the parties. In view of this, if there is any issue or grievance by the SEZ Unit, they should raise it or file the appeal to the Development Committee where the Honourable DC is also the Member of such Development Committee of the SEZ. Neither the UAC nor the DC has any power to entertain such issues, complaints and appeal by the SEZ Unit with respect to charges, levies and fees charged by the SEZ Developer, failure to understand the law in this regards by the UAC and the Honourable DC, the decisions taken by them on issues which are not under their jurisdictional domain is illegal, bad and not tenable under the law and on this ground also the decision taken in the 138th UAC Meeting by the UAC shall be withdrawn or quashed.

9. The Honourable DC has asked the SEZ Developer in the 138th UAC Meeting under which Section of SEZ Act, 2004 & SEZ Rules, 2006, the SEZ Developer is authorised to levy the charges, fees and levies for providing various infrastructural facilities, amenities and services and the Applicant also requested the Honourable DC to let them know which Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 restricts the SEZ Developer to charge such charges, fees, levies, rentals, non-compliances charges etc. The Honourable DC did not provide any such Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 in the UAC as well as in the Minutes of the Meeting of 138th UAC Meeting in this regard.

10. In the 138 UAC Meeting, the Applicant, SEZ Developer, also requested the Honourable DC to let them know under which Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 the Honourable DC Developer is allowed to entertain complaints and dispute with respect to infrastructural facilities charges, amenities charges and service charges and decide on such matters. The Honourable DC did not provide any such Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 in the UAC as well as in the Minutes of the Meeting of 138 UAC Meeting in this regard and any decision taken in this regard without the powers conferred under SEZ Act. 2004 and SEZ Rules 2006 is bad in law and needs to be quashed on this ground alone.

11. All the charges, fees and payments to be made by SEZ Unit for availing the infrastructural facilities, amenities and services in the SEZ are approved in the Board Meeting of the SEZ Developer and/or the Development Committee Meetings from time to time and it is the prerogative of the SEZ Developer to charge such fees, levies and charges for running the said SEZ. Also, please note that these charges and fees are charged across the board to all the SEZ Units and there is no partiality done with respect to any one SEZ Unit. Those Units which do not want such charges or fees to be paid,

they can any time to decide to set-up their Units in other SEZ Units or they are free to move away. Without these charges & fees it will be very difficult for the SEZ Developer to run and maintain the said SEZ. Let us be very clear, the UAC is the authority for implementation of SEZ Act and Rules and collect taxes or provide exemptions as allowed under various laws and ensure statutory compliances by the SEZ Units and SEZ Developer is the authority to run and maintain the said SEZ by charging service charges, lease rentals, premiums, maintenance fees, other charges and fees which are required to ensure smooth functioning of the said SEZ and nobody is allowed to interfere in the jurisdictions of each other.

12. As per Section 14 (2) of Gujarat SEZ Act, 2004, user charges or fees as may be approved by the SEZ Development Committee for providing infrastructural facilities, amenities and services and as per Section 13 (1) & (12) of Gujarat SEZ Act, 2004 read with Rule 6 (12) 87 of Gujarat SEZ Authority Rules, 2005, the Development Committee Determine the charges for infrastructural facilities, amenities and services provided by the Developer. Please note that DC and his nominee is also the part of the SEZ Development Committee.

13. The Applicant state and submit that only the SEZ Development Committee is empowered to determine the charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services provided by the Developer and not the DC nor UAC.

14. The Applicant state and submit that nowhere in the SEZ Act and SEZ Rules, there is a provision which empowers either the DC or the UAC to decide such charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services or entertain any disputes with respect to such charges, levies and fees or not to change them or obliterate them or provide waiver of such charges, fees, levies, rentals etc.

15. As per Section 7 (2) (d) of the Gujrat SEZ Regulation 2007, any dispute, complaint or issues with respect to charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services by the SEZ Unit has to be made to the Development Committee by way of appeal and it is the prerogative of only and only the Development Committee to decide on such matters and not the DC or UAC. Other than these disputes, complaints or issues with respect to charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services by the SEZ Unit, the DC or UAC may entertain other disputes or complaints of other the nature except the one specified in this para as and if allowed under the SEZ Act, 2005 and SEZ Rules, 2006.

16. Neither the DC nor the UAC has powers to interpret the meaning and scope of user charges or fees providing infrastructural facilities, amenities and services and charges for infrastructural facilities, amenities and services provided by the Developer and it is

only and only the Developer and Development Committee have the powers to do it. Even though there is any issues with respect to interpretation, the SEZ Unit can approach the Court for seeking clarification and interpretation of the meaning and scope of user charges or fees providing infrastructural facilities, amenities and services by the SEZ Developer.

17. The said SEZ Unit (M/s. Ahram Biochem Pvt. Ltd.) has already applied for exit from SEZ Scheme and exited on 18/11/2025 and they are no longer SEZ Unit of the said SEZ and they have no right now to raise any issues, complaint or appeal at this stage after they exit as SEZ Unit. However, since they have transferred the said business with assets and liabilities to the buying SEZ Unit, such buying SEZ Unit is free to raise such issues, complaints and appeals, if any, to the Development Committee of the SEZ. By entertaining such complaints by the UAC and the Honourable DC, they have violated the basic principles of SEZ Acts and Rules.

18. The Applicant state and submit that it is very important to note that when the Exit Order of M/s. Arham Biochem is issued on 18/11/2025, how can the Honourable DC or UAC entertain any letter or complaint letter dated 20/11/2025 of M/s. Ahram Biochem and include such subjects which are not under the purview of jurisdiction of the DC or UAC in their UAC meeting on 22/12/20257 Once the exit order is issued, M/s. Arham Biochem is no more SEZ Unit and ceases to be the SEZ Unit with effect from 18/11/2025 and any attempt to include their letters after 18/11/2025 is illegal and bad in law.

19. The Application would like give below their item wise response on various complaints raised in the UAC as follows:
19.1 Item No. 138.05.01.01 M/s Arham Biochem Private Limited, erstwhile SEZ unit (Request for refund of penalty for Tree plantation amounting of Rs 94000/- and Rs 188000/- paid to the DSL)

a) DSL Reply vide letter dated 12.12.2025 has submitted that:

1. As per policy decided by DSL board in the DSL 39th Board meeting held on 24.4.2017, unit has to carry out tree plantation as per norms of GDCR, SEZ and will have to maintain for 5 years from the date of plan approval. After 5 years of issuance of development Permission, DSL representative shall inspect the site for verification of tree plantation, if found satisfactory, the security deposit amount shall be refunded or else forfeited.

2. To ensure proper maintenance of tree plantation after 5 years from the date of plant approval, penalty for tree planation has been discussed and decided in the DSL, 58th

Board meeting held 10.6.2021 and circular to that effect was issued on 21.8.2021. It was decided to levy the penalty @ 500/- per tree every year after completion of 5 years.

3. As per GDCR, SEZ, unit has to plant 3 Nos. of Tree for every 200 SQ. MT. of its plot Area wherein Land area consists of 12547.83 SQ. MT. hence Units in question must has to plant 188 Nos. of Trees as per GDCR norms.

4. Looking to the negligence on part of unit in Tree plantation as per norm of GDCR, SEZ, Dahej SEZ Development committee in its meeting held on 03.2.2023 decided to levy penalty @ Rs 1000/- per tree and the same has been discussed and approved by DSL Board in the meeting held on 28.3.2023, DSL has conducted site visit and found that no any tree plantation works carried out by unit as per GDCR, SEZ norms and hence penalty of Rs 188000/-ie. 1000 per tree 188 trees was imposed.

a) Issue raised in UAC: Wherein the committee had sought some clarifications from the Developer regarding the relevant rule positions which authorises the developer to raise such claims against the units?
b) Written submssion of the Noticee after Personal Hearing held on 21/04/2026:

1. As per Section 14 (2) of Gujarat SEZ Act, 2004, user charges or fees as may be approved by the Development Committee for providing infrastructural facilities, amenities and services.

2. As per Section 13 (1) & (12) of Gujarat SEZ Act, 2004 read with Rule 6 (12) & 7 of Gujarat SEZ Authority Rules, 2005, the Development Committee Determine the charges for infrastructural facilities, amenities and services provided by the Developer.

3. Annexure-II Declaration is made by the Applicant for Land / SEZ Unit approval for payment of charges and fees under Rule 4 of Gujrat SEZ Authority Rules, 2005.

4. The said funds collected by SEZ Developer are utilised for development of green belt in SEZ Area.

5. As per Rule 7 (2) of the Gujarat SEZ Authority Rules, 2025, also if there is any grievances with respect to any charges and fees, an aggrieved person may appeal to the Development Committee against claim of the Developer or Co- developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving a reasonable opportunity of being heard, to both the parties. In view of this, if there is any issue or grievance by the SEZ Unit, they should raise it or file the appeal to the Development Committee where the Honourable DC is also the Member of the

Development Committee. The UAC has no power to entertain such issues, complaints and appeal by the SEZ Unit with respect to charges, levies and fees charged by the SEZ Developer

6. The said SEZ Unit has already applied for exit from SEZ Scheme and exited on 18/11/2025 and they are no longer SEZ Unit of the said SEZ and they have no right now to raise any issues, complaint or appeal at this stage. However, since they have transferred the said business with assets and liabilities to the buying SEZ Unit, such buying SEZ Unit is free to raise such issues, complaints and appeals, if any, to the Development Committee.

