

F. No. K-43016/11/2025-SEZ-Part(1)

Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)

Vanijya Bhawan, New Delhi
Dated the 24th September, 2025

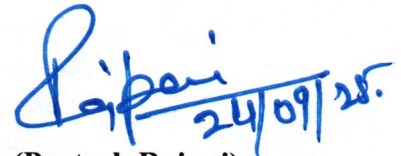
OFFICE MEMORANDUM

Subject: 7th meeting (2025 Series) of the Board of Approval for Export Oriented Units and 132nd Meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) -Reg.

The undersigned is directed to refer to this Department's O.M. of even number dated 23rd September, 2025 on the above subject and to inform that the meeting of the Board of Approval for EoUs and SEZs scheduled to be held on **26th September, 2025 at 11:00AM in Room No. 427, Vanijya Bhawan, New Delhi** under the Chairmanship of Commerce Secretary, Department of Commerce in Hybrid Mode.

2. The Agenda for the 132nd 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.


24/09/25.

(Prateek Bajpai)

Under Secretary to the Government of India

Tel: 23039939

Email: prateekbajpai.moca@nic.in

To

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

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

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

Copy to: PSO to CS / PPS to SS (LSS) / PS to JS (VA)/ PA to Dir (GP).

Agenda for the 132nd meeting of the Board of Approval for Special Economic Zones (SEZs) to be held on 26th September, 2025

Agenda Item No. 132.1:

Ratification of the minutes of the 131st meeting of the Board of Approval for Special Economic Zones (SEZs) held on 28th August, 2025.

Agenda Item No. 132.2:

Request for extension of LoA of SEZ Unit [4 proposal – 132.2(i)-132.2(iv)]

Relevant Rule position:

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

132.2(i) Request of M/s. Sandhill Aviation IFSC Private Limited, a unit at Unit No. 624, 2nd Floor, Signature Building, GIFT Multi Services SEZ Gandhinagar for the extension of the Letter of Approval (LOA) for further period of six month i.e. upto 19.03.2026.

Jurisdictional SEZ – IFSCA, GIFT SEZ

Facts of the case:

1	Name of the Applicant	M/s. Sandhill Aviation IFSC Private Limited
2	Address	Unit No. 624, 2nd Floor, Signature Building, GIFT Multi Services SEZ Gandhinagar - 382355
3	Original LOA details	KASEZ/DCO/GIFT/SEZ/II/59/2021-22/309 dated: 20.09.2021
4	Authorised Operations	Aircraft Leasing activities as per Circular F.No. 172/IFSCA/Finance Company Regulations/2022- 23/01 dtd. 18.05.2022
	Broad Banding Service Approved	No
5	Present date of Validity of the LOA	19.09.2025
6	Previous LOA extension details	1st extension of LOA upto 19.09.2023 approved on 11.01.2023. 2nd extension upto 19.09.2024 approved on 11.07.2024 3 rd extension upto 19.09.2025 approved vide 131 st Meeting of BoA held on 28.08.2025
7	Date of Commencement of Operations	Not commenced
8	Status of BLUT	Accepted on 02.06.2023
9	Status of Lease Deed	Not Executed
10	IFSCA approval for Unit (Date of CoR)	09.02.2023

a. Details of Business plan:

Sl. No	Type of Cost	Proposed Investment (Rs. In Crores)	Total investment made so Far (Rs. In Crores)
1	Cost of project	6.40	1.86

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

Sl. No	Type of Cost	Total investment made so Far (In Rs.)	Incremental investment since the last extension (In Rs.)
1	Incorporation expenses and consultancy fees.	662,186.00	NIL
2	Fees/stamp duty of increase in Authorized Capital	380,300.00	NIL
3	Acquisition of aircraft, custom clearance pending	13,960,308.00	NIL
4	Amt Paid for acquisition of office at IFSC (Expense at present borne by director	3,652,491.00	3,652,491.00
	Total	18,655,285.00	36,52,491.00

c. Details of physical progress till date:

Sl. No	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	Bond Cum Legal Undertaking for the IFSC Unit	100%	0%	Not Applicable
2	GST of the Unit	100%	0%	Not Applicable
3	IEC of the Unit	100%	0%	Not Applicable
4	Lease Deed for the IFSC Unit	0%	0%	100% Payment for the same has been made from director's account. The registration with the registering authority and with IFSCA is pending. It is expected to be done within 3 months from receipt of approval
5	Any other (please specify). Acquisition of aircraft	0%	0%	Custom clearance pending

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

Sl. No.	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
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1	Identification of aircraft to be acquired	100%	0%	Not Applicable
2	Execution of agreement for acquisition of aircraft	100%	0%	Not Applicable
3	Execution of agreement (or) LOI for leasing-out the acquired aircraft	0%	0%	Three months from the approval
4	Sourcing of credit/ finance for acquisition of aircraft	100%	0%	The aircraft has been acquired from own sources.
5	Details of appointment of Principal Officer and Designated Director in the IFSC unit	50%	0%	Three months from the approval
6	Any other (please specify)			

e. Any other progress update: Nil.

2. As regards delay in the commencement of operations, the Unit has submitted as below -
 - a. After incorporation of the company, the next step was to open the bank account for bringing the necessary capital. The banks were demanding the approval from the IFSC Authority for opening the bank account. They received in-principal approval from IFSC Authority on December 2, 2021 and the said in-principal approval was submitted to the HDFC Bank Limited.
 - b. Thereafter, due to some approvals required from the RBI, the initial capital of Rs 100000 could be brought into the HDFC Bank A/c by 18th May, 2022.
 - c. Further, only after 18.05.2022, they could proceed with other filings on the website of Ministry of Corporate Affairs with respect to certificate of commencement of business. After obtaining the certificate of commencement of business from the MCA, the company has increased the authorized capital from INR 100000 to INR 20000000 by filing form SH-7 before the Registrar of Companies, Gujarat.
 - d. In the meantime, the LOA was about to expire in September 2022 and company made an application for extension of one year in September 2022 and was granted in January 2023.
 - e. The approval from IFSCA has been obtained on 9th February 2023.
 - f. Thereafter, for import and other requirement, there was a requirement for essentiality certificate which has been granted to the unit on 02.06.2023 and received on 03.06.2023. The said application was made in September 2022 as well as in February 2023. However, It was learnt that there were some errors, hence, they submitted the revised application.
 - g. In the meantime, the company has purchased an aircraft and had also entered into a lease agreement for the same. However, on account of technical reasons, the clearance of aircraft could not be completed.
 - h. The authorized representative of the company Mr. CA Rohan Thakkar, their consultant and authorised representative was detected with CKD (Chronic Kidney Disease) and went through kidney transplant operation on 11th

January 2023 and was in ICU for the period of 15 days. Thereafter he was quarantined for few months and it took a time for him to continue the operations and on account of his ill health thereafter, he could not look into the said matter. And even after that also his health was not up to the mark and he was working very remotely and for the few hours a day. In April 2023, he was detected with Covid and was hospitalized. Again in October 2023 also, he was hospitalized for few days.

- i. Meanwhile, the application for LOA expired on 19.09.2023 and the unit also got the approval for the extension upto 19.09.2024.
 - j. They have bought the aircraft but could not commence operation as the custom clearance of the aircraft is pending due to its repairing work and it is likely to take a time of around 5-6 months to bring back the same. Thereafter, custom clearance will take place and will be able to commence the operations.
3. Further they have submitted that they have already made an investment of Rs. **1.86 Crores** (Investment Amount includes the Acquisition of Aircraft) in their project till now.
4. However, some non-compliances were also observed on the part of the Unit are as below –
- a. The Unit has not executed the lease deed for the premises on which they were issued the initial Letter of Approval by the DC, GIFT SEZ.
 - b. They have not appointed the Designated Director/Compliance Officer
 - c. The IFSCA Regulatory team has informed that the Unit has not paid the late fees and interest on the delayed payment of IFSCA Fees for the F.Y. 2024-25
 - d. The Unit has never submitted monthly reports, half yearly reports and confirmation certificates to IFSCA since inception.
 - e. The Unit has not submitted any audit certificate since its inception to IFSCA.

Recommendation by IFSCA Administrator:

Recommended to the Board of Approval in terms of Rule 19(4) of SEZ Rules, 2006, for extension in validity of LOA (extended up to 19.09.2025) for a further period of Six month i.e. up to 19.03.2026.

132.2(ii) Request of M/s. Nutana Aviation Capital IFSC Pvt. Ltd, a Unit at Unit No.63 (4 seats), Ground Floor, The Platform, 11T2, Block-11, Processing GIFT SEZ, Gift City, Gandhinagar for the Extension of the Letter of Approval (LOA) for further period of one year i.e. Upto 09.08.2026.

Jurisdictional SEZ – IFSCA, GIFT SEZ

Facts of the case:

1	Name of the Applicant	M/s. Nutana Aviation Capital IFSC Pvt. Ltd.
2	Address	Unit No.63 (4 seats), Ground Floor, The Platform, 11T2, Block-11, Processing GIFT SEZ, Gift City, Gandhinagar
3	Original LOA details	KASEZ/DCO/GIFT/SEZ/II/29/2020-21/203 dated:11.08.2021
4	Authorised Operations	Aircraft Leasing activities as per Circular F.No. 172/IFSCA/Finance Company Regulations/2022-23/01 dtd. 18.05.2022
	Broad Banding Service Approved	No
5	Present date of Validity of the LOA	09.08.2025
6	Previous LOA extension details	1st extension of LOA upto 09.08.2024 approved by DC, GIFT SEZ 13.02.2024. 2nd extension of LOA upto 09.08.2025 (approved in 127th meeting of BoA held on 08.04.2025)
7	Date of Commencement of Operations	Not commenced
8	Status of BLUT	Accepted on 16.09.2021
9	Status of Lease Deed	Not Executed
10	IFSCA approval for Unit (Date of CoR)	27.01.2023

a. Details of Business plan:

Sl. No	Type of Cost	Proposed Investment (Rs. In Crores)	Total investment made so Far (Rs. In Crores)
1	Cost of project	250 Crores	40 Crores (Investment Amount includes purchase of Aircraft, the Security Deposit amt, Inspection charges of Aircraft, Due Diligence charges, etc. in respect of ongoing Hawker aircrafts.)

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

Sl. No	Type of Cost	Total investment made so Far (In Rs.)	Incremental investment since the last extension (In Rs.)
1	Incorporation expenses and rent and consultancy fees.	70,00,000/-	30,00,000/-
2	Fees/stamp duty of increase in Authorized Capital	0	0

c. Details of physical progress till date:

Sl. No	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	IEC of the Unit	100	100	Not Applicable
2	GST of the Unit	100	100	Not Applicable
3	Bond Cum Legal Undertaking for the IFSC Unit	100	100	Not Applicable
4	Lease Deed for the IFSC Unit	0	0	Till the proposed extension of LOA duration w.e.f. 10.08.2025 to 09.08.2026 post approval of LOA extension and change of address application.

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

Sl. No.	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	Identification of aircraft to be acquired	100%	1 Aircraft as already been purchased (Import NOC pending from authority), 4 Aircraft inline to be purchased	31 st December, 2025

2	Execution of agreement for acquisition of Aircraft	75% LOI, MOU already signed with operator and Lease Agreement draft already shared to them for execution purpose. In addition to the purchased Hawker 840, one more Aircraft (Beechcraft Hawker 750) LOI has been signed for purchased	75% LOI, MOU already signed with operator and Lease Agreement draft already shared to them for execution purpose. In addition to the purchased Hawker 840, one more Aircraft (Beechcraft Hawker 750) LOI has been signed for purchased	15 th September, 2025
3	Execution of Agreement (or) LOI for leasing out the acquired aircraft	100%	100%	Done
4	Sourcing of credit/finance for acquisition of aircraft	100%	100%	Done
5	Details of appointment of Principal Officer and Designated Director Officer in the IFSC Unit	100%	100% (Already shared with the authority)	Done

e. Any other progress update:

The Unit has already purchased/imported one used Aircraft Raytheon Hawker 800XPI valued at Rs.28.99 Crore vide Bill of Entry No.1000021 dated 21.04.2025. M/s. Sparzana Aviation Pvt Ltd has issued Letter of Intent dated 31.3.2025 to the Unit for operational lease of aircraft and for which, they have executed MoU on 22.04.2025.

2. As regards delay in the commencement of operations, the Unit has submitted as below –

- “The commencement of operation of their unit has been delayed primarily due to the pending issuance of the No Objection Certification for the aircraft operator;
- The aircraft has already been successfully imported into India under the name of Nutana Aviation, and the Import NOC has been duly filed and processed. However, the final lease transaction and initiation of operations are presently on hold as the Operator NOC from the relevant authority is still awaited.
- This NOC is critical requirement to proceed with the lease execution and begin commercial operations. Although all necessary documents and formalities have been completed from their end, the delay is currently at the department’s end in processing and issuing the Operator NOC.

