
Fwd: Critical Issues in AMRL Special Economic Zone, Nanguneri, Tamil Nadu reg

Director General EPCES <dg@epces.in>

Mon, 15 Dec at 12:10 PM

To: Sh Vimal Anand JS(SEZ) <vimal.anand@nic.in>, Sh Gaurav Pundir, Director (SEZ) <gaurav.pundir@gov.in>, Sh Prateek BAJPAI, US(SEZ) <prateekbajpai.moca@nic.in>

Cc: <csoffice@nic.in>, ddg ddg <ddg@epces.in>, Sh Ajay Bhadoo, AS (SEZ) <astpd-doc@nic.in>

Dear Sir(s)

Please refer to EPCES mail dated 14.9.2023 forwarding a representation from AMRL SEZ unit holders Association,, AMRL Hitech city Ltd,, Nanguneri, Tirunelveli District, Tamil Nadu, regarding the appalling state of affairs on the part of SEZ Developer.

This issue was again raised in the recent stakeholder consultation held on 21.11.2025 in Chennai under the chair of Commerce Secretary.

They stated that SREI Group had significant stake in the AMRL SEZ and IBC proceedings (NCLT) against the SREI Infrastructure Finance Ltd have led to stoppage of investments and funding to the zone resulting in stoppage of basic services by the AMRL disrupting the functioning of units.

They have requested that proceedings against the developer may be taken up under Section 10 of SEZ Act and appoint an Administrator.

It is requested that the matter may kindly be examined on priority and action may be taken to protect the interests of SEZ units in the SEZ.

With regards,**(Alok Chaturvedi)****Alok V Chaturvedi, IAS(Retd)**

Director General,

Export Promotion Council for EOUs and SEZs,

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Export Promotion Council for EOUs (Export Oriented Units) and SEZs (Special Economic Zones) (EPCES) is a multi-product Export Promotion Council set up by the Ministry of Commerce and Industry, representing the interests of SEZ units, SEZ developers and Export Oriented Units. It has 6,278 members with 4,882 SEZ units, 394 SEZ developers and 1,002 EOUs. In FY 2024-25, total exports of goods and services from SEZs were recorded at US \$ 176.6 billion (21.4% of India's exports) (goods \$69 bn (15.8% of India's goods exports) , services 107.6 bn (27.8% of India's services exports)) and export of goods from EOUs at US\$ 18.1 billion (4.2% of India's goods exports)

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HON'BLE COMMERCE MINISTER.pdf



me 14 Sep 2023



to as.lss-doc, Vipul, Senthil, csoffice, Su... ▾

Dear Sir(s)

Please refer to the trailing email from AMRL SEZ unit holders Association,, AMRL Hitech city Ltd,, Nanguneri, Tirunelveli District, Tamil Nadu, regarding the appalling state of affairs on the part of SEZ Developer.

They have stated that SREI Group had significant stake in the AMRL SEZ and IBC proceedings (NCLT) against the SREI Infrastructure Finance Ltd have led to stoppage of investments and funding to the zone resulting in stoppage of basic services by the AMRL disrupting the functioning of units.

They have requested that proceedings against the developer may be taken up under Section 10 of SEZ Act and appoint an Administrator.

It is requested that the matter may be examined and further action may be taken to protect the interests of SEZ units in the SEZ.

With regards,

To

13.9.23

The Hon'ble Commerce & Industries Minister
Ministry of Commerce & Industry
Government of India,
New Delhi.

Dear Honourable Commerce & Industrial Minister,

We, the AMRL SEZ Unit Holders Association, are writing to draw your attention to a critical matter concerning the lack of basic amenities and operational challenges faced by the AMRL SEZ region located at Nanguneri, Tirunelveli District, Tamil Nadu.

As stakeholders of the AMRL HI Tech City Limited, which spreads over approximately 2500 Acres in the state of Tamil Nadu, comprises manufacturing units contributing significantly to foreign exchange earnings and local employment, we are deeply concerned about the present state of affairs.

In the last fiscal year (FY 22-23), our unit holders facilitated business worth INR 58.12 Crores, underscoring our contribution to economic growth, job creation, and foreign investment – all vital components of our nation's development.

However, we regret to report that the SEZ developers have failed to fulfil their obligations in providing essential facilities, as outlined below:

1. Insolvency of Parent Group SREI (SREI Infrastructure Finance Ltd):

SREI Group has significant stake in the AMRL SEZ and the sudden proceedings under the Insolvency Bankruptcy code (IBC) of SREI Infrastructure Finance Limited has led to the stoppage of investments and funding to the zone and we foresee that the funds have been diverted and this has led to the stoppage of services from the AMRL end, resulting in business disruption and reduction in Export orders.