7. We also request the Honourable DC to let us know which Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 restricts the SEZ Developer to charge such user fees, charges, rentals, non-compliances charges etc.

8. All the charges, fees and payments to be made by SEZ Unit for availing the facilities, amenities and services in the SEZ are approved in the Board Meeting of the SEZ Developer and/or the Development Committee Meetings from time to time and it is the prerogative of the SEZ Developer to charge such fees and charges for running the said SEZ. Also, please note that these charges and fees are charged across the board to all the SEZ Units and there is no partiality done with respect to any one SEZ Unit. Those Units which do not want such charges or fees to be paid, they can any time to decide to set-up their Units in other SEZ Units or they are free to move away. Without these charges & fees it will be very difficult to run and maintain the said SEZ, Let us be very clear, the UAC is the authority for implementation of SEZ Act and Rules and collect taxes or provide exemptions as allowed under various laws and ensure statutory compliances by the SEZ Units and SEZ Developer is the authority to run and maintain the said SEZ by charging service charges, lease rentals, premiums, maintenance fees, other charges and fees which are required to ensure smooth functioning of the said SEZ and nobody is allowed to interfere in the jurisdictions of each other.

19.2 Item No. 138.05.01.02, M/s Arham Biochem Private Limited, erstwhile SEZ unit (Request for refund of Compound wall charges amounting of Rs 397280/- paid to the DSL)

a) The CEO, DSL, vide letter dated 12.12.2025 has submitted that:

1. As per terms and condition stipulated in offer cum allotment letter issued by DSL vide letter dated 11.4.2012 to Bitumode International Pvt Ltd., it was clearly mentioned that "Unit will be required to make payment towards boundary wall constructed by DSL The amount will be indicated separately."

2. UAC has no power to resolve the disputes covered under Section 9(1)(v) and Section 9(1)(vi) of the Gujarat SEZ Act, 2004.

b) Issues raised in UAC: 135th UAC wherein the committee had sought some clarifications from the Developer regarding the relevant rule positions which authorises the developer to raise such claims against the units?

c) Written submission of the Noticee after Personal Hearing held on 21/04/2026:

1. Sir, the Compound Wall of the entire SEZ is different than the Compound Wall of the Unit. The Unit has to construct the boundary of wall of their Unit, however, wherever the plot is located near the SEZ Boundary Wall, the Unit is using the SEZ Boundary wall as one side of the Compound Wall of the Unit and the other three side of Compound Wall of Unit are only constructed by the Unit and we are charging for only the SEZ Boundary Wall being used as Compound Wall by those Units whose plots are near to SEZ Boundary Wall. We are not charging it to Units, which are not using SEZ Boundary Wall constructed by the SEZ Developer.

2. This is a part of our land Offer-Cum-Allotment Letter at "Para 4 (d) You will be required to make payment towards boundary wall constructed by DSL" and the SEZ Unit allottee is bound to make the payment of boundary wall contrasted by DSL which is being used by such SEZ Unit.

3. As per Section 13 (1) & (12) of Gujarat SEZ Act, 2004 read with Rule 6 (12) & 7 of Gujarat SEZ Authority Rules, 2005, the Development Committee Determine the charges for infrastructural facilities, amenities and services provided by the Developer.

4. As per Rule 7 (2) of the Gujarat SEZ Authority Rules, 2025, also if there is any grievances with respect to any charges and fees, an aggrieved person may appeal to the Development Committee against claim of the Developer or Co- developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving a reasonable opportunity of being heard, to both the parties. In view of this, if there is any issue or grievance by the SEZ Unit, they should raise it or file the appeal to the Development Committee where the Honourable DC is also the Member of the Development Committee. The UAC has no power to entertain such issues, complaints and appeal by the SEZ Unit with respect to charges, levies and fees charged by the SEZ. Developer

1. The said SEZ Unit has already applied for exit from SEZ Scheme and exited on 18/11/2025 and they are no longer SEZ Unit of the said SEZ and they have no right now

to raise any issues, complaint or appeal at this stage. However, since they have transferred the said business with assets and liabilities to the buying SEZ Unit, such buying SEZ Unit is free to raise such issues, complaints and appeals, if any, to the Development Committee.

2. We also request the Honourable DC to let us know which Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 restricts the SEZ Developer to charge such user fees, charges, rentals, non-compliances charges etc.

3. All the charges, fees and payments to be made by SEZ Unit for availing the facilities, amenities and services in the SEZ are approved in the Board Meeting of the SEZ Developer and/or the Development Committee Meetings from time to time and it is the prerogative of the SEZ Developer to charge such fees and charges for running the said SEZ. Also, please note that these charges and fees are charged across the board to all the SEZ Units and there is no partiality done with respect to any one SEZ Unit. Those Units which do not want such charges or fees to be paid, they can any time to decide to set-up their Units in other SEZ Units or they are free to move away. Without these charges & fees it will be very difficult to run and maintain the said SEZ. Let us be very clear, the UAC is the authority for implementation of SEZ Act and Rules and collect taxes or provide exemptions as allowed under various laws and ensure statutory compliances by the SEZ Units and SEZ Developer is the authority to run and maintain the said SEZ by charging service charges, lease rentals, premiums, maintenance fees, other charges and fees which are required to ensure smooth functioning of the said SEZ and nobody is allowed to interfere in the jurisdictions of each other.

19.3 Item No. 138.05.01.03, M/s Arham Biochem Private Limited, erstwhile SEZ unit (Request for refund of Transfer Fee of Rs 96,61,829/- paid to the DSL)

b) The CEO, DSL, vide letter dated 12.12.2025 has submitted that:

1. As per DSL policy, allottee is allowed to transfer plot to any person who has been granted letter of approval from DC, Dahej SEZ provided allottee has started unit before closing down and pay 35% of the prevailing allotment price as a transfer fee at the time of transfer to DSL.

2. DSL will enter into a fresh lease deed with the new allottee and as above DSL had demanded the transfer fees of Rs 9661829/- considering 35% of the prevailing allotment price l.e. 2200/- per SQ.MT. (12547.83 Area of unit 2200 allotment price prevailing 0.35).

3. The objective of implementing transfer policy is to restrict the Real Estate business in SEZ area to gains from price of land and promote SEZ for industrial use rather as investment vehicle.

c) Issues raised in UAC: 135th UAC wherein the committee had sought some clarifications from the Developer regarding the relevant rule positions which authorises the developer to raise such claims against the units.
d) Written submission of the Noticee after Personal Hearing held on 21/04/2026:

1. As per Section 13 (1) & (12) of Gujarat SEZ Act, 2004 read with Rule 6 (12) & 7 of Gujarat SEZ Authority Rules, 2005, the Development Committee Determine the charges for infrastructural facilities, amenities and services provided by the Developer.

2. As per SEZ Developer Policy reflected on SEZ Developer Internet Page under Para No. 2 of "Cancellation or Surrender of LOA the allottee may be allowed to transfer the plot to another unit who has been granted Letter of Approval from DC, Dahej SEZ, provided allottee has started unit before closing down and pays 35% of the prevailing allotment price as a transfer fee at the time of transfer to DSL.

3. As per Clause No. 6.4 of the Sub-Lease Deed dated 08/05/2014, if there is a change in the shareholding pattern of the company such transfer of shares in view of the change in the in the name of the company of merger, de-merger, joint venture and takeover, its Boards of Directors and Managing Committee by whatever name called, is treated as change of the constitution of the sub-lease and deemed to be a transfer by the Sub-Lessee of its interest in the demised premises in favour of another person irrespective of whether there is a change in the legal entity or not which amounts to transfer of leasehold right/interest to another person for the purpose of charging transfer charges/fees as per surrender policy of DSL as provided in Clause no. 6.3 of sub-lease deed and accordingly the Applicant have raised the bill.

4. This is also the practice being followed by MIDC, GIDC, Mihan SEZ, Adani SEZ etc.

5. As per SEZ Instruction No. 109 dated 18/10/2021, Para (ii) (f), such reorganisation shall be subject to following safeguards (f) the applicant shall comply with Relevant State Government Laws including those relating to lease of land as applicable.

6. Also, UAC Agenda says that "all liabilities of the Developer/Co-developer/Unit shall remain unchanged on such reorganization', which clearly states that Unit's liability of transfer fees remains unchanged when the plot of land is transferred to the purchasing/ transferee Unit same as the SEZ Developer liabilities remained unchanged.

7. As per Rule 7 (2) (d) of the Gujarat SEZ Authority Rules, 2025, also if there is any grievances with respect to any charges and fees, an aggrieved person may appeal to the Development Committee against claim of the Developer or Co- developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving a reasonable opportunity of being heard, to both the parties. In view of this, if there is any issue or grievance by the SEZ Unit, they should raise it or file the appeal too the Development Committee where the Honourable DC is also the Member of the Development Committee. The UAC has no power to entertain such issues, complaints and appeal by the SEZ Unit with respect to charges, levies and fees charged by the SEZ. Developer.