- They are actively following up with the concerned authorities and expect to receive NOC within the month, post which the operational activity and related lease processed will be immediately initiated.”

3. Further they have submitted, they have already made an investment of Rs. **40 Crores** (Investment Amount includes the Security Deposit amt, Inspection charges of Aircraft, Due Diligence charges, etc. in respect of ongoing Hawker aircrafts.) in their project till now. Further they have invested Rs. 70 lacs towards incorporation expenses and rent and consultancy fees and purchased/imported one used Aircraft Raytheon Hawker 800XPI valued at Rs.28.99 Crore.

Recommendation by IFSCA Administrator:

Recommended to the Board of Approval in terms of Rule 19(4) of SEZ Rules, 2006, for extension in validity of LOA (extended up to 09.08.2025) for a further period of one year i.e. up to 09.08.2026.

132.2(iii) Request of M/s. Contrails Aviation IFSC Private Limited, a unit at GIFT SEZ Gandhinagar for the Extension of the Letter of Approval (LOA) for further period from 09.06.2023 to 08.06.2026.

Jurisdictional SEZ – IFSCA, GIFT SEZ

Facts of the case:

1	Name of the Applicant	M/s. Contrails Aviation IFSC Pvt. Ltd.
2	Address	Unit No. 419, Cabin No. 4, 4th Floor, Pragya Towers Building No. 15A, Road AA, Zone 1, Gift Multi Services SEZ, Gandhinagar - 382050
3	Original LOA details	KASEZ/DCO/GIFT/SEZ/II/22/2022-23/260 dtd. 09.06.2022
4	Authorised Operations	Aircraft Leasing activities as per Circular F.No. 172/IFSCA/Finance Company Regulations/2022-23/01 dated 18.05.2022
	Broad Banding Service Approved	No
5	Present date of Validity of the LOA	08.06.2023
6	Previous LOA extension details	No application for extension given earlier
7	Date of Commencement of Operations	Not commenced
8	Status of BLUT	Accepted on 21.07.2022
9	Status of Lease Deed	Not Executed
10	IFSCA approval for Unit (Date of CoR)	11.10.2023

1. Present Progress:-

a. Details of Business plan:

Sl. No	Type of Cost	Proposed Investment (Rs. In Crores)	Total investment made so Far (Rs. In Crores)
1	Cost of project	171.70	6

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

Sl. No	Type of Cost	Total investment made so Far (In Rs.)	Incremental investment since the last extension (In Rs.)
1	Incorporation expenses and consultancy fees.	10,00,000	10,00,000
2	Fees/stamp duty of increase in Authorized Capital	5,81,000	5,81,000

3	Acquisition of aircraft, custom clearance pending	13,15,579	13,15,579
4	Amount Paid for acquisition of office at IFSC (Expense at present borne by director	1,80,000	1,80,000
	Total	30,76,579	30,76,579

c. Details of physical progress till date:

Sl. No	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	Bond Cum Legal Undertaking for the IFSC Unit	100%	0%	Not Applicable
2	GST of the Unit	100%	0%	Not Applicable
3	IEC of obtained the Unit has been	100%	0%	Not Applicable
4	Lease Deed for the IFSC Unit	0%	0%	Three months from the Extension of LOA and change of Address approval
5	Any other (please specify). Acquisition of aircraft	100%	0%	Custom clearance pending

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

Sl. No.	Activity	% Completion	% Completion during last one year	Deadline for completion of balance work
1	Identification of aircraft to be acquired	100%	0%	Not Applicable
2	Execution of agreement for acquisition of aircraft	100%	0%	Not Applicable
3	Execution of agreement (or) LOI for leasing-out the acquired aircraft	100%	0%	Not Applicable
4	Sourcing of credit/ finance for acquisition of aircraft	100%	0%	The aircraft has been acquired from own sources.

5	Details of appointment of Principal Officer and Designated Director in the IFSC unit	100%	0%	Not Applicable
6	Any other (please specify)	-	-	-

2. As regards delay in the commencement of operations, the Unit has submitted as below –

The company has not yet started operations in the International Financial Services Centre (IFSC) due to delays in opening a bank account, which impacted the timeline for fund infusion and regulatory compliance. They recently purchased an aircraft and are completing customs formalities, with plans to submit an application for operation commencement soon.

As a government-backed new venture, the company is facing challenges due to a lack of understanding of the regulations, resulting in significant losses. Despite these hurdles, the morale remains high.

The directors, all experienced pilots, request that the delay in submitting the Extension of LOA application be condoned and approval granted, as their first aircraft (DA-40NG) has been stuck in ICD Delhi for 50 days, incurring rising D&D and CFS charges.

Observation of SEZ Division:

- The unit's LoA expired on 08.06.2023.
- No application for extension was given earlier
- Now they are requesting for extension for three years from 09.06.2023 to 08.06.2026.
- According to Rule 19(4), the LoA is valid for one year, and the First Proviso grants DCs the authority to extend it for up to two years. The Second Proviso further allows DCs to extend it for one more year, provided that two-thirds of the activities, including construction, are complete. Any extension beyond the third year (or beyond the second year when two-thirds of activities are incomplete) requires approval from the BoA, which can extend the LoA for one year at a time.
- It has also been informed that that two-thirds of activities have not been completed by the unit for commencement of operations. Therefore, the proposal of extension of validity of LOA may be considered upto 08.06.2026.

Recommendation by IFSCA Administrator:

Recommended to the Board of Approval in terms of Rule 19(4) of SEZ Rules, 2006, for extension of validity of LoA upto 08.06.2026.

132.2(iv) Request of M/s. Zen Technologies Limited in M/s. TSIIC Ltd Adibatla SEZ at Ranga Reddy District, Telangana for the Extension of the Letter of Approval (LOA) for further period of one year i.e. 02.08.2026.

Jurisdictional SEZ - Visakhapatnam (VSEZ)

Facts of the case:

1	Name of the Applicant	M/s. Zen Technologies Limited
2	Address	Adibatla Village, Ibrahimpatnam Mandal, Ranga Reddy District, Telangana
3	Original LOA details	LOA No. 9/407/SEZ/HYD/2018 dt 03.08.2019
4	Nature of business of the Unit:	a. End-to-end IT-Embedded Training Solutions b. Design, Development and manufacture of simulators for Aerospace, Defence, Home Land Security, Mining and Road Transport Industry.
	No. of Extensions	03
5	Existing validity of LOA is up to	02.08.2025
6	Previous LOA extension details	a. [1 year 6 months by DC VSEZ – (1 st Extension) from 03.08.2019 – 02.08.2020 & (2 nd Extension) from 03.08.2020 to 02.02.2021] b. MoC vide letter Dt. 09.10.2024 regularized the validity of LoA from 03.02.2021 to 02.08.2024 and also extended for One year i.e. up to 02.08.2025.
7	Request	One-year extension of validity of LoA upto 02.08.2026

Present Progress:

a. Details of Business plan:

Sl. No.	Type of Cost	Proposed Investment (Rs. in crores)
1	Proposed cost of Investment for Building	8.00
2	Proposed cost of Plant and Machinery	2.50
3	Proposed cost of Investment for Working Capital	4.00
	Total project cost	14.50

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

Sl. No.	Type of Cost	Total investment made so far (In Rs. Crores)	Incremental Investment since last extension (in Rs. Crores)	Total investment made (in Rs. Crores) till date
1	Cost of Investment on Land	0.92	---	0.92
2	Cost of Expenses of Electrical Connection (300 mtrs. HT Line) and Bore Well	---	0.15	0.15
3	Construction of Compound Wall with gates adhoc expenses made till date out of Rs. 86 Lakhs contract value	---	0.26	0.26
	Total	0.92	0.41	1.33

c. Details of physical progress till date:

S. No.	Activity	% completion	% completion during last one year	Deadline for completion of balance work
1	Construction of Compound Wall with gates	20	20	Construction of Compound wall with gates works started in the month of June, 2025 and will be completed by October, 2025
2	Civil constructions	--	--	Building construction will commence immediately upon finalization of the contract and is expected to be completed by March, 2027
3	Plant & Machinery	--	--	Installations would follow the occupancy
4	Operations	--	--	Immediate after occupancy

Detailed reasons for delay:

After significant efforts and co-ordination with the Telangana Electricity Board, the sanction and installation of the HT (High Tension) line to their site were successfully completed. Due to the HT hub being located approx. 30 meters away from their

premises, the installation process was complex and time consuming. However, over a period of six months, the HT line was successfully laid and commissioned, culminating in the approval and activation of the HT meter connection.

Recommendation by DC, VSEZ:

DC, VSEZ has recommended the request of extension of validity of LoA for a period of one year up to 02.08.2026.

Agenda Item No. 132.3:

Request for extension of Formal approval of SEZ [1 proposal –132.3(i)]

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

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

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

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

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

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

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

132.3(i) Proposal of M/s. Google Connect Services India Private Limited for 4th extension of validity of Formal approval for its IT/ITES SEZ for a further period of two years from 29.08.2025 to 29.08.2027 at Nanakramguda village, Serilingampally Mandal, Ranga Reddy District, Telangana.

Jurisdictional SEZ: Visakhapatnam SEZ (VSEZ)

Facts of the Case:

The request of M/s. Google Connect Services India Private Limited for further extension of the validity period of Formal Approval, granted for setting up of IT/ITES SEZ at Plot No 8B, Sy. No. 115/3, 115/5, 115/7 and 115/35, Nanakramguda village, Serilingampally Mandal, Ranga Reddy District, Telangana beyond 29.08.2025

Name of the Developer	M/s. Google Connect Services India Private Limited
Sector	IT/ ITES
LoA Issued	F.1/5/2019-SEZ Dated 30.08.2019
Notification	12.10.2022
Location	Plot No 8B, Sy. No. 115/3, 115/5, 115/7 and 115/35, Nanakramguda village, Serilingampally Mandal, Ranga Reddy District, Telangana – 500081
Extension	Formal Approval to the Developer was granted on 30.08.2019. The Developer has been granted three extensions upto 29.08.2025. The SEZ has been notified on 12.10.2022. The developer has requested for further extension up 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

Note: The Developer wish to mention that, while making the previous LoA Extension, the revised budget of the SEZ project was estimated Rs. 2,889.32 Crores. However, considering the change in specification & price escalation, the revised Budget estimate is Rs. 4,107.90 Crores.

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

Sl. No.	Type of Cost	Total investment made so far (In Rs crores) up to 31.05.2024	Incremental Investment since last extension upto 31.03.2025 (in Rs crores)	Total investment made so far (In Rs crores) up to 31.03.2025.
1	Land Cost	34.82	--	34.82
2	Material Procurement	--	--	--
3	Construction	409.70	214.66	624.36
	Total	444.52	214.66	659.18

(c) Details of physical progress till date:-

S. No.	Activity	% completion	% completion during last one year	Deadline for completion of balance work
1	Excavation and Ground leveling	100	—	Excavation Works are completed
2	Civil Structure	41	24	21.08.2026

(d) Time Frame to Complete the project:-

S. 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	41	24	21.08.2026
3	Building Envelope	0%	0%	01.09.2027
4	Mechanical			07.07.2027
5	Electrical			07.07.2027
6	Plumbing Works			07.07.2027
7	Warm shell finishes			01.09.2027
8	Fit-out space			13.12.2027

Detailed reasons for delay:

Due to delay in Gazette Notification, the Developer obtained the necessary approvals for the commencement of construction activity only in 13.12.2023. Considering the Building Plan and the specification, the Developer project planned to complete the project by 13.12.2027. Considering, the construction schedule, they required additional time for construction.

Recommendation by DC:

The request of the developer M/s. Google Connect Services India Private Limited, Developer, for extension of validity of Letter of Approval for a further period of one year from 29.08.2025 to 29.08.2026 is recommended and forwarded for consideration of BoA, in terms of Rule 6(2) (a) of SEZ Rules 2006.

Agenda Item No. 132.4:

Request for Co-Developer status [1 proposal – 132.4(i)]

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

132.4(i) Proposal of M/s Pinnacle Infotech solutions for Co-Developer status in M/s ELCOT SEZ, located at Vadapalanji Mudurai, Tamil Nadu.