This proceedings under IBC poses additional challenges that impact the stability of the SEZ.

2. Termination of Land Lease by TIDCO (Tamil Nadu Industrial Development Corporation):

One of the most pressing issues is the sudden termination of the lease agreement by TIDCO, despite its initial commitment for a 99-year lease. We have been hearing newspaper articles that the TIDCO has sent notice regarding termination of lease and this puts a question in the credibility of the land leases and affects the Export holders' ability to continue our operations in the Zone.

3. Operational & Administrative Challenges:

The Export Unit holders inside the SEZ zone has been facing several operational and administrative challenges and they are summarised for easy understanding:

No Water Supply: All SEZ Industries paid water tariff amount Rs.25 Lakhs to AMRL SEZ Developer without any pending. But the AMRL SEZ Developer not paid the water tariff amount Rs.24.8 Lakhs to TWAD. So TWAD is stopped water supply to AMRL SEZ. All Industries in SEZ suffering without water for Domestic and Factory usage from 1st September 2023 onwards.

No Electricity Power: No power supply at SEZ office and Main Gate due to AMRL not paid Electricity charges to Tamil Nadu Electricity board. So the Electricity supply disconnected from August 2023 onwards. There is no light at Admin office and main gate. AMRL SEZ Authorised officer not able to service to industries, Truck drivers/public suffering without Light at main gate.

Security: Securities salaries not paid for the last three months and also number of Securities reduced from 35 to 2 securities. Inadequate security personnel at the SEZ's main gate compromise entry control.

STP: The non-functional Sewage Treatment Plant exacerbates environmental concerns.

Street Lights: Non-functioning street lights within the SEZ jeopardize safety and security of employees.

Roads: Absence of proper road facilities limits transportation options, with only gravel roads available.

Of particular concern is the alarming deficiency is the stoppage of water supply, No power at Admin office, main gate, security measures. Previously, the SEZ had 35 security personnel, which has dwindled to a mere 2 due to the lack of salary disbursement over the past 7 months. This shortfall in security staff compromises raw material entry and finished product exit, leading to significant delays in container clearance and overall operations. This has further caused a decline in active companies within the AMRL SEZ, with only 15 out of 32 companies currently operational.

OUR PRAYER

Change in Administrator for the SEZ

There are provisions under the SEZ Act and Rules for the Board of Approval, Ministry of Commerce to appoint an Administrator for the zone, in the event of any failure while discharging the liabilities of a Developer.

The elaborate provisions are given below :

SECTION : 10(1)(d) - Suspension of letter of approval and transfer of Special Economic Zone in certain cases.

(d) whose financial position is such that he is unable to fully and efficiently discharge the duties and obligations imposed on him by the letter of approval, and the circumstances exist which render it necessary for it in public interest so to do, the Board may, on application, or with the consent of the Developer, or otherwise, for reasons to be recorded in writing, suspend the letter of approval, granted to the Developer for a whole or part of his area established as Special Economic Zone, for a period not exceeding one year and appoint an Administrator to discharge the functions of the Developer in accordance with the terms and conditions of the letter of approval and manage the Special Economic Zone accordingly.

(2) Consequent upon appointment of an Administrator, the management of the Special Economic Zone of the Developer referred to in sub-section (1) shall vest in the Administrator.

(7) Where the Board has given notice for suspension of letter of approval under sub-section (5), the Developer may, after prior approval of the Board, transfer his letter of approval to any person who is found eligible by the Board for grant of such approval.

Considering the critical circumstances outlined above and as per Section 10(1)d of the SEZ Act 2005, which allows for the suspension of letter of approval and appointment of an Administrator in cases of financial inability to fulfil obligations, ***we strongly recommend the appointment of the MEPZ Development Commissioner as the Administrator for the AMRL SEZ Zone. This measure aligns with the public interest and the objectives of the SEZ Act, ensuring the efficient discharge of duties and obligations.***

Your intervention and prompt action in this matter are crucial to rectifying the immediate challenges and steering the AMRL SEZ region toward prosperity and development. We eagerly await your response and hope for a positive resolution to this critical issue.

Thank you for your time, consideration, and dedication to the progress of our nation's economy.

For AMRL SEZ Unit Holders Association

For AMRL SEZ UNIT HOLDERS ASSOCIATION

13/9/23

**S.VEERAPANDIAN
PRESIDENT**

CC : 1. The Hon'ble Finance Minister
Ministry of Finance
Government of India
New Delhi.

2. Development Commissioner, MEPZ, Chennai,