8. The UAC is heavily depending upon the Regulation 5 (3) of the Gujarat SEZ Regulations, 2007, which is reproduced below for your ready reference:
Regulation 5 (3): The Unit Approval Committee shall adopt the following procedure to resolve any dispute between the units and the Developer regarding Infrastructure facilities, amenities and services: -

(a) A complaint received from the units and the DC shall examine the Developer or Co-developer.
(b) Comments shall be invited from the units and the Developer or Co-developer.
(c) The agenda shall be prepared and placed in the meeting of Unit Approval Committee for decision.
(d) The DC shall communicate the decision of the Unit Approval Committee to consumer and the Developer or Co-developer.
Your lordship will observe that under Regulation 5 (3) (d) of the Gujarat SEZ Regulations, 2007, the Unit Approval Committee shall adopt the procedure to resolve any dispute between the units and the Developer regarding infrastructure facilities, amenities and services and not entertain the dispute relating to infrastructure facilities charges, amenities charges and services charges. Please note that the UAC can entertain disputes from SEZ Units with respect to any lacunae or shortage or inefficiency of providing infrastructural facilities or amenities or any services provided by the SEZ Developer, but such regulation does not authorise UAC to entertain disputes or complaints in the nature of commercial domain i.e. charges, fees and levies imposed by the SEZ Developer for providing such infrastructural facilities or amenities or any services and by doing so the UAC and the Honourable DC has travelled beyond their jurisdiction of entertaining such disputes and resolving it by taking arbitrary decisions, failure do understand the basic tenant of law and the authority given under Regulation 5 (3) (d) of Gujarat SEZ Regulations, 2007 makes the decisions taken by UAC is illegal and beyond their jurisdiction and needs to be quashed and withdrawn immediately on this ground alone.

9. As per Regulation 7 (1): Levy of user charges and Fees: The Developer shall levy user charges or fees as may be approved by the Development Committee under sub-regulation (12) of regulation 6 for providing infrastructure facilities and amenities and services.

As per Regulation (7(2) The procedure for the levy of user charges or fees by the Developer or Co-developer shall be as under: -

(a) The Developer or Co-developer shall prepare the bill for the services used.
(b) The Developer or Co-developer shall arrange for distribution of bills and recover the charges and give receipts.
(c) The Developer or Co-developer shall take such measures as laid down by the Development Committee in the case of failure to pay fees and user charges as laid down by the Development Committee.
(d) An aggrieved person may appeal to the Development Committee against claim of the Developer or Co- developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving a reasonable opportunity of being heard, to both the parties.

10. Your Lordship will appreciate that as per Regulation 7 (2) (d), of the Gujarat SEZ Regulations, 2007, if there is any grievances with respect to any charges, fees & levies charged by the SEZ Developer with respect to providing infrastructural facilities, amenities or services, an aggrieved person may appeal to the Development Committee against claim of the Developer or Co- developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving a reasonable opportunity of being heard, to both the parties. In view of this, if there is any issue or grievance by the SEZ Unit, they should raise it or file the appeal to the Development Committee where the Honourable DC is also the Member of such Development Committee of the SEZ. Neither the UAC nor the DC has any power to entertain such issues, complaints and appeal by the SEZ Unit with respect to charges, levies and fees charged by the SEZ Developer, failure to understand the law in this regards by the UAC and the Honourable DC, the decisions taken by them on issues which are not under their jurisdictional domain is illegal, bad and not tenable under the law and on this ground also the decision taken in the 138th UAC Meeting by the UAC shall be withdrawn or quashed.

11. The said SEZ Unit has already applied for exit from SEZ Scheme and exited on 18/11/2025 and they are no longer SEZ Unit of the said SEZ and they have no right now to raise any issues, complaint or appeal at this stage. However, since they have

transferred the said business with assets and liabilities to the buying SEZ Unit, such buying SEZ Unit is free to raise such issues, complaints and appeals, if any, to the Development Committee.

12. The Honourable DC has asked the SEZ Developer in the 138 UAC Meeting under which Section of SEZ Act, 2004 & SEZ Rules, 2006, the SEZ Developer is authorised to levy the charges, fees and levies for providing various infrastructural facilities, amenities and services and the Applicant also requested the Honourable DC to let them know which Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 restricts the SEZ Developer to charge. such charges, fees, levies, rentals, non-compliances charges etc. The Honourable DC did not provide any such Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 in the UAC as well as in the Minutes of the Meeting of 138th UAC Meeting in this regard.

13. In the 138 UAC Meeting, the Applicant, SEZ Developer, also requested the Honourable DC to let them know under which Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 the Honourable DC Developer is allowed to entertain complaints and dispute with respect to infrastructural facilities charges, amenities charges and service charges and decide on such matters. The Honourable DC did not provide any such Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 in the UAC as well as in the Minutes of the Meeting of 138th UAC Meeting in this regard and any decision taken in this regard without the powers conferred under SEZ Act, 2004 and SEZ Rules 2006 is bad in law and needs to be quashed on this ground alone.

14. All the charges, fees and payments to be made by SEZ Unit for availing the facilities, amenities and services in the SEZ are approved in the Board Meeting of the SEZ Developer and/or the Development Committee Meetings from time to time and it is the prerogative of the SEZ Developer to charge such fees and charges for running the said SEZ. Also, please note that these charges and fees are charged across the board to all the SEZ Units and there is no partiality done with respect to any one SEZ Unit. Those Units which do not want such charges or fees to be paid, they can any time to decide to set-up their Units in other SEZ Units or they are free to move away. Without these charges & fees it will be very difficult to run and maintain the said SEZ Let us be very clear, the UAC is the authority for implementation of SEZ Act and Rules and collect taxes or provide exemptions as allowed under various laws and ensure statutory compliances by the SEZ Units and SEZ Developer is the authority to nun and maintain the said SEZ by charging service charges, lease rentals, premiums, maintenance fees, other charges and fees which are required to ensure smooth functioning of the said SEZ and nobody is allowed to interfere in the jurisdictions of each other.

19.4 Item No. 138.05.01.04, M/s Arham Biochem Private Limited, erstwhile SEZ unit (Request for refund of non-utilization of plot charges amounting of Rs 4,91,046/-paid to the DSL)

a) The CEO, DSL vide letter dated 12.12.2025 has submitted that:-

1. The Board of DSL in its 40th Board meeting held on 27.6.2017 formulated and approved policy related to Non- Utilization of Land in Dahej SEZ and the circular to that effect was published on 22.11.2017.
b) Issue raised in UAC: The Approval Committee also directed the Developer to provide justification as how the plot can be classified as non-utilized, if a unit had started commercial production. The Developer shall also provide the details of units which had been penalized for non-utilization of plot to the DC within 20 days of intimation in this regard?
c) Written submission of the Noticee after Personal Hearing held on 21/04/2026

1. These non-utilization of plot charges are also being charged by GIDC, the main Lessor of the SEZ Land and all the GIDC Lands spread all over the State of Gujarat.

2. We are charging the non-Utilisation of plot charges as per SEZ Developer Board Decision dated 27/06/2017 and this policy is applicable to all the Units and is not meant for a particular unit.

3. As per Rule 7 (2) of the Gujarat SEZ Authority Rules, 2025, also if there is any grievances with respect to any charges and fees, an aggrieved person may appeal to the Development Committee against claim of the Developer or Co-developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving a reasonable opportunity of being heard, to both the parties. In view of this, if there is any issue or grievance by the SEZ Unit, they should raise it or file the appeal to the Development Committee where the Honourable DC is also the Member of the Development Committee. The UAC has no power to entertain such issues, complaints and appeal by the SEZ Unit with respect to charges, levies and fees charged by the SEZ. Developer.

4. We also request the Honourable DC to let us know which Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 restricts the SEZ Developer to charge such user fees, charges, rentals, non-compliances charges etc.
5. All the charges, fees and payments to be made by SEZ Unit for availing the facilities, amenities and services in the SEZ are approved in the Board Meeting of the SEZ Developer and/or the Development Committee Meetings from time to time and it is the

prerogative of the SEZ Developer to charge such fees and charges for running the said SEZ. Also, please note that these charges and fees are charged across the board to all the SEZ Units and there is no partiality done with respect to any one SEZ Unit. Those Units which do not want such charges or fees to be paid, they can any time to decide to set-up their Units in other SEZ Units or they are free to move away. Without these charges & fees it will be very difficult to run and maintain the said SEZ. Let us be very clear, the UAC is the authority for implementation of SEZ Act and Rules and collect taxes or provide exemptions as allowed under various laws and ensure statutory compliances by the SEZ Units and SEZ Developer is the authority to run and maintain the said SEZ by charging service charges, lease rentals, premiums, maintenance fees, other charges and fees which are required to ensure smooth functioning of the said SEZ and nobody is allowed to interfere in the jurisdictions of each other.
19.5 Item No. 138.05.04, M/s HLE Engineers Pvt. Ltd., Dahej SEZ Request of the firm for intervention and direction to DSL for waiver of wrongly invoked non-utilisation penalty.

a) Issue raised in UAC: DSL requested for various information to be obtained from HLE and place them in the next UAC.
b) Written submission of the Noticee after Personal Hearing held on 21/04/2026

1. These non-utilization of plot charges are also being charged by GIDC, the main Lessor of the SEZ Land and all the GIDC Lands spread all over the State of Gujarat.