Jurisdictional SEZ – MEPZ SEZ

Facts of the case:

1.	Name of the Developer & Location	M/s Electronics Corporation of Tamil Nadu (ELCOT SEZ) at Vadapalanji Mudurai, Tamil Nadu.
2.	Date of LOA to Developer	F.1/56/2007-SEZ dated 26.07.2007
3.	Sector of the SEZ	IT/ITES
4.	Weather SEZ is operational or not	26.03.2020
5.	No of Units	13
6.	Total Exports & import for the last 5 years (Rs. in cr)(FY 2020-21 to 2024-25)	Export-Rs 339.42 Cr Imports-Rs 8.05 Cr
4.	Date of Notification	30.04.2008
5.	Total notified area (in Hectares)	86.465 Ha
7.	Name of the Co-Developer sought approval for Co-Developer status	M/s. Pinnacle Infotech Solutions Elcot IT Park Plot no -5,6,7,8, Near Madurai Kamarajar University Madurai to Theni Road, Vadapalanji. Madurai Tamil Nadu-625021
8.	Details of Infrastructure facilities/ authorized operations to be undertaken by the co-developer	Development Infrastructure of facilities, for the purpose to operate and maintain IT/ITES, to provide for 24 hrs uninterrupted power supply, central air conditioning and other facilities as may be required, to implement and operate under the provisions of the SEZ Act 2005 and the rules and orders made there under within SEZ as per MOCI Instruction No.50 dated 15.03.2010.
9.	Total area on which activities will be performed by the co developer	13.29 Ha (32.86 Acre)
10.	Proposed investment by the Co-developer Rs. in Cr.	120 Crore
11.	Net worth of the Co-developer (Rs. in Cr.)	239.98 Crore
12.	Date of the Co-developer agreement has been entered into between the developer and the codeveloper	05.09.2025

13	(a) If yes, whether a copy of this agreement has been enclosed with this application form	Yes
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Recommendation by DC, MEPZ SEZ:

The request of M/s. Pinnacle Infotech Solutions, Plot No.8,13,21 & 22, ELCOT SEZ - Vadapalanji, Madurai, Tamil Nadu has been recommended by DC, MEPZ SEZ and forwarded for consideration of the BoA.

Agenda Item No. 132.5:**Request for conversion of Processing Area into Non-Processing Area under Rule 11(B) [5 proposals – 132.5(i)- 132.5(v)]****Rule position:****In terms of the Rule 5(2) regarding requirements of minimum area of land for an IT/ITES SEZ: -**

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

TABLE

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

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

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

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

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

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

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

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

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

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

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

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

TABLE

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

132.5(i) Proposal of M/s. DLF Cyber City Developers Limited, Developer of IT/ITES SEZ at Sector- 24 & 25A, DLF Phase-III, Gurugram (Haryana) for demarcation of built-up Processing Area of '2355.127 Sq.Mtr. at 6th Floor, Tower-B, Building No. 14' into Non-Processing Area

Jurisdictional SEZ - NOIDA SEZ (NSEZ)

Fact of the case:

S. No.	Particulars	Details		
1.	Name and address of the Developer	M/s. DLF Cyber City Developers Limited Sector-24 & 25A, DLF Phase-III, Gurugram (Haryana).		
2.	Letter of Approval No. and date.	LOA No. F.2/126/2005-EPZ dated 25.10.2006.		
3.	Date of Notification	13.04.2007 & 12.03.2010		
4.	Name of the sector of SEZ for which approval has been given.	IT/ITES		
5.	Total Notified land area (in Hectares)	10.30 hectare		
6.	Total land area of SEZ: (i). Processing Area (ii). Non-Processing Area	Land area 10.30 hectare. NIL		
7.	Details of Built-up area in Processing Area: (i). No. of towers with built-up area in each tower (in Square meter) (as per records)	Building / Tower / Block No.	No. of Floors	Total built-up area (in Sqmt.)
		Building Tower-6 (Block A)	LG+9	17844
		Building Tower-6 (Block B)	LG+11	24373
		Building Tower-6 (Block C)	LG+14(15)	23147
		Floors Parking		7345
		BUA OF Basements of Bldg, Tower-6 (Block A,B,C)	Basement (1 - 3)	29268
		Sub-total of Bldg Tower-6		101977
		Building Tower-14 (Block A)	G+9	16037
		Building Tower-14 (Block B)	G+16(17)	28490

		Building Tower-14 (Block C)	G+18(19)	50418
		Building Tower-14 (Block D)	G+19(20)	57298
		Floors Parking		49584
		BUA of Basements of Bldg. Tower-14 (Block A, B, C, D)	Basement (1 - 3)	83298
		Sub-total of Bldg. Tower-14		285125.00
		Total BUA of (Bldg. 6 + Bldg 14)		387102.00
	(ii). Total Built up area :	3,87,102 Sq. Mtr.		
	(iii) Area already demarcated as NPA:	31,423.265 Sq.Mtr.		
	(iv) Remaining Built-up area:	3,55,678.735 Sq.Mtr		
8.	Total Built-up area in Sqmt.:	Processing Area: 3,55,678.735 Sq.Mtr. Non-Processing Area: 31,423.265 Sq.Mtr		
9.	Total number of floors in the building wherein demarcation of NPA is proposed: Total remaining built-up area	G + 16 (17 floors) 3,53,323.608 Sq.Mtr (3,55,678.735 – 2355.127)		
10.	Total Built-up area proposed to be demarcation of NPA for setting up of Non SEZ IT/ITES Units:	2,355.127 Sq.Mtr.		
11.	How many floors area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES Units:	1 floor only i.e. (Block-B of 6th Floor in Building No. 14)		
12.	Whether copy of Chartered Engineer Certificate has been submitted?	Yes. Chartered Engineer Certificate dated 22.07.2025 of Shri Chaitanya Jee Srivastava, Chartered Engineer Membership No. M-163947-6.		
13.	Total duty benefits and tax exemption availed on the built-up area proposed to be demarcated as NPA, as	Total duty refunded Rs. 24,37,839/-		

	per Chartered Engineer Certificate.	
14.	Whether duty benefits and tax exemption availed have been refunded and NOC from Specified Officer has been obtained?	Yes, The Developer has submitted copy of 'No Dues Certificate' issued by Specified Officer vide letter No. CUS/DCCDL/SEZ/MISC/03/24/134 dated 04.08.2025. The Specified Officer has mentioned that the Developer has made payment of Rs.24,37,839/- towards refund of duties / tax benefits through TR-6 / GAR-7 challans & DRC-03. The Specified Officer has further mentioned that the developer has already deposited the due duty / taxes of the entire common infrastructure facilities of the said SEZ at the time of demarcation of 18,868.83 Sq.Mtr., 5544.827 Sq.Mtr., 2382.261 Sq.Mtr., 1585.54 Sq.Mtr., 1096.16 Sq.Mtr. And 1945.647 Sq.Mtr. in respect of which 'No Dues Certificate' had already been issued vide their letters dated 07.06.2024, 09.07.2024, 04.12.2024, 17.04.2025, 19.06.2025 and 10.07.2025 respectively.
15.	Reasons for demarcation of NPA	Low demand to set up SEZ unit
16.	Total Remaining Built-up Processing Area after instant proposed demarcation:	3,53,323.608 Sq.Mtr.
17.	Whether remaining built-up area fulfils the minimum built-up area requirement as per Rule 5 of SEZ Rules, 2006.	Yes
18.	Whether application in the format prescribed vide Instruction No. 115 dated 09.04.2024, has been submitted.	Yes
19.	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

20.	Whether required Undertaking has been submitted:	Yes
21.	Access Control Mechanism for movement of employees & goods for IT/ITES Business to be engaged in the area proposed to be demarcated as Non-Processing Area.	The Developer has mentioned that they will maintain the appropriate access control mechanisms to ensure adequate screening of the movement of persons as well as goods, in their SEZ premises for the SEZ units and the businesses engaged in IT/ITES services in the proposed non-processing areas in terms of the provisions of the new inserted Rule 11-B of the SEZ Rules, 2006 as amended.
22.	Purpose and usage of such demarcation of NPA.	To give Non-processing area on lease into Domestic units into IT/ITES Units.

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 22.07.2025 of Shri Chaitanya Jee Srivastava, Chartered Engineer Membership No. M-163947-6, towards calculation of taxes / duty to be refunded by the Developer.
- iii. 'No Dues Certificate' issued by Specified Officer vide F.No. CUS/DCCDL/SEZ/MISC/03/24/135 dated 04.08.2025.
- 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 countersigned of DC, NSEZ.
- v. Checklist of Rule 11B in prescribed format, duly signed by Specified Officer and DC, NSEZ.
- 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. demarcation of built-up area admeasuring 2355.127 Sq.mt. into Non-Processing Area for use by IT/ITES businesses as per Rule 11B of the SEZ (Fifth Amendment) Rule, 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.

Observation of SEZ Division:

Vide 'No Dues Certificate' issued by Specified Officer dated 04.08.2025, it has been mentioned that there is one unit i.e. M/s. Pulsus Health Tech LLP, still in the proposed demarcated area and not in the contact of developer. Further, it has been mentioned that UAC in its meeting dated 01.05.2025 decided that the payment of

applicable duties/taxes on the goods lying within the premises of M/s. Pulsus Health Tech LLP located at 06th Floor, Tower-B, building No. 14, required to be evaluated by Specified officer and to be paid by DLF. Accordingly post verification by the SO the applicable duties/taxes of the Rs. 1,95,768/- as ascertained by the Chartered Engineer as well SO office, on said goods, have been paid by DLF on behalf of the said unit and took possession of the goods. Further, it has been informed that “No Dues Certificate” was also issued by SO Officer on dated 04.07.2025 in this regard.

In view of above, SEZ Division vide email dated 18.09.2025 has requested NSEZ to clarify whether the proposed demarcation is tenable or not and furnish details about the status of the said unit in terms of the validity of its LoA and any other detail deemed relevant; the response of which is awaited.

Recommendation by DC, NSEZ:

The proposal of M/s. DLF Cyber City Developers Limited, Developer of IT/ITES SEZ at Sector- 24 & 25A, DLF Phase-III, Gurugram (Haryana) for demarcation of built-up Processing Area of ‘2355.127 Sq.Mtr. at 6th Floor, Tower-B, Building No. 14’ into Non-Processing Area under Rule 11B of SEZ Rules, 2006 read with Instruction No. 115 dated 09.04.2024, has been recommended and forwarded for consideration of BoA.

132.5(ii) Proposal of M/s Nalanda Shelter Pvt. Ltd., Developer, in IT/ITES SEZ at sr. No. 129(P), 130(P), 131(P) Near Rajiv Gandhi Infotech Park, Hinjewadi, Phase-I Pune for demarcation of built up area admeasuring 35,513.41 Sq. mtrs into Non-Processing Area.

Jurisdictional SEZ- SEEPZ SEZ

Fact of the case:

Sr. No.	Particulars	Details			
1.	Name and Address of the SEZ	M/s. Nalanda Shelter Private Limited, (Developer) at Sr. No. 129(P), 130(P), 131(P) Near Rajiv Gandhi Infotech Park, Hinjewadi, Phase-I Pune-411057.			
2.	Letter of Formal Approval No. and Date	F.1/14/2017-SEZ Dated 31.03.2017(Formal Approval)			
3.	Date of Notification	i. S.O.1216(E) Dated: 14.03.2018 ii. S.O.4451(E) Dated: 09.12.2019 iii. S.O.5312(E) Dated: 15.11.2022 iv. S.O.3234(E) Dated: 09.08.2024			
4.	Name of the Sector of SEZ for which approval has been given	IT/ITES			
5.	Total area of SEZ Processing area	3.95 Hectares			
	Non-Processing area	Processing Area – 3.95 Hectares Non- Processing Area – 0 Hectares			
6.	Details of Builtup area: No of Buildings with built up area (in Sq. Meter)	Sr. No	Bldg. No	Floor detail	Area in Sq Meter
		1	Tower 'A'	Basement (Utilities & Services Area) + Ground Floor + 3Podium + 11Floors +Terrace Floor	1,45,194.42
7.	Total No. of Buildings constructed in processing area in	One Building (Tower A) Processing area: 1,45,194.42 Sq.Meters Non-Processing are - Not Applicable			
8.	Total Numbers of floors in Building wherein demarcation of NPA is proposed	Basement (Utilities & Services Area) + Ground Floor + 3 Podium + 11Floors + Terrace Floor – Total Area of 1,45,194.42 Sq Mt.			
9.	Total built up area proposed for demarcation of NPA for setting up of Non-SEZ IT/ITES units	Sr.No.	Bldg. No.	Floor detail (Area in Sq. Mtr.)	
			Tower 'A'	Podium 1 – 7977.11	
			Tower 'A'	1st Floor – 9,179.99	
			Tower 'A'	6th Floor- 9,176.32	
			Tower 'A'	7th Floor- 9,179.99	
			Total Area	35,513.41	

10.	Total duty benefits and tax exemption availed on the built-up area proposed to be demarcated as NPA, as per Chartered Engineers Certificate in Rs.	Rs. 30,80,62,057/- (Thirty Crore Eighty Lakhs Sixty Two Thousand and Fifty Seven Only) (Comprises of Rs. 22,71,55,696/- for NPA of Built up area of 35,513.41 Sq. Mtr. And Rs. 8,09,06,361/- towards Common Area infrastructure, facilities, Plant and Machinery of Common Area admeasuring 33,715.19 Sq. mtr.)
11.	Whether duty benefits and tax exemptions availed has been refunded and NOC from Specified Officer has been obtained Please enclose NPC From specified Officer	Total Duty benefit and tax exemption refunded by the developer amounting to Rs. 30,80,62,057/- vide (i) TR -6 Challan dated 10.09.2025 with Demand Draft No. 109930 dated 10.09.2025 amounting to Customs Duty of Rs. 3,11,25,935/- & DRC-03 Cash Ledger Debit Entry No. DC2709250057695 dated 11.09.2025 for IGST amounting to Rs. 27,69,36,122/-. NOC from the Specified Officer is received on 12.09.2025.
12.	Reasons for demarcation of NPA	To give Non Processing area on Lease to Domestic units who does not wish to set up as SEZ Unit.
13.	Total remaining built up area	1,09,681.01 Sq. Mtr.
14.	Whether total remaining built up area fulfils the minimum built up area requirement as per Rule 5 of SEZ Rules, 2006	YES
15.	Purpose and usage of such demarcation of NPA	To give Non Processing area on Lease to Domestic units who does not wish to set up as SEZ Unit.