2. We are charging the non-Utilisation of plot charges as per SEZ Developer Board Decision dated 27/06/2017 and this policy is applicable to all the Units and is not meant for a particular unit.

3. As per Rule 7 (2) of the Gujarat SEZ Authority Rules, 2025, also if there is any grievances with respect to any charges and fees, an aggrieved person may appeal to the Development Committee against claim of the Developer or Co-developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving a reasonable opportunity of being heard, to both the parties. In view of this, if there is any issue or grievance by the SEZ Unit, they should raise it or file the appeal to the Development Committee where the Honourable DC is also the Member of the Development Committee. The UAC has no power to entertain such issues, complaints and appeal by the SEZ Unit with respect to charges, levies and fees charged by the SEZ. Developer

4. We also request the Honourable DC to let us know which Section of the SEZ Act, 2005 or Rules of the SEZ Rules, 2006 restricts the SEZ Developer to charge such user fees, charges, rentals, non-compliances charges etc.

5. All the charges, fees and payments to be made by SEZ Unit for availing the facilities, amenities and services in the SEZ are approved in the Board Meeting of the SEZ Developer and/or the Development Committee Meetings from time to time and it is the prerogative of the SEZ Developer to charge such fees and charges for running the said SEZ. Also, please note that these charges and fees are charged across the board to all the SEZ Units and there is no partiality done with respect to any one SEZ Unit. Those Units which do not want such charges or fees to be paid, they can any time to decide to set-up their Units in other SEZ Units or they are free to move away. Without these charges & fees it will be very difficult to run and maintain the said SEZ. Let us be very clear, the UAC is the authority for implementation of SEZ Act and Rules and collect taxes or provide exemptions as allowed under various laws and ensure statutory compliances by the SEZ Units and SEZ Developer is the authority to run and maintain the said SEZ by charging service charges, lease rentals, premiums, maintenance fees, other charges and fees which are required to ensure smooth functioning of the said SEZ and nobody is allowed to interfere in the jurisdictions of each other.

Common Written Submissions for all the above agenda points:

1. As per Section 14 (2) of Gujarat SEZ Act, 2004, user charges or fees as may be approved by the Development Committee for providing infrastructural facilities, amenities and services and as per Section 13 (1) & (12) of Gujarat SEZ Act, 2004 read with Rule 6 (12) & 7 of Gujarat SEZ Authority Rules, 2005, the Development Committee Determine the charges for infrastructural facilities, amenities and services provided by the Developer. Please note that DC and his nominee is also the part of the Development Committee.

2. Please note that only the Development Committee is empowered to determine the charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services provided by the Developer and not the DC nor UAC.

3. Nowhere in the SEZ Act and SEZ Rules, there is a provision which empowers the power either the DC or the UAC to decide such charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services.

4. Nowhere in the SEZ Act and SEZ Rules, there is a provision which empowers the power either the DC or the UAC to decide whether any charges, fees, levies, rentals etc.

for infrastructural facilities, amenities and services are in order or not or change them or obliterate them or provide waiver of such charges, fees, levies, rentals etc.

5. Any dispute, complaint or issues with respect to charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services by the SEZ Unit has to be made to the Development Committee by way of appeal and it is the prerogative of only and only the Development Committee to decide on such matters and not the DC or UAC. Other than these disputes, complaints or issues with respect to charges, fees, levies, rentals etc. for infrastructural facilities, amenities and services by the SEZ Unit, the DC or UAC may entertain other disputes or complaints of other nature except the one specified in this para as and if allowed under the SEZ Act, 2005 and SEZ Rules, 2006.

6. Neither the DC nor the UAC has powers to interpret the meaning and scope of user charges or fees providing infrastructural facilities, amenities and services and charges for infrastructural facilities, amenities and services provided by the Developer and it is only and only the Developer and Development Committee have the powers to do it. Even though there is any issues with respect to interpretation, the SEZ Unit can approach the Court for seeking clarification and interpretation of the meaning and scope of user charges or fees providing infrastructural facilities, amenities and services by the SEZ Developer.

7. When the said complainant is no more SEZ Unit with effect from 18/11/2025, what is the special interest of the DC or UAC to entertain such complaints and include it in the UAC scheduled on 21/04/2026?

8. When the said complainant has transferred their business with assets and liabilities to another SEZ Unit and exited as SEZ Unit on 18/11/2025, in which case if there is any issues or complaints against any user charges or fees providing infrastructural facilities, amenities and services and charges for infrastructural facilities, amenities and services provided by the Developer, such new SEZ Unit can raise the complaint or file the appeal before the Development Committee and not before the DC or UAC. If such new SEZ Unit is not satisfied with the decision of the Development Committee, they can still approach the court of law, which is the competent authority to decide such cases and not the DC or UAC.

9. The Developer nor the Development Committee interfere in the jurisdiction of the DC or UAC when they are discharging the functions allowed under the SEZ Act, 2005 and SEZ Rules, 2006 and based on this principle, the DC or UAC should also not interfere in the jurisdiction of the Developer and Development Committee.

10. Please note that user charges or fees providing infrastructural facilities, amenities and services and charges for infrastructural facilities, amenities and services provided by the Developer are charged to all the SEZ Units in the said SEZ without any partiality and all the SEZ Units are paying them from time to time since the inception of the SEZ and not charged only to a particular or select SEZ Unit.

11. Please note that all the information regarding the user charges or fees providing Infrastructural facilities, amenities and services and charges for infrastructural facilities, amenities and services provided by the Developer are reflected on the website of the SEZ Developer and after going through them only the prospective SEZ Units approach the SEZ Developer and agree to obtain the lease hold land for setting up SEZ Unit and undertake to pay such user charges or fees providing infrastructural facilities, amenities and services and charges for infrastructural facilities, amenities and services provided by the Developer from time to time.

12. It is astonishing to note that the said SEZ Unit has not raised any issues with respect to user charges or fees providing infrastructural facilities, amenities and services and charges for infrastructural facilities, amenities and services provided by the Developer when they were working in the SEZ and they have raised such issues only and only after they exited from the SEZ Unit. We failed to understand the motive and also the interest of the DC and UAC for entertaining such issues and complaints after the SEZ Unit has exited? Is not clearly the hands-in-gloves system of the said SEZ Unit and working of the DC and UAC?

20 We crave to leave, add, alter, modify, withdraw, amend all or any of the submissions made herein above and also craves to rely on various judicial decisions applicable to the case.

21 Based on what has been stated and submitted herein above, the Applicant sincerely request your Honour as follows:

21.4 To quash the decisions taken in the 138 UAC Meetings by the Honourable DC and UAC with respect to infrastructural facilities charges, amenities charges, service charges and other non-compliances charges levied by the SEZ Developer from time to time.

21.5 To remand back the said case back to the SEZ Development Committee and requesting the SEZ Units to raise complaints or grievances with respect to infrastructural facilities charges, amenities charges, service charges and other non-compliances charges levied by the SEZ Developer to the SEZ Development Committee with the limitation period.

21.6 To instruct the Honourable DC and UAC not to entertain any disputes or complaints with respect to infrastructural facilities charges, amenities charges, service charges and other non-compliances charges levied by the SEZ Developer and refer such complaints and disputes to the SEZ Development Committee where the Honourable DC or his nominee himself is a member of such SEZ Development Committee.

21.7 To allow the personal hearing in the said matter before any final decision is taken or speaking order is passed in the said matter.
21.8 Any other relief as your Lordship may deem it fit.

PRAYER of appellant:

1. To quash the decisions taken in the 138th UAC Meetings by the Honourable DC and UAC with respect to infrastructural facilities charges, amenities charges, service charges and other non-compliances charges levied by the SEZ Developer from time to time.
2. To remand back the said case back to the SEZ Development Committee and requesting the SEZ Units to raise complaints or grievances with respect to infrastructural facilities charges, amenities charges, service charges and other non-compliances charges levied by the SEZ Developer to the SEZ Development Committee with the limitation period.
3. To instruct the Honourable DC and UAC not to entertain any disputes or complaints with respect to infrastructural facilities charges, amenities charges, service charges and other non-compliances charges levied by the SEZ Developer and refer such complaints and disputes to the SEZ Development Committee where the Honourable DC or his nominee himself is a member of such SEZ Development Committee.
4. To allow the personal hearing in the said matter before any final decision is taken or speaking order is passed in the said matter.
5. Any other relief as your Lordship may deem it fit.