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, SEEPZ.
- ii. Chartered Engineer Certificate dated 09.09.2025 of Shri Vijay Khamkar, Chartered Engineer Membership No. M-1535875, towards calculation of taxes / duty to be refunded by the Developer.
- iii. 'No Dues Certificate' issued by Specified Officer dated 11.09.2025.
- 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, SEEPZ.

- v. Checklist of Rule 11B in prescribed format, duly signed by Specified Officer and DC, SEEPZ.
- 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. demarcation of built-up area admeasuring 35.513.41 Sq.mt. into Non-Processing Area for use by IT/ITES businesses as per Rule 11B of the SEZ (Fifth Amendment) Rule, 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, SEEPZ-SEZ:-

Request of M /s. Nalanda Shelter Pvt. Ltd. for approval of Demarcation of Built up Area (admeasuring 35,513.41 Sq Mtr.) as Non-Processing Area (NPA) of notified IT/ITES SEZ in terms of Rule 11 B of SEZ Rules.2006 read with Instruction No.115 dated 9th April 2024, is recommended and forwarded for consideration of BoA.

132.5(iii) Request of M/s ESNP Property Builders and Developers private limited, co- developer of SNP infrastructure LLP, IT/ITES SEZ at Changalpatu, Kancheepuram Dist, Tamilnadu for demarcation of a portion of SEZ processing built-up area (7230 sq.mtr.) as Nom-Processing Area

Jurisdictional SEZ – Madras SEZ (MEPZ)

Facts of the case:

1	Name and address of the Developer :	SNP Infrastructure LLP at Embassy splendid Tech Zone, Zamin Pallavaram village, Changalpatu, Kancheepuram Dist, Tamilnadu		
2	Letter of Approval No and date :	F.2/644/2006- SEZ dated June 25, 2007		
3	Date of Notification :	February 12, 2007		
4	Name of the Co-Developer:	ESNP Property Builders and Developers Private Limited		
	Letter of Approval No and date:	LOA F.2/644/2006- SEZ dated July 12, 2016		
4	Name of the sector of SEZ for which approval has been given :	IT/ITES		
5	Total Notified Area of Special Economic Zone (in hectare) :	10.241 Hectare		
6	Total area of (i) Processing Area: (ii) Non-Processing Area:	As on the Date of Application (i) Processing Area: 3,13,339 Sq Mtrs (ii) Non-Processing Area: 55,209 Sq Mtrs		
7	Details Of Built-up area :	Block/Tower	Building Configuration	Built Up Area (sqmtrs)
	(i) No of towers with built up area of each tower (in square meter) :	Block 1	3B+G+9 Upper Floors	69,680
		Block 2	3B+G+9 Upper Floors	71,392
		Block 3	3B+G+9 Upper Floors	69,289
		Block 4	3B+G+9 Upper	74,752

	(ii) Total Built-Up area in square meter:	Floors	
		Block 9	3B+G+9 Upper Floors
		Food Court	3B+G+2 Upper Floors
		Utility Block	1B+G+2 Upper Floors
		Total in Sq Mtrs	3,68,548
8	Total Built up area in	Category	
	(i) Processing Area:	(i) Processing Area:	3,13,339 Sq Mtrs
	(ii) Non-Processing Area:	(ii) Non-Processing Area:	55,209 Sq Mtrs
9	Total numbers of floors in the building wherein demarcation of NPA is proposed:	Block 2 – 3 Basements, Ground Floor, 9 Upper Floors	
10	Total built up area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units:	Build Up Area for Proposed NPA – 7,230 Sq. Mtrs	
11	How many floors are proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units:	Total 2 Floors in Building Block 2	
		Building / Block wise	Floor No.
			Area in Sq. Mtr
			First Floor
			3,329
			Ground Floor
			3,901
		Total	7,230
12	Total Duty benefits and tax exemption availed on the built-up area proposed to be demarcated as NPA, as per Chartered Engineering certificate (in	Rs. <u>45,82,676/-</u>	

	rupees crore):	
13	Whether Duty benefits and tax exemptions availed has been refunded and NOC from specified officer has been obtained (Please enclose NOC from specified officer):	Yes. Rs. <u>45,82,676/-</u> paid vide Challan No. NPA-02 dated 03.09.2025.
14	Reasons for demarcation of NPA:	Due to multiple factors including Sunset clause for Income Tax Benefit, Covid 19 Pandemic and work from home facility etc.
15	Total remaining built-up area:	3,06,109 sq., meters.
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 lease the vacant built-up office space to Non-SEZ IT/ITES Clients / Tenants.

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, MEPZ.
- ii. Chartered Engineer Certificate dated 28.07.2025 of Shri R Arunkumar, Chartered Engineer, Registration No. F-111508-8, towards calculation of taxes / duty to be refunded by the Developer.

- iii. 'No Dues Certificate' issued by Specified Officer vide F.No. No. MEPZ-MSM037A/03/2025-SEZ Chennai dated 08.09.2025
- 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 signed by Specified Officer and DC, MEPZ SEZ
- v. Checklist of Rule 11B in prescribed format, duly signed by Specified Officer and DC, MEPZ SEZ.
- 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. demarcation of built-up area admeasuring **7230** Sq.mt. into Non-Processing Area for use by IT/ITES businesses as per Rule 11B of the SEZ (Fifth Amendment) Rule, 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, MEPZ:

The proposal of M/s ESNP Property Builders and Developers private limited, co-developer of SNP infrastructure LLP for demarcation of a portion of SEZ processing built-up area (7230 sq.mtr.) as Non-Processing Area in terms of Rule 11 B of SEZ Rules, amended in 2023 has been recommended and forwarded for the consideration of the BoA.

132.5(iv) M/s DLF Info City Chennai Limited, Developer of IT/ITES SEZ at Shivaji Garden, Manapakkam, Ramapuram Chennai, Tamil Nadu– Proposal for demarcation of SEZ Processing Built-up area (5,626.19 Sq. Mtr.) as Non-Processing Area

Jurisdictional SEZ – Madras SEZ (MEPZ)

Facts of the case:

Sl. No.	Particulars	Details	
1	Name of the Developer	DLF Info City Chennai Limited	
	Address of SEZ	DLF Info City Chennai Limited, (MEPZ-SEZ) 1/124, Shivaji Gardens, Manapakkam, Mount Poonamallee Road, Ramapuram, Chennai-600 089.	
2	Letter of Approval & Date	LOA No. F.2/124/2005-EPZ dt 22.6.2006	
3	Date of Notification	16.11.2006, 19.3.2007, 2.12.2008 & 6.12.2023	
4	Name of the sector of SEZ for which approval has been given	IT / ITES	
5	Total Notified Area of Special Economic Zone (in Hectares)	15.6508 hectares	
6	Total area of – i. Processing Area ii. Non-Processing Area	Land Area : 15.3355 Hectares Land Area : 0.31524 Hectares	
7	Details of Built up area : i. No. of towers with built-up area of each tower (in square meter)	Block No.	BUA (Sq.Mtr)
		Block-1A	32,552.02
		Block-1B	31,786.86
		Block-1C	40,413.13
		Basements (1A,1B,1C)	50,525.62
		LT Panel Rm	732.80
		Block-7	41,299.12
		Block-5	57,916.31
		Block-10	66,299.78
		Block-9	1,05,643.87
		Block-4	24,858.07
		Block-3	1,02,223.44
		Basements (3,4,5,7,9,10)	1,77,413.79
		Block-8	34,991.93

		Basements	10,705.27								
		Block-2	38,826.89								
		Basements	16,498.80								
		Block-14 (GIS)	1,989.45								
		Block-15	3,642.63								
		Block-12	26,116.31								
		Basements (Block-12)	12,996								
		Block-6 GKS Co- Developer	31,308								
		Total BUA	9,08,740.00								
	(ii) Total Built-up area - square meter	DLF Cyber City Developers Limited (Co-Developer)	8,77,432 Sq. Mtr								
		GKS Co-Developer	31,308 Sq. Mtr								
		Total Built Up Area SEZ	9,08,740 Sq. Mtr								
	iii. Area already demarcated as NPA by DLF Cyber City Developers Limited (Co-Developer)	<table><tr><td>Particulars</td><td>Office area in Sq. Mtr</td></tr><tr><td>Phase-I</td><td>33,901.00</td></tr><tr><td>Phase-II</td><td>18,527.18</td></tr><tr><td>Total</td><td>52,428.18</td></tr></table>		Particulars	Office area in Sq. Mtr	Phase-I	33,901.00	Phase-II	18,527.18	Total	52,428.18
Particulars	Office area in Sq. Mtr										
Phase-I	33,901.00										
Phase-II	18,527.18										
Total	52,428.18										
	iv. Remaining Built-up processing area of SEZ (ii)-(iii)	DLF Cyber City Developers Limited (Co- Developer)	8,25,003.82. Mtr								
		GKS Co-Developer	31,308 Sq. Mtr								
		Total Built Up Area SEZ	8,56,311.82 Sq. Mtr								
		8,56,311.82 Sq. Mtr (9,08,740 - 33,901 - 18,527.18)									
8	Total Balance Built-up Area in- i. Processing Area of DLF Cyber City Developers Limited (Co-Developer) ii. Non-Processing Area	8,25,003.82 sq. mtr. 52,428.18 sq. mtr.									
9	Total numbers of floors in the building wherein demarcation of NPA is proposed. Total remaining built-up area of the SEZ	Block – 10 (G + 11 Floors) 8,50,685 Sq. Mtr (8,56,311.82 – 5,626.19) (Including GKS – Co Developer)									
10	Total Built up area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units	5,626.19 Sq. Mtr									
11	How many floors are proposed for demarcation of	1 Floor in 1 Block									

	NPA for setting up of Non SEZ IT/ITES units.	<table> <tr> <th>Block No</th><th>Floor</th><th>Area in Sq. Mtr</th></tr> <tr> <td>10</td><td>Second</td><td>5,626.19</td></tr> <tr> <td>TOTAL</td><td></td><td>5,626.19</td></tr> </table>	Block No	Floor	Area in Sq. Mtr	10	Second	5,626.19	TOTAL		5,626.19
Block No	Floor	Area in Sq. Mtr									
10	Second	5,626.19									
TOTAL		5,626.19									
12	Total duty benefits and tax exemption availed on the built-up area proposed to be demarcated as NPA, as per Chartered Engineers certificate.	Rs. 89,08,653/- Proportionate duty/tax amount remitted for the proposed area of 5626.19 sq. mt. as per Chartered Engineer Certificate									
13	Whether duty benefits and tax exemptions availed has been refunded and NOC from Specified Officer has been obtained.	Yes, Total Rs. 1,37,95,263/- (Rs.29,62,738 for social & commercial infrastructure and 87,41,613 for roads in DLF SEZ of 39,846 Sq. Mtr and 20,90,912/- in respect of interest paid under rule 11B 5 (ii) and NOC has been issued by the specified officer on 16.09.2025.									
14	Reasons for demarcation of NPA	To give Non-Processing Area on lease to domestic IT/ITES Units who does not wish to set up as SEZ units.									
15	Total remaining office built up area	8,50,685 Sq. Mtr									
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 Domestic IT/ITES units.									
18	Details of social or commercial infrastructure and other facilities proposed to be used by IT/ ITES business engaged in proposed NPA.	The Developer has informed, that the common and commercial infrastructure in the proposed building / blocks, includes car parking, Atrium, ATM, Net Working services, Lifts, stairs, basement, building services control rooms, food court, security access control mechanisms, DG room, LT Panel rooms etc.,									
19	Whether any SEZ Unit operating on the area proposed to be demarcated as Non-Processing Area under Rule 11B. If yes, what is the future plan for such SEZ units?	The Developer has confirmed that the building proposed for demarcation as a non-processing area is vacant and no SEZ unit is operational as on date in the said proposed non-processing area.									
20	Status of refund of applicable tax / duty benefits availed on	As per Chartered Engineer Certificate, The Developer has paid their duties Rs									

	the area proposed for demarcation as Non-Processing Area.	2,06,12,954/- on 12-09-2025 & left-over dues along with appropriate interest paid Rs. 20,90,912/- . No Due Certificate has been issued by Specified Officer on 16.09.2025
21	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 / Co-developer has mentioned that they will maintain the appropriate access control mechanisms to ensure adequate screening of movement of persons as well as goods in SEZ premises for the SEZ units and business engaged IT/ITES services in the proposed Non processing area.

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, MEPZ-SEZ.
- ii. Chartered Engineer Certificate dated 11.09.2025 of Shri Chaitanya Jee Srivastava, Chartered Engineer Membership No. M-163947-6, towards calculation of taxes / duty to be refunded by the Developer.
- iii. 'No Dues Certificate' issued by Specified Officer vide F.No. MEPZ-MSMo21/65/2024-SEZ Chennai dated 16.09.2025.
- 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, MEPZ-SEZ.
- v. Checklist of Rule 11B in prescribed format, duly signed by Specified Officer and DC, MEPZ-SEZ.
- 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. demarcation of built-up area admeasuring 5626.19 Sq.mt. into Non-Processing Area for use by IT/ITES businesses as per Rule 11Bof the SEZ (Fifth Amendment) Rule, 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, MEPZ-SEZ:

The proposal of M/s DLF Info City Chennai Limited, Developer of IT/ITES SEZ at Shivaji Garden, Manapakkam, Ramapuram Chennai, Tamil Nadu– Proposal for demarcation of SEZ Processing Built-up area (5,626.19 Sq. Mtr.) as Non-Processing Area in terms of Rule 11 B of SEZ Rules, amended in 2023, has been recommended and forwarded for consideration of BoA.

132.5(v) M/s. Gateway Office Parks Private Limited, Developer of IT/ITES SEZ at No. 16, G.S.T Road, Perungalathur, Village, Chennai, Tamil Nadu – Proposal for demarcation of SEZ Processing Built-up area 10,706.32 sq mtrs as Parking/Basement Area for Common usage)

Jurisdictional SEZ – Madras SEZ (MEPZ)

Facts of the case:

S. No.	Particulars	Details	
1.	Name & Address of Developer	Gateway Office Parks Pvt. Ltd No. 16, G.S.T Road, Perungalathur, Village, Chennai, Tamilnadu	
2.	Letter of Approval & Date	F.2/92/2006-EPZ dated 16.06.2006	
3.	Date of notification	S.O. 1633 (E) Dated: 28.09.2006 S.O. 1589 (E) Dated: 24.09.2007 S.O 2857 (E) Dated 09.11.2009 S.O 2667 (E) Dated 10.08.2017 S.O 520 (E) Dated 28.01.2021 S.O 698 (E) Dated 06.12.2023	
4.	Name of sector for which approval has been given	IT/ITES SEZ	
5.	Total Notified land area of SEZ (in hectare)	10.1368 Ha	
6.	Total area of- (i)Processing area- (ii)Non-Processing area-	10.1368 Ha 0.00 Ha	
7.	Details of Built up area: (i)No. of towers with built-up area of each tower (In sqmtr)	Total Buildings	GROSS BUA (SQM)
		1 (A1)	34,385.42
		2 (A6)	35,373.51
		3 (B3)	14,217.76
		4 (B2)	15,429.16
		5 (B4&B5)	33,792.49
		6 (B1&B6)	35,853.68
		25 (A2)	39,449.27
	(ii)Total Built up area (In sqmtr)	26 (A3)	39,449.27
		27 (A4)	38,827.40

		Total Built Up Area	2,86,777.96		
		Total Basement Area: 1,22,793.26 Sq. Mtrs. Built up area: 2,86,777.96 Sq. Mtrs. Basement area: 1,22,793.26 Sq. Mtrs.			
8.	Total Built up area in- (i)Processing area- (ii)Non-Processing area- (In Sq mtrs) ;	Built up area: 278,499.96 Sq. Mtrs. Basement area: 118,832.22 Sq. Mtrs. Built up area: 8,278.00 Sq. Mtrs Basement area: 3,961.04 Sq. Mtrs.			
9.	Total numbers of floors in the building wherein demarcation of NPA is proposed	Building 6 (B1 & B6) – 2 Basements + Ground Floor + 5 Floors			
	Floor wise details are as below:-				
	Building 6 (B1 & B6)	SR. NO	FLOORS	GROSS BUA (SQM)	
		1	Upper Basement	35,853.68	
		2	Lower Basement		
		3	Ground Floor		
		4	1 st Floor		
		5	2 nd Floor		
		6	3 rd Floor		
		7	4 th Floor		
		8	5 th Floor		
			TOTAL	35,853.68	
Kindly refer to the Occupancy Certificate (OC), we have a common approved Built-Up Area (BUA) for both B1 and B6. There is no separate BUA approved for B1 and B6 individually or separately hence, we have considered the BUA as common for both. Since the OC is jointly issued for B1 and B6 wherein no individual BUA is specified/					

		available, hence we have to mention the reference of B1 & B6 jointly.	
10.	Total Built up area proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units	6,028.00 Sq. Mtrs. As Built up area NPA and 389.05 Sq. Mtrs. as Ground Floor Lobby area – Total of 6,417.05 Sq. Mtrs and 4,289.27 Sq. Mtrs. as Parking/Basement Area for Common Usage.	
11.	How many floors are proposed for demarcation of NPA for setting up of Non SEZ IT/ITES units	Demarcating 3 rd Floor and 4 th Floor of Building 6 (B6) as below along with Ground Floor Lobby area of B6:	
		Floors	Net BUA (Sq Mtrs)
		3 rd Floor of B6	3,014.00
		4 th Floor of B6	3,014.00
		Ground Floor Lobby of B6	389.05
		Total	6,417.05
		Common Infrastructure area to be demarcated as below:	
		Basement/Parking for Building 6(B6) – 4,289.27 Sq. Mtrs.	
12.	Total Duty benefits and tax exemption availed on the built area proposed to be demarcated as NPA, as per chartered Engineers certificate (In Rupees crore)	Rs. 7,23,95,114/- (Seven Crore Twenty Three Lakh Ninty Five Thousand One Hundred and Fourteen)	

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, they have refunded all the Duty benefits and tax exemption availed and NOC from Specified officer has also been received.
14.	Reasons for demarcation of NPA:	To give Non processing area on lease to Domestic units who does not wish to set up as SEZ Unit
15.	Total remaining built-up area (in sqmtr)	Balance Built Up Processing area after Demarcation: 272,082.91 Sq Mtrs and Balance Basement Processing area after Demarcation 114,542.95 Sq Mtrs
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 Domestic units who does not wish to set up as SEZ Unit
18.	List of common Utilities, Infrastructure, Facilities which will remain common after demarcation	<ol style="list-style-type: none"> 1. DG set 2. Chillers 3. HVAC Equipment's 4. Elevators / Lifts 5. Parking Area 6. Ground floor Lobby 7. Canteen, ATM area 8. Other common peripheral area
19.	Whether any SEZ Unit operating on the area proposed to be demarcated as Non-Processing Area under Rule 11B. If yes, what is the future plan for such SEZ units?	The Developer has confirmed that the building proposed for demarcation as a non-processing area is vacant and no SEZ unit is operational as on date in the said proposed non-processing area.
20.	Status of refund of applicable tax / duty benefits availed on the area proposed for demarcation as Non-	As per Chartered Engineer Certificate and financial statements Minus the financial cost, the Developer has refunded duties/tax liability of Rs. 7,23,95,114/- towards Built up NPA area of 10,706.32 Sq.

	Processing Area.	Mtrs. No Objection Certificate has been issued by Specified Officer dated: 16.09.2025 . Checklist and Certificate for refund of duty as per Rule 11B signed by Specified Officer and countersigned by Development Commissioner (enclosed).
21.	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 they shall follow appropriate access control mechanisms for SEZ Unit and business in Information Technology or Information Technology Enabled Services in non-processing area of Information Technology or Information Technology Enabled Services in special Economic Zones, to ensure adequate screening of movement of persons as well as goods in and out of their premises.

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, MEPZ.
- ii. Chartered Engineer Certificate dated 11.09.2025 of Shri Er. Vijay Khamkar, Chartered Engineer Membership No. M-1535875, towards calculation of taxes / duty to be refunded by the Developer.
- iii. 'No Dues Certificate' issued by Specified Officer vide F.No. MEPZ-MSMo3(3)/2/2025-SEZ Chennai dated 16.09.2025.
- 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, MEPZ.
- v. Checklist of Rule 11B in prescribed format, duly signed by Specified Officer and DC, MEPZ.
- 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. demarcation of built-up area into Non-Processing Area for use by IT/ITES businesses as per Rule 11B of the SEZ (Fifth Amendment) Rule, 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, MEPZ:

The proposal of M/s. Gateway Office Parks Private Limited, Developer of IT/ITES SEZ at No. 16, G.S.T Road, Perungalathur, Village, Chennai, Tamil Nadu – Proposal for demarcation of SEZ Processing Built-up area 10,706.32 sq mtrs as Parking/Basement Area for Common usage) as Non-Processing Area in terms of Rule 11 B of SEZ (Fifth Amendment) Rules, 2023, has been recommended and forwarded for consideration of BoA.

Agenda Item No.132.6:

Miscellaneous [1 proposal : 132.6(i)]

131.6(i) Request of Surat SEZ for cancellation of LoA of M/s. C Tech Corporation after lapse of extension of validity granted by BoA after hearing appeal of the unit against the Order-in-Original dated 11.06.2024 passed by DC, Surat SEZ.

Jurisdictional SEZ – Surat, SEZ

Brief Facts of the Case: M/s. C-Tech Corporation, Unit No. 162, Plot No. 259, Surat SEZ, was granted a Letter of Approval (LOA) on 15.12.2003 to operate within the SEZ. The unit was required to submit Annual Performance Reports (APRs) and maintain Positive Net Foreign Exchange (NFE) as per SEZ Rules, 2006. The unit failed to submit APRs on time for financial years (2006–07 to 2008-09 and 2010-11 to 2012-13, 2014-15, 2015-16, 2017-18 to 2019-20 & 2021-22), violating SEZ regulations and conditions of the LOA and Bond-cum-Legal Undertaking. No exports or foreign exchange earnings were recorded in the last block of five years (2019-24), resulting in zero NFE. The unit was non-functional since April 2017, with no valid justification provided during hearings. The unit applied for LOA renewal in January 2024, but failed to meet the required criteria under Rule 19 & 53 of SEZ Rules. After multiple hearings and lack of credible explanation, the Approval Committee agreed on the cancellation of the LOA in the 104th UAC meeting dated 30.04.2024 under Section 16(1) of SEZ Act, 2005.