Para wise comments of O/o DC Dahej SEZ on the Appeal filed by M/s Dahej SEZ Limited dated 04.06.2026 against the decisions of the 138th UAC held on 21.04.2026. is as follows:

A. **Facts of the case**

Reply to Para No. 1 to 7. - No comment

Reply to Para No. 8. – Section 14 of the Gujarat SEZ Act, 2004 empowers the SEZ Development Committee to impose user charges for infrastructure facilities, services and amenities. The boundary wall charges, plantation fee and non-utilization of plot charges, transfer fees cannot be categorised as charges for infrastructure facilities, amenities and services provided by the Developer. Non plantation charges and non-utilization of plot charges as imposed by the Developer can be classified as penalties for non-compliance or breach of rules or laws and only the Unit Approval Committee is empowered under Section 9 (2) of the Gujarat SEZ Act, 2004 to impose such type of penalties for breach or non-compliance of rules or laws. The relevant text of Section 9(2) is placed below: -

The Approval committee shall supervise and monitor, clearances, approvals, licences or registrations granted by it and may take appropriate action under the relevant applicable laws for breach of or noncompliance of any terms and conditions of any such clearance, approval, licence or registration.

Reply to Para No. 9. - Section 9(1)(v) of the Gujarat SEZ Act, 2004 empowers the UAC to resolve commercial disputes and the decisions taken by the 138th UAC are mainly related to disputes of commercial nature between the Developer and the SEZ unit. SEZ Development Committee is neither empowered to levy penalties for non-compliance, breach of rules or laws nor authorized to resolve commercial disputes between SEZ units and Developer.

Reply to Para No. 10. & 11. - The UAC has not imposed any user charges or rentals. Further, Sub-Regulations 7(2) of the Gujarat SEZ Regulations, 2007 only talks about the power of Development Committee to decide on the appeals related to user charges for infrastructure facilities and amenities. It is being reiterated that the boundary wall charges, plantation fee and non-utilization of plot charges, transfer fees cannot be categorised as charges for infrastructure facilities, amenities and services provided by the Developer.

Reply to Para No. 12. to 14. - No comment

Reply to Para No. 15. - If the facts regarding transfer charges provided by the Appellant are true, then such policies adopted by either MIHAN SEZ or Mundra SEZ are violative of INSTRUCTION No. 109 (SEZ Section) Dated 18th October, 2021. The relevant text of the Instruction No. 109 is being produced below: -

Reorganization including change of name, change of shareholding pattern, business transfer arrangements, court approved mergers and demergers, change ofconstitution, change of Directors, etc. may be undertaken by the unit Approval Committee (LIA C) concerned <u>subject to the condition that the Developer/ Co-developer/ unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern</u>. All liabilities of the Developer/ Co-developer/ unit shall remain unchanged on such reorganization.

Further, such a policy adopted by other SEZs are not in congruence with the decision of the High Court of Gujarat in a similar matter. It is pertinent to refer the decision of Hon'ble High Court of Gujarat in case of Kumaka Industries Limited vs. Gujarat Industrial Development Corporation in SCA No. 12864 of 2017. The relevant text of the Order dated 12.10.2017 is placed below: -

Therefore, the lease agreement which has been entered into between the Ashok Organic Industries Limited as a Company incorporated under the Companies Act as Lesser and the Respondent Corporation as Lessor would clearly suggest that ***only the name of the Lessee Company has been changed and there is nothing to suggest by which it could be said to be a transfer of the plot of the GIDC*** *allotted in favour of Ashok Organic Industries Limited.*

The Circular dated 6.7.2017 issued by the Respondent Corporation which has been relied upon has no legs to stand as it only refers to the transfer of such a plot, which is not the case herein. The circular everywhere refers transfer and the decision of the Respondent Corporation dated 9.10.2017 which is placed on record also refers transfer. men there is no transfer as such, it is rather misleading the statutory provisions. The Circular issued by the Respondent Corporation dated 6.72017 will not have any application as it cannot be said to be any transfer.

Though the plot or the shade is allotted by the Respondent Corporation on a lease, the title remains with the Respondent Corporation and what is given is limited leasehold rights, meaning thereby, when the limited rights are given, then the submission made by the learned Advocate for the Respondent Corporation about the transfer strictly speaking would not have any application.

Reply to Para No. 16. to 18. - No comment

Reply to Para No. 19. - M/s. Arham Biochem Private Limited has the same PAN and GSTN as those of M/s. Bitumode International Private Limited. Hence, the legal entity remains the same.

Reply to Para No. 20. - Clause No. 6 (4) of Sub-Lease Deed dated 08.05.2014 is violative of INSTRUCTION No. 109 (SEZ Section) Dated 18th October, 2021. It is also not in congruence with the decision of Hon'ble High Court of Gujarat in case of Kumaka Industries Limited vs. Gujarat Industrial Development Corporation in SCA No. 12864 of 2017.

Reply to Para No. 21. - No comment

Reply to Para No. 22. - M/s. Kumar Organic Products Limited is a separate legal entity and hence paid the transfer fees and M/s. Arham Biochem Private Limited has requested for exit from SEZ and transfer of its assets and liabilities to M/s. Kumar Organic Products Limited.

Reply to Para No. 23. – This is a case of extreme form of apathy and injustice by the Developer to a SEZ unit. Although the payment of transfer fee of Rs 96,61,829/- was made by M/s Arham Biochem Private Limited in March, 2025 the sub-lease deed has not been signed by the CEO, DSL till date. This appeal is not related to transfer charges paid by M/s Kumar Organic Products Limited to the Developer.

Reply to Para No. 24. - The Developer has raised the demand vide invoice No. 24-25/B2B/D/524 dated 24.03.2025 and M/s. Arham Biochem Private Limited has made payment of all the charges to the Developer in March, 2025. Since the disputed invoice/demand pertains to the period prior to exit of the firm from Dahej SEZ hence, M/s. Arham Biochem Private Limited is allowed as per Section 9(1)(v) of the Gujarat SEZ Act, 2004 to approach the Unit Approval Committee for resolution of their disputes.

Reply to Para No. 25. - No comment

Reply to Para No. 26. & 27. - No comment

Reply to f Para No. 28. & 29. - All the submissions, arguments and presentation of M/s Dahej SEZ Limited has been heard and taken on record by the UAC. The minutes of the previous UAC meetings may kindly be referred to for details. Further, the submissions made by the Appellant were merely reiteration of the facts provided by them in their previous letters.

Reply to Para No. 30. & 31. - All the submissions made by the Appellant were duly considered by the UAC and the UAC took decisions based upon the facts provided by the SEZ unit and the Developer. Minutes of the 138th UAC is a speaking order because it covers all aspects and material facts provided by the unit and the Developer. There is no financial hardship faced by the appellant as the charges/penalties are not related to provisioning of any services or amenities.

B. **<u>Grounds of appeal</u>**

Reply to Para No. 1. - The principle of natural justice has been followed by the UAC in all meetings and sufficient opportunity of hearing were given to both the parties. The same can be seen from the minutes of 135th UAC held on 22.12.2025, 137th UAC held on 17.03.2026 and 138th UAC held on 21.04.2026.

Reply to Para No. 2., 3. & 4. - The boundary wall charges, plantation fee and non-utilization of plot charges, transfer fees cannot be categorised as charges for infrastructure facilities, amenities and services provided by the Developer. Non plantation charges and non-utilization of plot charges as imposed by the Developer can be classified as penalties for non-compliance or breach of rules or laws and only the Unit Approval Committee is empowered under Section 9 (2) of the Gujarat SEZ Act, 2004 to impose such penalty. The relevant text of Section 9(2) is placed below: -

The Approval committee shall supervise and monitor, clearances, approvals, licences or registrations granted by it and may take appropriate action under the relevant applicable laws for breach of or noncompliance of any terms and conditions of any such clearance, approval, licence or registration.

It is necessary to emphasize here that SEZ Development Committee is not empowered to levy any penalty for non-compliance or breach of rules or laws. Further, Section 9(1)(v) of the Gujarat SEZ Act, 2004 empowers the UAC to resolve commercial disputes.

Reply to Para No. 5. – The SEZ Development Committee is not empowered to levy penalties for non-compliance or breach of rules or laws. Sub-Regulation 7(2) of the Gujarat SEZ Regulations, 2007 only talks about the power of Development Committee to decide on the appeals related to user charges for infrastructure facilities and amenities. Regulation 7 of the Gujarat SEZ Regulations, 2007 is placed below for reference of the BoA: -

7. Levy of user charges and Fees: -
(1) The Developer shall levy user charges or fees as may be approved by the Development Committee under sub-regulation (12) of regulation 6 for providing infrastructure facilities and amenities and services.
(2) The procedure for the levy of user charges or fees by the Developer or Codeveloper shall be as under: -
(a) The Developer or Co-developer shall prepare the bill for the services used.
(b) The Developer or Co-developer shall arrange for distribution of bills and recover the charges and give receipts.
(c) The Developer or Co-developer shall take such measures as laid down by the Development Committee in the case of failure to pay fees and user charges as laid down by the Development Committee.
(d) An aggrieved person may appeal to the Development Committee against claim of the Developer or Co- developer or any measures as may be taken, within three months of the date of such claim or measures taken, provided that the Development Committee shall decide on the appeal, after giving a reasonable opportunity of being heard, to both the parties.

It is being reiterated that the boundary wall charges, plantation fee and non-utilization of plot charges, transfer fees cannot be categorised as charges for infrastructure facilities, amenities and services provided by the Developer. Whereas, Section 9(1)(v) of the Gujarat SEZ Act, 2004 empowers the UAC to resolve such commercial disputes between SEZ unit and Developer.

Reply to Para No. 6. - No comment

Reply to Para No. 7. - Sub-Regulation 5 (2) of the Gujarat Special Economic Zone Regulations, 2007 provides that: -

(2) The Unit Approval Committee shall adopt the following procedure to resolve disputes of commercial nature between the agencies providing services and consumers: -

(a) A complaint received from the consumer shall be examined by the Development Commissioner.

(b) Comments shall be invited from the service provider.

(c) The agenda shall be prepared and placed in the meeting of Unit Approval Committee for decision.

(d) The Development Commissioner shall communicate the decision of the Unit Approval Committee to consumer and the Developer or Co-developer.

By carefully going through the above provisions, one can conclude that the UAC has power to hear disputes of commercial nature between SEZ units and Developer. The UAC has acted upon and decided the matter that falls under its purview. The Appellant is trying to misguide the BoA by quoting Sub-Regulation 5 (3) of the Gujarat Special Economic Zone Regulations, 2007 instead of Sub-Regulation 5(2) of the Gujarat Special Economic Zone Regulations, 2007.

Reply to Para No. 8. - Sub-Regulation 7(2) (d) of the Gujarat SEZ Regulations, 2007 only talks about the power of Development Committee to decide on the appeals related to user charges for infrastructure facilities and amenities. It is being reiterated that the boundary wall charges, plantation fee and non-utilization of plot charges, transfer fees cannot be categorised as charges for infrastructure facilities, amenities and services provided by the Developer. Whereas, Section 9(1)(v) of the Gujarat SEZ Act, 2004 empowers the UAC to resolve commercial disputes.

Reply to Para No. 9. – It is to emphasize here that neither Gujarat SEZ Act, 2004 nor Gujarat SEZ Regulations, 2007 authorizes the Developer to exercise **quasi-judicial power** and impose penalty upon the units for non-compliance. The boundary wall charges, plantation fee and non-utilization of plot charges, transfer fees cannot be categorised as charges for infrastructure facilities, amenities and services provided by the Developer. Non plantation charges and non-utilization of plot charges as imposed by the Developer can be classified as penalties for non-compliance or breach of rules or laws. Whereas, the Unit Approval Committee is empowered under Section 9 (1) (v) of the Gujarat SEZ Act, 2004 to resolve commercial disputes.

Reply to Para No. 10. - The office of the Development Commissioner, Dahej SEZ vide letter dated 27.11.2025 has already provided the relevant rule positions to the Developer. It is being reiterated that the Unit Approval Committee is empowered under Section 9 (1) (v) of the Gujarat SEZ Act, 2004 to resolve commercial disputes between SEZ units and the Developer. The Minutes of Meeting of 138th has clearly mentioned the relevant rule position to the Developer.

Reply to Para No. 11. & 12. - Neither Gujarat SEZ Act, 2004 nor Gujarat SEZ Regulations, 2007 authorizes the Developer or the Development Committee to exercise **quasi-judicial power** and impose penalty upon the units for non-compliance. The attention of the Board of Approval is being drawn towards the fact that the boundary wall charges, plantation fee and non-utilization of plot charges, transfer fees collected from the SEZ units should have been maintained separately by the Developer and such fund should not be used to run and maintain the SEZ. The Appellant has correctly mentioned that service charges, lease rentals, maintenance fees etc. can be used to run and maintain an SEZ.

Reply to Para No. 13. & 14. – The Unit Approval Committee has never interfered in the jurisdiction of SEZ Development Committee. The UAC has neither determined nor imposed the charges, fees, levies, rentals etc. for infrastructure facilities, services and amenities provided by the Developer.

Reply to Para No. 15. & 16. - The complaints received from M/s. Arham Biochem Private Limited & M/s. HLE Engineers Private Limited are not related to provisioning of any infrastructural facilities, amenities and services. Rather those are commercial disputes and Sub-Regulation 5 (2) of the Gujarat Special Economic Zone Regulations, 2007 provides for resolution of commercial disputes.

Reply to Para No. 17. & 18. - The Developer has raised multiple demands vide invoice No. 24-25/B2B/D/524 dated 24.03.2025 and M/s. Arham Biochem Private Limited has made payment of all the charges to the Developer in March, 2025. Hence, the disputed invoice/demand pertains to the period much prior to exit of the firm from Dahej SEZ.

Reply to Para No. 19. 1 - This is a fit case of double jeopardy by the Developer. The Developer has crossed the limit of exploitation by forfeiting the amount of tree plantation deposited by the unit at the time of execution of sub-lease deed and subsequently imposing penalty for not able to maintain sufficient number of trees in their premises. It is surprising that the Developer is neither empowered by any Act or Regulation to collect the deposit amount for tree plantation nor empowered to impose penalty upon the units. The Developer has not provided any service to the unit in this case. The Developer has relied upon the **Comprehensive Development Control Regulations, 2017**. The specific provision related to tree plantation is placed below:

25.5 Tree Plantation

I. All buildings shall provide tree plantations conforming to the following:
2. Building unit having area of more than 100 sq.mt shall be provided with minimum three trees for every 200 sq.mt area or part thereof.
3. The Trees shall preferably be shade-giving and from the species listed in Schedule 24.
4. The requirement of trees shall be reduced on the basis of the number of grown existing trees that are conserved and not affected by the proposed development.
5. Trees shall be planted on site and guarded by the tree guards and shall be maintained Properly.
6. Trees shall be planted without causing obstruction to the easy movement of fire fighting vehicles in case of fire emergency.
7. A person applying for permission to carry out any development shall have to pay ***tree plantation deposit*** *along with his application to the Competent Authority at the rates decided by the Competent Authority time to time. This deposit shall be refundable after the period of five years with the condition that trees planted on the site shall be grown-up and maintained properly, otherwise the deposit shall be forfeited and shall be utilised only for tree plantation and maintenance by the Competent Authority.*
8. Competent Authority may consult Forest and Environment Department for tree typology, plantation and maintenance, etc. if required.

The said Regulation only empowers the Competent Authority to **forfeit** the tree plantation deposit amount in case of non-compliance. **The Developer of an SEZ is not a competent authority as per the said Regulation** because this regulation is not applicable to SEZs operational in Gujarat state.

The said Regulation also mentions that the deposit shall be used **ONLY for tree plantation and its proper maintenance** by the Competent Authority. <u>The said regulation nowhere talks about the penalty, which is over and above the forfeited deposit amount</u>. In this specific case, even after forfeiting the deposited amount the CEO, DSL has imposed penalty on the SEZ units and thus penalized the firm TWICE for non-plantation of tree and **they have not utilized the forfeited amount for tree plantation in the premises of the SEZ unit as mandated by the said Regulation.**

Hence, in the view of above provisions the Approval Committee in its 138th meeting unanimously decided that as per the Comprehensive Development Control Regulations, 2017, the CEO, DSL has no statutory authority to impose penalty upon the units for non-plantation of tree. **Since the deposited amount has already been forfeited by the DSL, imposition of penalty is illegal.** Therefore, the Committee directed the CEO, DSL to refund the penalty amount of Rs 94000/- and Rs 188000/ - collected by them from M/S Arham Biochem Private Limited within 20 days of intimation.

Reply to Para No. 19.2 - The dispute related to boundary wall charges is still unresolved. The 138th Approval Committee made following observations in this case:

I. Construction of the boundary wall is a prerequisite for notifying an area as a SEZ. Thus the Developer is solely responsible for erection and maintenance of the boundary wall of the entire SEZ.
2. Despite the direction of the 135th UAC, the Developer has not provided the details of the units who had been asked by the CEO, DSL to pay the boundary wall charges by them.
3. The Offer-Cum-Allotment Letter clearly mentions at Para 4 (d) that the unit will be required to make payment towards boundary wall constructed by DSL.
4. The outstanding demand has been raised only when the firm had applied for transfer of their LOA to another unit. Raising of demand by an official other than CFO raises doubt about the intention of the CEO in the entire process.

The Approval Committee after detailed discussion unanimously decided to seek following information from the Developer:
I. Since **the demand has been raised after more than 10 years from the year of allotment** of land, an explanation may be provided by the Developer as to why the outstanding amount had not been collected from the unit in ten years.
2. The Developer has to provide the details of the units who had been asked to pay the boundary wall charges by them.
3. The Developer shall also provide the method of calculation of boundary wall charges (measurement, valuation, etc.) to justify the outstanding amount charged from the SEZ units.
4. The Developer shall also provide a Declaration stating that the outstanding amount for compound wall charges have not been collected from M/ s Bitumode International Private Limited and it has been shown in their balance sheet as **receivables.**

The Developer shall provide above details to the office of Development Commissioner within 20 days of intimation in this regard. The matter will be discussed in the next UAC.