Details of the Case: -

Name of the Unit: M/s C Tech Corporation

The unit applied for LOA renewal in January 2024, but failed to meet the required criteria under Rule 19 & 53 of SEZ Rules. Hence, SCN SSEZ/C-4/154/2003-04/Vol-I/1661 dated 24.01.2024 has been issued to M/s. C-Tech Corporation, Unit No. 162, Plot No. 259, Surat SEZ for below mentioned points:

1. Non filing of APR for the financial years (2006–07 to 2008-09 and 2010-11 to 2012-13, 2014-15, 2015-16, 2017-18 to 2019-20 & 2021-22).
2. Cancellation of Letter of Approval no SSEZ/C-4/154/2003-04/1262 dated 15.12.2003.
3. Penalty under Rules 54(2) of the SEZ Rules, 2006 with provisions of Section 11 of FTDR, 1992 for not achieving Net Foreign Exchange

Further, various personal hearing has been accorded to the unit on the basis of principal of natural justice but unit holder failed to provide any reasonable justification for not running their unit since April-2017. Therefore, the Approval Committee after due deliberations took the view that the unit holder is not serious in running the unit. Accordingly, the committee accorded its consent on the cancellation of the LOA in the 104th UAC meeting dated 30.04.2024 under Section

16(1) of SEZ Act, 2005. Therefore, the Order in Original No. 07/2024-25 dated 11.06.2024 by Development Commissioner, Surat, SEZ for below mentioned points:

1. Cancellation of Letter of Permission No SSEZ/C-4/154/2003-04/1262 dated 15.12.2003 under Section 16(1) of SEZ Act, 2005.
2. Imposing of penalty Rs.10000/- for not achieving positive NFE for 4th bock of 5 years i.e 2019-20 to 2023-24 under Section 11 read with Section 13 of FTDR, 1992 under Rule 54 of SEZ Act, 2006.
3. Imposing penalty of Rs.120000/- for late filing of APR for the financial years (2006-07 to 2008-09 and 2010-11 to 2012-13, 2014-15, 2015-16, 2017-18 to 2019-20 &2021-22) under Section 11 read with Section 13 of FTDR, 1992 under Rule 54 of SEZ Act, 2006.

Main Points raised by the appellants:

S. no.	Point raised by the said Unit	Comment of Surat SEZ
i.	Due to non availability of electricity and loss in business, it was impossible to perform manufacturing operations for 3 years and this issue enabled Chinese competition to get into our main markets with cheap knock offs and hence, could not achieve positive NFE. Wrongful disconnection of electricity by DGVCL & Careless response. Compounding of problems due to no electricity and loss of business due to same.	<p>DGVCL vide letter F.No. SCH-1/IND/Tech/828 dated 07.03.2019 stated that the LT connection in name of M/s C. Tech Corporation at Plot No. 259, Unit No. 162 at SEZ Sachin having Consumer No. 12322/00362/0 was temporarily disconnected during Sep-2015 due to non-payment of energy bills & since they failed to remove cause of disconnection within 180 days and their electric connection was permanently disconnected on 31.03.2016. Further, M/s C. Tech Corporation had approached to the DGVCL for availing new LT connection on plot No. 259, Unit No. 162 at SEZ Sachin during the month of Oct- Nov-17. However, DGVCL has informed M/s C. Tech Corporation, that a new connection on plot No. 259 can be given to them only after pending dues of other units located in the same plot are cleared.</p> <p>Pursuant to that, the unit made representation to Ministry of Power, Govt. of Gujarat, Gandhinagar and other authorities regarding non</p>

		<p>granting of new electricity connection due to pendency of outstanding dues of other units on the same plot. The matter regarding representation made by the unit and actions for clearing outstanding dues was discussed by DGVCL with DGDC and pending dues were cleared by DGDC as per settlement in Lok-Adalat held on 10.02.2018. Subsequently, the unit did not turn up to register application and the DGVCL vide their letter dated 15.02.2018, 23.02.2018 and 26.02.2018 informed the unit for registering a fresh application for availing new LT connection. After considerable delay, unit filed an application dated 11.10.2018 for new connection in the name of M/s C. Tech Corporation which was released on 05.03.2019 by the DGVCL. It is pertinent to mention that, in 2019, the LOA of the unit was renewed by the then DC vide LOA No. SSEZ/C-4/154/2003-04/31 dated 08.04.2019 for fourth Block of 5 years (from 01.04.2019 to 31.03.2024) on the same plea of electricity disconnection made by the appellant. After lapse of 05 years, the firm is again repeating the same plea of electricity disconnection for renewal of 5th Block (2024-2029) for doing zero business and providing zero employment in 4th Block. Besides this, they have mentioned about increasing competition from illegal Chinese imports in EU market, but they have failed to provide any evidence of concerned EU authorities having taken cognizance of their complaint against "illegal Chinese" imports in EU market.</p>
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ii.	Inability to pay the penalty due to wrong information provided by Development Commissioner to pay the penalty, which could delay or cancel the appeal with the BOA.	Contrary to the assertion of the appellant, office of the Development Commissioner, SurSEZ provided step by step guidance on Mob No. 9510277273 for payment of Appeal penalty to Shri Sachin Deshmukh, Authorised Person of M/s C. Tech Corporation on 03.07.2024. Further, an e-mail has also been sent to M/s C. Tech Corporation regarding step by step guidance regarding payment of penalties on 09.07.2024.
iii.	No personal hearing given by the Development Commissioner	Contrary to their assertion that no personal hearing was given by Development Commissioner, it is emphasized that a Personal Hearing was accorded to the unit and Shri Sachin Deshmukh, Authorised Person of the Unit had appeared for Personal Hearing before the Development Commissioner, Surat SEZ on 14.02.2024. Furthermore, following the principle of natural justice, another opportunity was accorded to the firm & Shri Sachin Deshmukh, Authorised Person appeared before the 104th UAC held on 30.04.2024 but failed to provide any reasonable justification for not running their unit since April-2017

Relevant legal provisions:

1. Rule 22 of SEZ Rules, 2006 – Annual Performance Reporting
2. Rule 19 of SEZ Rules, 2006 – Validity & Renewal of LOA
3. Rule 53 of SEZ Rules, 2006 – Net Foreign Exchange (NFE)
4. Rule 54 of SEZ Rules, 2006 – Penal Action
5. Section 16(1) of SEZ Act, 2005 – Cancellation of LOA
6. Rule 55 of SEZ Rules, 2006 – Appeal Mechanism
7. Section 11(2) of FTDR Act, 1992 for penalty.

Comments of Office of Development Commissioner in respect of letter F. No. K-43022/114/2024-SEZ dated 18.11.2024 received from Ministry of Commerce.

The Board of Approval, in the meeting No.124 dated 05.11.2024 and after due deliberations, granted extension of validity of LOA granted to M/s. C Tech Corporation for a further period of six months i.e. upto 04.05.2025 and **also directed Development Commissioner, Surat SEZ to review the unit's progress** thereafter and take further action as appropriate and intimate BOA.

In this regard, it is pertinent to mention here that based on the submissions made by the Appellant regarding their business plan, export orders & time frame to commence manufacturing along-with specific milestones indicated, the BOA had granted the aforesaid extension. The said specific milestones and timelines for each such milestone indicated by the unit were as under:-

Sr.No	Milestone	Description	Timeline	Remarks
1	Equipment Inspection	Detailed assessment of existing manufacturing equipment	November 2024	The unit failed to achieve even a single milestone.
2	Equipment Repair and Maintenance	Repair and upgrade of manufacturing equipment	November 2024	
3	Facility Preparation	Preparing manufacturing facility and infrastructure	November-December 2024	
4	Raw Materials Procurement	Sourcing essential raw materials for production	December 2024	
5	Staffing and Training	Recruitment and training of key manufacturing staff	December-January 2025	
6	Trial Production	Initial trial runs to ensure equipment and process readiness	January-February 2025.	
7	Full Production Start	Official start of full-scale manufacturing	February-March 2025	

However, **during review of the performance of the unit**, physical verification of the unit was conducted by the Surat SEZ Customs on 04.07.2025 and it is found that none of the milestones as indicated above have been achieved by the unit.

- i. After the extension granted by BOA, only single export transaction was carried out by the unit vide Shipping Bill No. 8590948 dated 28.02.2025, which too was effected from their existing old stock pertaining to the period July, 2016.
- ii. It is pertinent to mention here that during the period under review, the unit has neither imported nor procured any raw materials from DTA.
- iii. No gate pass for any employee except Visitor Pass for the single Authorized Representative was issued. Thus, no employment was generated.
- iv. The monthly average electricity bill of the unit is Rs. 350/- only i.e. Fixed Charges. The meter reading during the month of November, 2024 was 577 and

the meter reading during the Month of June, 2025 was 578, thus only 01 unit of electricity was consumed by the Unit during the period from November, 2024 to June, 2025. This implies that no manufacturing activity was undertaken during the period of extension granted by Board of Approval.

View of DC, Surat SEZ:

In view of the aforesaid review, it is evident that the unit holder is not serious in running the unit and providing employment and is unnecessarily holding onto the space in SEZ which could have been utilized productively by some other entrepreneur. Accordingly, Development Commissioner is not inclined to renew the LOA of M/s. C Tech Corporation beyond the extension of 6 months already granted by BOA. The decision of the Development Commissioner, Surat SEZ has been conveyed to Under Secretary, SEZ Division vide letter F.No SSEZ/C-4/154/2003-04/Vol-I dated 09th July 2025.

Agenda Item No.132.7:

Appeal [2 cases: 132.7(i) – 132.7(ii)]

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

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

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

Jurisdictional SEZ – Kandla SEZ (KASEZ)

Brief facts of the Case:

M/s. Varsur Impex Pvt Ltd, is a Warehousing Unit in Kandla Special Economic Zone (hereinafter referred to as 'the Warehousing Unit' to render the service of Warehousing to their clients in terms of LOA No 01/2021-22 dated 10.04.2021

2. As per the prevalent practice in Kandla Special Economic Zone, the warehousing unit has to take prior approval from the UAC before warehousing ADDITIONAL ITEMS M/s Varsur Impex Pvt Ltd. submitted a request letter dt 17.03.2025 for inclusion of additional items in the approved list of LOA for warehousing activities. The details of the items are mentioned from Sr No 1 to 20 in the letter for consideration.

3. The said request of the warehousing unit was considered by the 212th, UAC held on 28.03.2025 at KASEZ vide Agenda Point No 212.2.11. Shri N.K. Choudhary, Authorized Representative of the company & Shri Mahender Kapoor, Consultant of the company attended the UAC in person & explained the proposals.

4. Mr. Mahender Kapoor, Consultant made a specific request to the UAC during the meeting on 28.03.25 that if the UAC is not approving any of the items proposed by them for warehousing, then a detailed justification may be given by the UAC by way of speaking order for not approving the items proposed.

5. The IA-I section of KASEZ vide their mail dated 09.04.2025, inter alia, conveyed that *'The Approval Committee in its 212th, meeting after due deliberation decided to permit the additional items to be warehoused on behalf of DTA/Foreign clients as submitted by the unit except items at Sr. No 3,4,5,6,7,8,9,10,14,15 & 16 of agenda, subject to the unit submitting specific list of items at Sr. No 12,13 & 19, subject to payment of outstanding rental dues & also subject to unit fulfilling NFE criteria and subject to the unit submitting KYC of your clients along with IT R of the last 3 years on whose behalf you will warehouse goods and subject to the conditions mentioned in the UAC minutes.....'*

5.1 Turning to the Minutes of the 212th UAC meeting at Agenda Point No 212.2.11, the observations of the UAC are stated as follows:

"The Committee perused Instructions No 117 dated 24.09.2024 wherein the Department of Commerce, SEZ Section, New Delhi wherein guidelines for

operational framework of FTWZ and warehousing units in SEZ have been prescribed for strict compliance by all DCs. Further, in the said Instruction, it has been stipulated that there should be due diligence in verifying the credentials including KYC norms of the applicant entities for setting up of FTWZ/Warehousing Zones/Units as well as the clients of such units. Aadhar based authentication of Indians and Passport based authentication for foreign clients are to be considered. The Income tax return for the last 3 years in respect of the Proprietor/Partners/Directors or the audited balance sheets for the last three years in case of Limited Company/Private Limited Company should be part of KYC. In present proposal, the unit has not submitted KYCs & ITRs of their clients on whose behalf they will warehouse the goods and thus the UAC is not in a position to verify the credentials of their clients.

Further, the committee also noted that various cases are under investigation against the unit.

The committee further noted that some of items requested for warehousing are sensitive in nature & the UAC is not permitting the same in the recent past.

The Committee after due deliberation decided to permit the additional items to be warehoused by the above unit on behalf of DTA/Foreign clients as submitted by unit except.....”

6. Being aggrieved by the above noted decision of the 212th UAC, a representation dt 15.04.2025 was sent to the Development Commissioner, Kasez pointing out fallacy and hollowness of the grounds mentioned in the minutes of the meeting & the stage of applicability of the KYCs norms for the new clients with the request to re -consider the items in the upcoming UAC, with the hope that on being pointed out on record, a sense of proposition, fairness, better dispensation of law & devotion to duty will prevail, BUT, AS USUAL TO NO AVAIL.

7. Hence, being aggrieved with the decisions of the 212th UAC with regard to Agenda Point No 212.2.11, as reflected in the Minutes of the 212th, UAC meeting & conveyed to the warehousing unit vide mail dated 09.04.25, I am making this appeal on the basis of the ground mentioned in Annexure B for consideration of the Hon'ble BOA

Grounds of Appeal

Ground No. 1: The prevalent practice of making a warehousing unit to seek item & CTH wise permission from the UAC at Kandla Special Economic Zone, deliberation of UAC thereon, or approval or permission thereof is farce, ultra vires & void ab initio because it is not mandated under any provisions of the SEZ law.