The Appellant has not provided any information with respect to method of calculation of boundary wall charges to the o/o DC, Dahej SEZ till date. Further, they are unable to explain the fact that even if it is uniformly collected from all the units, why the same have not been collected from M/ s Bitumode International Private Limited and whether it has been shown in their balance sheet as **receivables or not.**

Reply to Para No. 19.3 - The Appellant is trying to create a confusion by considering reorganization of a SEZ unit as a transfer of asset. In this regard, it is necessary to mention the **INSTRUCTION No. 109 (SEZ Section) dated 18th October, 2021** written to all the Chief Secretaries of the State Governments and all the Development Commissioners. The relevant text of the Instruction No. 109 is being produced below: -
Reorganization *including change of name, change of shareholding pattern, business transfer arrangements, court approved mergers and demergers, change of constitution, change of Directors, etc. may be undertaken by the unit Approval Committee (LIA C) concerned* <u>*subject to the condition that the Developer/ Co-developer/* ***unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern***</u>**.** *All liabilities of the Developer/ Co-developer/ unit shall remain unchanged on such reorganization.*

It is also pertinent to refer the decision of Hon'ble High Court of Gujarat in case of Kumaka Industries Limited vs. Gujarat Industrial Development Corporation in SCA No. 12864 of 2017.

The relevant text of the Order dated 12.10.2017 is placed below: -

Therefore, the lease agreement which has been entered into between the Ashok Organic Industries Limited as a Company incorporated under the Contpanies Act as Lesser and the Respondent Corporation as Læssor would clearly suggest that only the name of the Lessee Company has been changed and there is nothing to suggest by which it could be said to be a transfer of the plot of the GIDC allotted in favour of Ashok Organic Industries Limited.

The Circular dated 6.7.2017 issued by the Respondent Corporation which has been relied upon has no legs to stand as it only refers to the transfer of such a plot, which is not the case herein. The circular everywhere refers transfer and the decision of the Respondent Corporation dated 9.10.2017 which is placed on record also refers transfer. men there is no transfer as such, it is rather misleading the statutory provisions. The Circular issued by the Respondent Corporation dated 6.72017 will not have any application as it cannot be said to be any transfer.

Though the plot or the shade is allotted by the Respondent Corporation on a lease, the title remains with the Respondent Corporation and what is given is limited leasehold rights, meaning thereby, when the limited rights are given, then the submission made *by the learned Advocate for the Respondent Corporation about the transfer strictly speaking would not have any application.*

Based on the above instruction and the Judgement of the Hon'ble High Court of Gujarat, the 138th Approval Committee made following observations:

1. **The sub-lease deed has not been signed by the CEO, DSL till date despite the payment of transfer Fee of Rs 96,61,829/- made by the firm in February, 2025.**
2. The sub-lease deed has not been signed by the CEO, DSL even after instructions given by **the 131st and 133rd UAC in** this regard.
3. Since the demand for payment of transfer fee has been raised by the CEO, DSL in the absence of CFO and the CEO, DSL himself has delayed the execution of the sub-lease deed, the process itself raises question about the intention of the CEO, DSL behind serving the notice to the firm.
4. The Clause No. 6.4 of the Sub-Lease Deed dated 08.05.2014, is in contrary to the Instruction No. 109 (SEZ Section) dated 18th October, 2021 and the decision of Hon'ble High Court of Gujarat in SCA No. 12864 of 2017.

Therefore, the Committee after considering the above-mentioned facts and after detailed discussion unanimously decided that a clause mentioned in the Sub-lease Deed cannot override the Instruction No. 109 issued by the Department of Commerce, Government of India. Further, the clauses mentioned in the Sub-lease Deed cannot justify arbitrary recovery by the Developer because the change of name from M/S Bitumode International Private Limited to M/ s Arham Biochem Private Limited cannot be considered as a transfer as per the provisions of Section 5 of the Transfer of Property Act. Moreover, **since the sub-lease deed has not been signed by the CEO, DSL till date therefore collecting the transfer fee is illegal.** Therefore, the Committee directed the CEO, DSL to refund the amount of Rs 96,61,829/ to M/ s Arham Biochem Private Limited within 20 days of intimation.

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Reply to Para No. 19.4 - Dahej SEZ Limited might be the only Developer to impose non-utilization charges on an operational unit after ten years of existence. None of the statues viz. SEZ Act, 2005, SEZ Rules, 2006, Gujarat SEZ Act, 2004, Gujarat SEZ Rules, 2005 and Gujarat SEZ Regulations, 2007 empowers the Developer to impose non-utilization charges on a SEZ unit.

The 138th Approval Committee made following observations w.r.t. non-utilization of plot charges demanded by the Developer:

I. The Developer failed to provide the relevant statutory provision which empowers them to levy charges for non-utilization of plot. It proves that the Developer has no statutory authority to impose such charges.
2. There is no provision in the SEZ Act, 2005, SEZ Rules, 2006, Gujarat SEZ Act, 2004 and the Gujarat SEZ Rules, 2005 empowering the Developer to impose penalty/ charges for non-utilization of plot to any unit in SEZ.
3. The imposition of penalty/charges for non-utilization of plot (after 10 years of commencement) without any statutory authority and in the absence of CFO raise doubt about the intention of the CEO, DSL.
4. The Developer has not provided the criteria used by them to classify a plot as non-utilized.
5. The CEO, DSL has imposed non-utilization charges on a unit which was fully operational. Thus, the demand raised by the CEO, DSL may be considered as null and void.

The Approval Committee after considering all the above-mentioned facts and after detailed discussion concluded that imposition of non-utilization charges on the unit without any statutory authority is null and void. Hence, it is necessary for the Committee to intervene in this matter.

The Committee directed the CEO, DSL to refund the amount of Rs 4,91,046/- illegally collected by them from M/S Arham Biochem Private Limited within 20 days of intimation.

The Approval Committee also took a serious note of the fact that the Developer has imposed non utilization charges on a unit despite the fact that the unit was fully operational.

Reply to Para No. 19.5 -
This is an exceptional case of non-cooperation and apathetic approach of the Developer towards the SEZ Unit and imposition of irrational penalty on the unit. It is equally surprising that despite all odds, the SEZ unit took all steps to resolve the issues and used all resources including the settlement with miscreants and started construction. They dispatched first consignment from their plant on 07.10.2023. it has been informed by the unit that the Appellant has not executed sub-lease deed for the plot on which the unit is operational since 2023.

The non-utilisation of land was neither wilful nor intentional, but occurred due to infrastructure deficiencies, repeated plot changes approved by DSL, statutory approval delays, COVID-19 related force majeure conditions (2020-2022), and law and-order issues.

During the meeting of the Approval Committee, the representative of the Developer confirmed that there was no approach road for Plot No. Z/Ill/B at that time. They also confirmed that DSL approved allotment of Plot No. Z/96/B (Present Location) on 12th April 2018, against which swapping charges (Rs. 2,73,989/-) were duly paid by the unit.

The Approval Committee made following observations: -

1. The Developer failed to provide the relevant statutory provision which empowers them to levy charges for non-utilization of plot. It proves that the Developer has no statutory authority to impose such charges.
2. There is no provision in the SEZ Act, 2005, SEZ Rules, 2006 and the Gujarat SEZ Act, 2004 empowering the Developer to impose penalty/charges to any unit in SEZ for non-utilization of plot.

Further, considering the factors like the hardship faced by the unit due to infrastructure deficiencies, repeated plot changes approved by DSL, statutory approval delays, COVID-19 related force majeure conditions (2020-2022), and law-and-order issues, the Committee was of the opinion that these circumstances were not in the control of the firm. Hence, there was a delay in setting up of a factory on the land which was allotted to them in April, 2018. Furthermore, imposition of penalty/ charges for non-utilization of plot in the year 2022 (after 3 years) for the period 12.01.2016 to 11.01.2019 without any statutory authority raises doubt about the intention of the Developer.

The Approval Committee after considering all the above-mentioned facts and after detailed discussion concluded that imposition of non-utilization charges on the unit without any statutory authority is null and void. Therefore, the Committee directs the Developer to refund the amount, if collected from the unit.

The Approval Committee also took serious note of the fact that **the Developer has not executed the Sub-Lease Deed till date despite the unit having a valid Letter of Approval issued by the Development Commissioner, Dahej SEZ.** Hence, the CEO, DSL is directed to execute the Sub-Lease Deed within 20 days of intimation.

<u>Reply to Common Written Submissions: -</u>

In view of the above-mentioned facts as well as the observations of the Approval Committee, one can conclude that the Appellant has been following unfriendly and apathetic approach towards the SEZ units and have taken all measures to exploit the SEZ units by imposing various penalties and charges, which are illegal and irrational. In the worst case of M/s. HLE Engineers Private Limited, the Developer has ensured that the unit could not get bank loans by not executing the sub-lease deed.