Neither Rule No 18(2), because it is not a proposal for setting up a new warehousing or sez unit; nor 18(5), because it is not a fresh proposal to warehouse the goods on

behalf of foreign clients or proviso to Rules 19(2) SEZ Rules, 2006, because no broad banding is being sought or change in service activity i.e warehousing is being sought mandates for such exercise

Explanation

1.1 None of the provisions of SEZ law or instructions mandates that an FTWZ unit or warehousing unit in SEZ is required to take item/CTH wise approval from the UAC or for that matter from the Development Commissioner.

1.2 On one of the similar appeals in the past before the BOA, shelter of broad banding under the proviso to Rule 19(2) was being taken. Presumably, on this occasion also, the opinion of Kasez authorities pins on this provision. Let us have a relook in the said provisions which reads as follows:

Rule 19 which deals Letter of approval to a Unit provides that

(1) On approval of a proposal under Rule 18 or 19, Development Commissioner shall issue a Letter of Approval in form G for setting up of the unit;

(2) The letter of approval shall specify the items of manufacture or the particulars of service activity, including trading or warehousing, projected annual export and net foreign exchange earnings for the first five years of operations, limitations, if any on Domestic Tariff Area sale of finished goods, by products, and rejects and other terms and conditions, if any, stipulated by the Board or Approval Committee:

'Provided that the Approval Committee may also approve proposals for broad banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity, if it meets the requirements of Rule 18:

1.3 It may please be appreciated that even the proviso to this particular sub rule 2 does not provide for the inclusion of additional items for the same service activity. It only talks about change in service activities such as from warehousing to IT, or banking or management or consultancy or medical or logistics or security etc. In the instant matter, there is absolutely no proposal from the appellant seeking change in the service activity. The unit is granted LOA for warehousing activity, it continues to do the same. So, the deliberation on compulsive request of a warehousing unit for inclusion of additional items for the same service is not mandated under proviso to Sub rule 2 of Rule 19.

1.4 Further, in order to understand the matter in the right perspective, it is imperative to do a little incision into the whole gamut of related stipulations/provisions on the subject.

1.5 Accordingly, kind attention is invited to Rule 18(2) of the Special Economic Zone Rules, 2006 which vests the authority in the UAC to grant the permission for setting up a unit in the Special Economic Zone including the documentary requirements to be complied by the applicant & procedure thereof. None of the

provisions of Rule 18(2) or its sub rules right from (i) to (v) requires submission of details of items, CTH Wise for the purpose of FTWZ unit or warehousing unit in SEZ.

1.6 Similarly, is placed Rule 18 (5), which prescribe certain stipulations for the FTWZ unit or a warehousing unit in a SEZ, does not impose any such requirement of item/CTH wise approval on behalf of a FTWZ unit or warehousing unit in SEZ. The only stipulation imposed by this sub rule is that all the transactions by a unit in Free Trade and warehousing Zone (FTWZ) shall only be in convertible foreign currency.

1.7. It is a matter of record that warehousing unit at KASEZ are being forced to seek items wise approval time and again without any mandate to this effect under any provisions of the SEZ law. It is re-iterated that there is neither any proposal nor any intention on the part of the applicant/appellant to change its service activity so as to fall in the domain of proviso to Rules 19(2). The fact of the matter that only warehousing service are being provided and they will continue to provide the same only.

1.8 Though, it has been pointed out in writing as well as during the course of UAC that there is NO specific or general provision in this regard, yet, the warehousing units have to seek prior permission from the UAC for inclusion of additional items for warehousing activities, because the office of the Specified Officers including Authorized Officers at KASEZ refuse to process the bill of entry or allied documents without such permission. So, the warehousing units at Kandla Special Economic Zone have to fall in line and make applications in this regard.

1.9 So, from the explanations made above, it is clear beyond doubt that the very act of the Development Commissioner & the Unit Approval Committee deliberating on the proposals of inclusion of additional items for warehousing activities are not mandated under the SEZ Law, hence un authorized & should be discontinued forth with. **On ground alone, the decisions of the 212th UAC meeting are liable to be set aside.**

Ground No 2: The impugned decision of the 212th, UAC reflects improper appreciation & application of Instruction No 117 dt 24.09.2024, self-contradiction, bias, mis-chief & selective approach, unbecoming for a committee constituted primarily for approval purposes.

2.1 In explanation, the appellatant has re-iterated the Para 5 along with Para 5.1 as mentioned under 'brief facts of the case' above.

2.2. In this regard, it is submitted that the Minutes of the meeting which should be a summarized record of the proceedings of the meeting have detailed description of each point and the letter/mail dt 09.04.25 which should have all details with regard to the observations of the UAC pertaining to our proposal does not have these. It means that what should have been conveyed to the applicant and for their consumption and action only, have been put in the public domain.

2.3 Such is basic understanding prevailing at KASEZ with regard to official communication, its objective; purpose & actionability So, it can well be imagined as

to how the provisions of SEZ law will be understood by the bunch of officers at KASEZ & the way it is implemented. The results are obvious and there to see.

2.4 It is further submitted that in the 1st para of the Minutes, the reason cited for denial of permission is non submission of KYC & ITRs of the clients. But in the last para of the same Minutes, the permission is granted for certain items, though, with the request letter, no KYCs or ITRs of any client have been submitted by the warehousing unit.

2.5 If, in terms of the Instructions No 117, the permission is to be granted only after verifying the credentials of the prospective clients on the basis of KYCs & ITRs of last three years, why the permission is granted in the letter/mail dt 09.04.25 in the absence of such documents. Hence, the impugned decision of the UAC, reflected in the Minutes of the 212th, UAC meeting, contains self-contradictory versions coupled with bias & selective approach, which is unbecoming for a committee constituted primarily for specific purposes.

2.6. Though, the UAC have made their observations with regard to the submission of KYC documents along with ITRs of the clients in terms of Instructions No 117, yet they have completely ignored the stage of submission of such documents stipulated in the same instructions itself. The following explanation will make the point clear.

The client can either be an existing one or a prospective/potential one. In case of an existing client, the KYCs documents along with respective agreement are already submitted with the office of the Development Commissioner. However, in case of prospective client, the stage of agreement comes prior to commencement of business. And the agreement for rendering warehousing services with respect of a particular item to a prospective client cannot be executed in the absence of prior permission for that particular item by the UAC. So, the prior approval for a particular item proposed to be warehoused by a unit at KASEZ is a pre requisite before an agreement & obtaining KYC document including ITRs from a client. Accordingly, in the instant case, the stage of KYC and its submission with the office of the DC IS YET TO COME.

Similarly, the stage of submission of KYC & ITR etc is prescribed in Para 1(ii) of the Instructions no 117 which stipulates that 'Development Commissioner to ensure that warehousing units should furnish the specified KYCs details of their clients to the DC office before commencing first transactions by that client.'

2.7 Though, the learned UAC members including the chairman have conveniently ignored it, wherever it suits their pre-planned agenda, yet they are placing reliance on the remaining portion of the same Instructions, as per their convenience. This kind of pick & chose approach is not permissible under any law, including SEZ Law

2.8 With regard to the observation of the UAC that various cases are under investigation against the unit, it is submitted that investigation is a primary stage of a legal process. Hence, none of the provisions of the SEZ law provides for denial of

permission on this ground. So, the observation of the UAC on this account is premature and not tenable.

2.9 The committee further noted that some of items requested for warehousing are sensitive in nature & the UAC is not permitting the same in the recent past

2.10 The appellant has submitted that it may be appreciated & agreed that storage/warehousing activities are all about simple service PROCESSES which do not require any special skill or qualification, the way a housewife does not need for making storage of various items flammable, non-flammable, spices including black pepper etc in a kitchen & various other items in a home. It needs to be understood that though, there may be slight change in the pattern of storage in case of inflammable & other items, yet the activities of storage/warehousing remain the same. however, any item can be termed as Sensitive or otherwise with regard to its FTP or its importability. But the items requested are Freely importable in terms of Policy. Further, from the view point of warehousing in a SEZ Unit, such observations are irrelevant because the role of warehousing unit in SEZ is limited to storage & proper upkeep.

2.11 All the policy framers are in agreement what has been explained above and that is why, in all the SEZs & FTWZ all across the country, all the items, except, restricted & prohibited items, are permitted to be warehoused and traded. You may check next door at Adani SEZ or in any other FTWZ where units are permitted to warehouse all the items. Since the authorities at KASEZ are also bound by the same law. The Ministry or the BOA should issue necessary instructions to the DC, KASEZ to stop forthwith this un authorized practice in the interest of economic growth & fair play.

Ground NO 3: The modification or approval or rejection of any proposal should be based on the specific provisions of SEZ law & it cannot be at the whims & fancies of the Chairman of the UAC & its members

Explanation

In this regard, it is submitted that neither the letter/mail dated 09.04.25 nor the Minutes of the 212th, UAC Meeting available on the official web site of KASEZ make any mention of any Rule or Instructions whereunder the permission is being denied. Denial of permission can only be done under a specific provision of relevant law and it needs to be communicated to the applicant. It should also be mentioned in the communication with whom the appeal lies against the decision. Any rejection or denial cannot be at the whims & fancies of the Chairman of the UAC and its members.

Para wise comments in case of M/s. Varsur Impex Pvt. Ltd., KASEZ

Para 1 to 7: -

Facts of the case, hence no comments.

Ground of Appeal:

Para 1:

The contention of the appellant is not correct as the Ministry vide instruction no. 117 dated 24.09.2024 has issued guidelines for operation framework of FTWZ and warehousing unit in SEZ wherein direction were issued to DCs to keep strict watch on the high risk commodities such as areca nuts betel nuts black pepper dates etc. and may consider restricting dealing in such sensitive commodities by FTWZ units and warehousing units. Moreover, the list may further be regularly reviewed by the Unit Approval Committee based on the risk perceptions of the various commodities. Further the appellant has requested for sensitive items such as Cigarettes, filter cigarettes etc. which the Board of Approval has not been permitting in the recent past i.e. in the 88th BoA meeting held on 25.02.2019 in the case of M/s. Zest Marine Services Pvt. Ltd., KASEZ and in the 74th BoA meeting held on 06.01.2017 in the case of M/s. A One Duty Free Pvt. Ltd.

Further, this office made reference to other SEZs regarding procedure being followed for addition of new items in existing LoA by trading and warehousing units and it has been informed that the units has to apply for inclusion of items and the matter is being placed before the Unit Approval Committee for consideration. As such in other SEZ also any new items whether trading or warehousing is being placed before the UAC for approval.

Para 2:

The contention of the appellant is not correct as the Minutes of the 212th Unit Approval Committee uploaded in the KASEZ website and the email dated 09.04.2025 sent to the unit just for their information and make necessary compliance of the Unit Approval Committee's decision.

Further, the permission for addition of items which appears to be non-sensitive & granted to the other warehousing units were granted to the appellant subject to submission of KYC and ITR of their clients and sensitive items such as Cigarettes, filter cigarettes etc. were denied by the UAC.

The contention of the appellant is not correct as this office made reference to other SEZs regarding procedure being followed for addition of new items in existing LoA by trading and warehousing units and it has been informed that the unit has to apply for inclusion of items and the matter is being placed before the Unit Approval Committee for consideration. As such in other SEZ also any new items whether trading or warehousing is being placed before the UAC for approval.

Para 3:

The contention of the appellant that approvals are granted at the whims and fancies of the Chairman of the UAC and its members is not correct as in the 116th UAC meeting held on 19.07.2017, the UAC has decided that the warehousing units in KASEZ will have to seek permission for any new items which they intend to warehouse on behalf of foreign clients as well as DTA clients and submit KYC of the client before warehousing the items.

The contention of the Appellant is not tenable as first proviso to Rule 19(2) of the SEZ Rules, 2006 empowers the Approval Committee to approve proposals for broad-banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity, if it meets the requirements of Rule 18 and thus the decision taken by the UAC comes within the ambit of Rule 19(2) of the SEZ Rules, 2006.

Comments of DC:

In view of the above, prayer of the appellant requires to be summarily rejected and no relief of any kind be granted to them and the decision of the UAC is a well reasoned legal and proper decision as per past approval of not approving the sensitive items such as Cigarettes, filter cigarettes etc.

Decision of BoA in prior meetings:

The Board in 131st meeting, deferred the appeal as the appellant did not present his case after joining the meeting through VC link

The Board in 130th meeting, deferred the appeal due to paucity of time.