It is to emphasize that the boundary wall charges, plantation fee and non-utilization of plot charges, transfer fees etc. cannot be categorised as charges for infrastructure facilities, amenities and services provided by the Developer. Rather, these charges are nothing but penalties for non-compliance or breach of rules or laws. Hence, only the Unit Approval Committee is empowered under Section 9 (2) of the Gujarat SEZ Act, 2004.

Further, the SEZ Development Committee is not empowered to levy penalties for non-compliance or breach of rules or laws. As per Section 9 (2) of the Gujarat SEZ Act, 2004 the Unit Approval Committee is fully empowered to take decision in such cases. The decisions taken by the 138th UAC are mainly related to disputes of commercial nature between the Developer and the SEZ unit and the Section 9(1)(v) of the Gujarat SEZ Act, 2004 empowers the UAC to resolve such disputes.

Reply to Para No. 20. - No comment

Reply to Para No. 21. - Based on the details provided in the above paragraphs and the legal provisions it is submitted before the Board of Approval that the boundary wall charges, plantation fee and non-utilization of plot charges, transfer fees etc. cannot be categorised as charges for provisioning of infrastructure facilities, amenities and services by the Developer and imposition of such charges may be considered as harassment of SEZ units by the Developer. Hence, the Appeal of the Developer may be summarily rejected by the Board of Approval as the Section 9(1)(v) Gujarat SEZ Act, 2004 empowers the UAC to resolve such disputes.

It is also prayed to direct the Appellant to refund the charges illegally collected by them from the concerned SEZ units.

It is also requested that the Developer may be instructed to shift their focus on improving the infrastructural facilities in the Dahej SEZ and may be discouraged from taking any harsh action against the units which are detrimental to the export from the Dahej SEZ.

The Board in its 141st meeting of BoA for SEZs held on 17.07.2026 deferred the appeal as per the request of appellant.

Now the appeal has been placed for consideration of BoA.

Agenda Item No. 142.8:

Request for setting up of new SEZ [1 proposal –142.8(i)]

Relevant provisions under the SEZ law: -

Rule 5. Requirements for establishment of a Special Economic Zone.

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

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

*(a)**A Special Economic Zone or Free Trade Warehousing Zone other than a Special Economic Zone for Information Technology or Information Technology enabled Services, Biotech or Health (other than hospital) service, shall have a contiguous land area of fifty hectares or more**:*

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

Provided further that where a Special Economic Zone is exclusively set up for manufacturing of semiconductors or electronic components, the contiguous land area shall be ten hectares or more.

Explanation. - For the purposes of this proviso, the electronic components include display module sub-assembly, camera module sub-assembly, battery sub-assembly, various types of other module sub-assemblies, printed circuit board, li-ion cells for batteries, mobile and information technology hardware components, hearables and wearables.

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

SL.No.1	*Categoryof cities as perAnnexure IV A*	*Minimumbuilt up area requirement*
1.	*Category'A'*	*1,00,000sq mts*
2.	*Category'B'*	*50,000sq mts*
3.	*Category'C'*	*25,000sq mts*

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

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

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

Rule 6. Letter of Approval to the Developer. –

(1) The Central Government shall, within a period of thirty days of the communication received by it under clause (a) or clause (b) of sub-section (9) of section 3 of the Act grant following approvals: -

(a) formal approval in the cases where land is in possession of the developer in Form-B to the person or the State Government concerned or in Form-C, if the approval is for providing infrastructure! facilities in the Special Economic Zone, incorporating additional conditions, if any, specified by the Board while approving the proposal;

(b) in-principle approval in other cases in Form-B 1 to the person or the State Government concerned, incorporating additional conditions, if any, specified by the Board while approving the proposal,

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

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

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

Provided further that the Board may relax the condition of encumbrance free area, in cases where the area is mortgaged or leased to the Central Government or State Government, or their authorized agency on mortgage or for lease, for reasons to be recorded in writing.

Rule 2. Definitions

(zf) "Vacant Land" means the land where there are no functional ports, manufacturing units, industrial activities or structures in which any commercial or economic activity is in progress.

142.8(i) Proposal of M/s. NIDP Developers Private Limited seeking Formal Approval for setting up a "Information Technology/ Information Technology Enabled Services" (Data Centre) SEZ at Plot No. 7, Sector Knowledge Park -05, Greater Noida, Gautam Buddha Nagar District, Uttar Pradesh over an area of 1.65 Ha.

Jurisdictional SEZ – Noida SEZ (NSEZ)

Brief facts of the case:

M/s. NIDP Developers Private Limited seeking Formal Approval for setting up a "Information Technology/ Information Technology Enabled Services" (Data Centre) SEZ at Plot No. 7, Sector Knowledge Park -05, Greater Noida, Gautam Buddha Nagar District, Uttar Pradesh over an area of 1.65 Ha.

The prescribed documents for setting up of new SEZ for the consideration of the BoA and the status thereof are as follows: -

S. N.	Condition/Documents required	Status
A.	**Documents required for setting up of SEZ in terms of Rule 3 of SEZ Rules, 2006:**	
(i)	Completed Form A (with enclosures) a. Total Proposed Investments: b. In case of FDI amount & Source of origin: c. Proposed Employment (in Nos.): d. Proposed Exports (in US$):	Yes, Provided Rs. 2448.6623 crore 0, NA Approximately 90 direct and 76 indirect persons in a period of 5yrs Approximately Rs. 1472.8962 cr over 5 yrs
(ii)	DC's Inspection Certificate/Report	Yes, Provided.
(iii)	State Government's recommendation	Yes, Provided.
(iv)	Recommendation for National Security Clearance (NSC) from Ministry of Home Affairs as per Rule 3 of SEZ Rules, 2006	Self-Declaration furnished by the applicant viz. M/s. NIDP Developers Private Limited
B.	Minimum area requirements in terms	

	of Rule 5 of SEZ Rules, 2006:	Yes, (1.65 Ha Land in possession).
	Fulfilment of minimum land area requirement in terms of the Rule 5 of the SEZ Rules, 2006	
C.	**Details to be furnished for issue of notification for declaration of an area as SEZ in terms of Rule 7 of SEZ Rules, 2006:**	
	Certificate from the concerned State Government or its authorized agency stating that the Developer(s) have;	
(i)	Legal possession	Yes, Provided,
(ii)	Irrevocable rights to develop the said area as SEZ	Yes, Provided
(iii)	that the said area is free from all encumbrances	Yes, Provided
(iv)	Where the Developer has leasehold right over the identified area, the lease shall be for a period not less than twenty years	Yes, Provided
(v)	The identified area shall be Contiguous, Vacant and No public thoroughfare	The physical inspection report suggests that the proposed area of 1.65 Hectare (16,500 sq. mtr.) to be notified is found in contiguous condition, comprising a single compact plot, free from encumbrance and without any public thoroughfare passing through it. The building under construction within the proposed area is without availment of any duty/tax benefits and no economic, social or commercial activity is being carried out from the said land in terms of Rule 2(zf) of the SEZ Rules, 2006.

In terms of DoC's Instruction No. 102 dated 10-11-2019 physical inspection was conducted on 11.08.2026 by officials of NSEZ, State Govt Authority in presence of Developer. During the physical inspection/site-verification, following has been observed:

a. The inspection team entered the proposed site from the right side of the Plot having the details of the plot mentioned on the board. The entire proposed area of 1.65 Hectare (16,500 Sqmtrs.) comprises a single compact plot with well-defined boundaries and there is no public thoroughfare passing through the land proposed for the SEZ.
b. During the physical inspection, it is seen that one building (Data Centre Building DC-2) is under construction within the area proposed to be notified. The representative of the Developer informed that (i) the said construction is being carried out entirely without availment of duty/tax benefit, exemption or concession of any kind on the said construction or otherwise in respect of the said land; and (ii) no economic, social or commercial activity is being carried out from the said land/structure and the land accordingly qualifies as "vacant land" in terms of Rule 2(zf) of the SEZ Rules, 2006.
c. As per the Campus Layout/Site Master Plan (Annex-III), the construction is planned in phases; currently construction of Data Centre Building DC-2 along with allied DG/utility blocks is under process and the remaining area within the proposed SEZ is earmarked for future development.
d.It has been concluded that proposed area of 1.65 Hectare (16,500 sq. mtr.) to be notified is found in contiguous condition, comprising a single compact plot, free from encumbrance and without any public thoroughfare passing through it. The building under construction within the proposed area is without availment of any duty/tax benefits and no economic, social or commercial activity is being carried out from the said land in terms of Rule 2(zf) of the SEZ Rules, 2006.

Recommendation of DC NSEZ:

The DC, NSEZ has forwarded the proposal for setting up of new SEZ by M/s. NIDP Developers Private Limited seeking Formal Approval for setting up a "Information Technology/ Information Technology Enabled Services" (Data Centre) SEZ at Plot No. 7, Sector Knowledge Park -05, Greater Noida, Gautam Buddha Nagar District, Uttar Pradesh over an area of 1.65 Ha. with the approval of DC, NSEZ for consideration of BoA.