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

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

Jurisdictional SEZ – Kandla SEZ (KASEZ)

Brief facts of the case

M/s Flamingo Logistics (Warehousing Division) is a unit in Kandla SEZ since 2011 is engaged in activity of warehousing services and trading activity of all the items except restricted and prohibited

The appellant has been operating in Kandla SEZ since about 14 years and has clean track record. The appellant has always remained positive in earning of NFE and has paid the rental dues from time to time.

The appellant commenced its authorized operations on 28/04/2014 and accordingly the LOA has been renewed from time to time. A copy of original LOA dt.19/05/2011. subsequent renewal of LOA vide letter dt.30/04/2019 and the last renewal vide letter dt.31/05/2024. The LOA of the appellant is valid up to 28/04/2029.

The appellant during his operational period had imported cigarettes (Richman Royal) CTH 24022090 on behalf of their DTA Client M/s Jubilee Tobacco Industries Corporation, New Delhi and exported the same to his Foreign Client at Netherlands vide Shipping Bill No.0001864 dt. 08/02/2016.

Similarly the appellant made procurement of cigarettes (CTH 24022090) on behalf of their Foreign client M/s Jubilee Tobacco Industries INC., USA from DTA Godfrey Phillips Limited, New Delhi under Bill of Export No. 0005627 dt.26/10/2015 and also procured from M/s Shanti Guru Tabaco under Bill of Export No.0005655 dt.26/10/2015 and exported the same to M/s Bashir International Ltd. Afghanistan under Shipping Bill No.0015840 dt.26/11/2015 on behalf of their Foreign client. A copy of Bill of Exports and Shipping Bills.

Although the appellant was holding LOA under which warehousing and trading of all items except restricted and prohibited was permitted. the UAC in its 116th meeting held on 19/07/2017 at para 6 decided that the units in SEZ should seek permission for each item they intend to warehouse on behalf of their Foreign clients as well as DTA clients and submit the KYC details of clients before warehousing the goods. A copy of minutes of 116th meeting of UAC held on 19/07/2017 with corrigendum dt. 31/07/2017.

Accordingly, the appellant vide his letter dt.17/02/2025 requested for permission to warehouse Lithium-ion battery (CTH 85076000). The appellant also vide their letter dt. 14/04/2025 and email dt.16/04/2025 requested for permission to warehouse cigarettes (CTH 24022090) on behalf of their Foreign client. A copy of their letter dt.17/02/2025, 14/04/2025 and email dt. 16/04/2025.

The request of the appellant for import of cigarettes and Lithium-ion battery was placed before 213 meeting of UAC held on 30/04/2025 and the UAC permitted to warehouse Lithium-ion battery, but rejected the permission to warehouse cigarettes solely on the ground that the item being sensitive commodity and prone to diversion

the UAC is not permitting such item for warehousing. The decision of UAC was conveyed to the appellant vide letter dt.22/05/2025 from the Development Commissioner, Kandla SEZ (hereinafter referred to as the Respondent). A copy of minutes of 213th and Respondent's letter dt.22/05/2025.

Being aggrieved with the decision of the UAC communicated by the Respondent the Appellant herein, most respectfully, submits the Appeal before BOA, Ministry of Commerce, SEZ Section. Vanijya Bhavan. New Delhi (hereinafter referred to as (THE APPELLATE AUTHORITY) as per Rule 55 of the SEZ Rules, 2006 read with Section 16 (4) of the SEZ Act, 2005.

Grounds of Appeal and Para wise comments in case of M/s. Flamingo Logistics (Warehousing Division), KASEZ

Para no.	Grounds of Appeal	Para wise comment from KASEZ
1	The Respondent has passed the order in mechanical a manner and without application of mind and without appreciating that the appellant is already doing warehousing business of cigarettes and this unilaterally and arbitratorily limiting the scope of appellant business is neither justified and nor warranted.	<p>The appellant's contention that the Unit Approval Committee (UAC) acted in a mechanical manner without due consideration is incorrect. The Department, guided by Instruction No. 117 dated 24.09.2024 from the Ministry of Commerce & Industry, has issued clear guidelines for the operational framework of Free Trade Warehousing Zones (FTWZs) and warehousing units in Special Economic Zones (SEZs). These guidelines direct Development Commissioners to maintain strict oversight on high-risk commodities, including sensitive items such as cigarettes, due to their potential for misuse or diversion.</p> <p>The UAC's decision to reject the warehousing of cigarettes aligns with this directive and is consistent with prior Board of Approval (BoA) decisions, such as those in the 88th BoA meeting (25.02.2019) concerning M/s Zest Marine Services Pvt. Ltd., KASEZ, and the 74th BoA meeting (06.01.2017) concerning M/s A One Duty Free Pvt. Ltd., where similar sensitive commodities were not permitted for Trading.</p> <p>The UAC's decision aligns with these established precedents to prevent the warehousing of sensitive</p>

		commodities prone to diversion.
2	<p>The Respondent has failed to appreciate that the original LOA of the appellant is for warehousing and trading activity of all the items except restricted and prohibited and without imposing restriction of any particular item. Not only this even in subsequent renewal letter dt.30/04/2019 and 31/05/2024 also does not put any restriction on warehousing any specific items. However complying with the decision of 116th UAC meeting ANNX-D supra) the appellant had sought the permission to warehouse cigarettes vide its letter dt.14/04/2025 and email dt.16/04/2025.</p>	<p>The appellant's claim that their Letter of Approval (LoA) permits warehousing and trading of all items except restricted and prohibited items, and that no specific restrictions were imposed, is misleading. While the LoA dated 19.05.2011 and its subsequent renewals dated 30.04.2019 and 31.05.2024 do not explicitly list restricted items, the UAC's decision in its 116th meeting held on 19.07.2017 mandates that warehousing units in KASEZ must seek prior approval for each new item to be warehoused, along with submission of Know Your Customer (KYC) details for clients. This requirement was introduced to ensure compliance with SEZ regulations and to mitigate risks associated with sensitive commodities.</p> <p>Further, this office made reference to other SEZs regarding procedure being followed for addition of new items in existing LoA by trading and warehousing units and it has been informed that the units has to apply for inclusion of items and the matter is being placed before the Unit Approval Committee for consideration. As such in other SEZ also any new items whether trading or warehousing is being placed before the UAC for approval.</p> <p>The appellant's request for permission to warehouse cigarettes was duly considered in the 213th UAC meeting held on 30.04.2025 and was rejected due to the sensitive nature of the commodity, as per the aforementioned guidelines. This decision does not arbitrarily limit the appellant's business but reflects a consistent application of regulatory oversight.</p> <p>The UAC's decision is thus not an arbitrary limitation but a regulatory measure applied consistently.</p>

3	<p>The Respondent has failed in appreciating that the appellant was doing warehousing business of cigarettes in past also and all of sudden rejecting the permission to warehouse cigarettes without any cognate reason will make the appellants' business to suffer.</p>	<p>The appellant's assertion that their prior warehousing of cigarettes in 2015–2016 (as evidenced by Annexures B and C of the appeal) justifies continued permission is untenable. The regulatory framework has evolved since 2015–2016, with Instruction No. 117 (24.09.2024) and the 116th UAC decision (19.07.2017) introducing stricter controls on sensitive commodities. The UAC's rejection of the appellant's request is based on the current risk perception of cigarettes, which are prone to diversion and mis-declaration, as noted in the 213th UAC minutes. The appellant's past activities do not confer an automatic right to continue warehousing such items under the updated regulatory framework.</p> <p>Thus, the UAC's decision is to ensure regulatory oversight and the ability to control high-risk commodities.</p>
4	<p>The Respondent has utterly failed in appreciating the commodity cigarettes (CTH 24022090) is in free list and any one in India can import the same. A list of verities of cigarettes fall under CTH 2402 as per the FTP is freely Importable.</p>	<p>The appellant's argument that cigarettes are freely importable under the Foreign Trade Policy (FTP) and thus should be permitted for warehousing is not valid in the context of SEZ regulations. While cigarettes may be freely importable in the Domestic Tariff Area (DTA), SEZ units operate under a distinct regulatory regime governed by the SEZ Act, 2005, and SEZ Rules, 2006. The first proviso to Rule 19(2) of the SEZ Rules, 2006 empowers the UAC to approve or reject proposals for broad-banding or addition of items based on compliance with Rule 18, which includes considerations of risk and regulatory compliance.</p> <p>The UAC's decision to deny permission for cigarettes is well within its authority and aligns with the Ministry's guidelines on high-risk commodities. The UAC's decision reflects a proactive measure to mitigate such risks, even if direct import by DTA parties is permissible.</p>

5	<p>The apprehension of 213 UAC the commodity of cigarettes is sensitive in nature and prone to diversion is baseless, because the number of parties in DTA are importing the same as the item is in free list. Therefore, putting restriction on SEZ unit is neither justified and not warranted.</p>	<p>The appellant's claim that the UAC's apprehension about cigarettes being prone to diversion is baseless is incorrect. The Department's concerns are substantiated by Instruction No. 117 (24.09.2024), which explicitly identifies sensitive commodities like cigarettes as high-risk due to potential diversion and mis-declaration.</p> <p>The UAC's decision is further supported by precedents in other SEZs, where similar restrictions have been imposed, and by BoA decisions rejecting such items (e.g., 88th and 74th BoA meetings). The appellant's comparison to DTA importers is irrelevant, as SEZ units are subject to stricter oversight to prevent misuse of the SEZ framework.</p>
6	<p>The appellant is carrying out the business of warehousing services exclusively as explained herein above and therefore considering the item as prone for diversion by the UAC is not justified. Moreover, the appellant undertakes that the item will be exclusively dispatched to DTA market on payment of applicable Custom Duties and Taxes, Physical Export of same.</p>	<p>The appellant's undertaking to dispatch cigarettes to the DTA market only upon payment of applicable customs duties and taxes, or through physical export, does not mitigate the inherent risks associated with warehousing such sensitive commodities.</p> <p>The UAC's decision is based on a broader risk assessment, as mandated by Ministry guidelines, and is not limited to the appellant's assurances. Furthermore, the appellant's compliance with customs duties does not override the UAC's authority to restrict high-risk items under SEZ regulations.</p>
7	<p>More reasons will be given at the time of hearing of the appeal.</p>	<p>The appellant's request to provide additional reasons at the time of the hearing may be noted but at the same time it does not alter the Department's position that the UAC's decision is well-reasoned and legally sound.</p>
8	<p>The Appellant reserve its right to add, alter, amend, and/or delete any of the Grounds of the Appeal at any stage.</p>	<p>The appellant's reservation of the right to add, alter, amend, or delete grounds of appeal may be acknowledged but at the same time it does not impact the Department's response to the current grounds.</p>

		<p>It is submitted that the UAC's decision in the 213th meeting (30.04.2025), as communicated vide letter dated 22.05.2025, is legally sound, well-reasoned, and in accordance with the SEZ Act, 2005, SEZ Rules, 2006, and Ministry Instruction No. 117 dated 24.09.2024. The rejection of permission to warehouse cigarettes is consistent with the regulatory framework governing SEZs and aligns with precedents set by the BoA. The appellant's grounds of appeal lack merit and fail to demonstrate any error in the UAC's decision-making process.</p> <ol style="list-style-type: none"> 1. The appeal filed by M/s Flamingo Logistics (Warehousing Division) be summarily rejected. 2. The decision of the 213th UAC meeting (30.04.2025) and the Development Commissioner's letter dated 22.05.2025 be upheld. No relief of any kind be granted to the appellant, as the UAC's decision is lawful and based on established guidelines and precedents.
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Prayer of appellant:

The appellant, most respectfully, prays to Appellate Authority to graciously grant the following reliefs:

- i. The decision of 213th meeting of UAC as far as concerned to the appellant and Respondent's letter dt.22/05/2025 may kindly be quashed and set aside.
- ii. To allow the appellant to import and warehouse the commodity of cigarettes as the appellant was doing in past under their LOA.
- iii. If the Adjudication Authority deem fit the same can modify the decision of UAC to give the relief to the appellant
- iv. Any other relief in the facts and circumstances of the case may also be granted as may be deemed fit.

Comments of DC:

1. The appeal filed by M/s Flamingo Logistics (Warehousing Division) be summarily rejected.
2. The decision of the 213th UAC meeting (30.04.2025) and the Development Commissioner's letter dated 22.05.2025 be upheld. No relief of any kind be granted to the appellant, as the UAC's decision is lawful and based on established guidelines and precedents.

Decision of BoA in prior meetings:

The Board in 131st meeting, deferred the appeal due to paucity of time.

The Board in 130th meeting, deferred the appeal due to paucity of time.

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