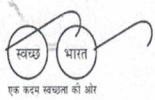


DFA



Government of India
Ministry of Commerce & Industry
Department of Commerce
Office of the Development Commissioner
Indore Special Economic Zone
 207, 2nd Floor, Atulya IT Park, Near Crystal IT Park
 Khandwa Road, Indore - 452001, Ph. 0731-2971128, 2971129
 E-mail: dcisezind-mp@gov.in, Website: www.indoresez.gov.in

F. No. D-3/ISEZ/2006-07/

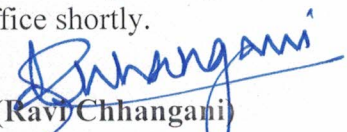
Dated: 08.09.2021

OFFICE – MEMORANDUM

Sub: Fourth Meeting (2021-22 series) of the Approval Committee for Indore SEZ to be held on 14.09.2021 at 3:00 p.m. – Reg.

The undersigned is directed to inform you that the Fourth Meeting (2021-22 series) of the Approval Committee constituted by the Govt. of India vide Notification dated 07.02.2007 has been scheduled to be held at 3:00 p.m. on 14.09.2021 under the chairmanship of the Development Commissioner, Indore SEZ through Video Conference (webex). Agenda Items for the same are enclosed as Annxure A.

2. You are requested to kindly make it convenient to attend the meeting through Video Conference. A weblink for the meeting shall be shared by this office shortly.


 (Ravi Chhangani)
 Asstt. Development Commissioner
 For Development Commissioner

To

1. The Commissioner, Indore Division, Moti Bungalow, Indore (**Member representing Govt. of Madhya Pradesh**) or his nominee of suitable seniority.
2. The Managing Director, MPIDC, Cedmap Bhawan, 16-A, Jail Road, Arera Hills Bhopal (**Member representing Govt. of Madhya Pradesh**) or his nominee of suitable seniority.
3. The Commissioner, Customs, Office of the Commissioner of Customs, B-Zone, Business Space, 3rd Floor, 12/27 & 12/28 Village Pipliakumar, Nipania, Indore-452010 (M.P.) (**Member representing Deptt. of Revenue, Govt. of India**) or his nominee of suitable seniority.
4. The Commissioner of Income Tax (CIT-I), Office of the Chief Commissioner of Income Tax, Aayakar Bhawan Annexe, Opp. White Church, Indore-1 (**Member representing Deptt. of Revenue, Govt. of India**) or his nominee of suitable seniority.



5. The Jt. Director General of Foreign Trade, Nirman Sadan, Arera Hills, Hoshangabad Road, Bhopal (**Member**) or his nominee.
6. The Executive Director, MPIDC Regional Office, 1st Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road, Indore or his representative (**Special Invitee**).
7. The Dy. Secretary to the Govt. of India, Ministry of Commerce & Industry, Deptt. of Commerce, SEZ, Udyog Bhawan, New Delhi (**Member**) or his nominee.
8. The Dy. Secretary (IF-I), Ministry of Finance, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi (**Member**) or his nominee.
9. The Specified Officer, Indore SEZ (**Special Invitee**).

Copy for information to concerned units (without annexure).

INDORE SPECIAL ECONOMIC ZONE**AGENDA FOR THE FOURTH MEETING OF UNIT APPROVAL COMMITTEE (2021-22 series) TO BE HELD AT 3:00 p.m. ON 14.09.2021**

Venue: Office of the Development Commissioner, Indore SEZ
207, 2nd Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road, Indore

Time: 3:00 p.m.

ITEM NO - 1

Ratification of the Minutes of the Third Meeting (2021-22 series) held on 27.07.2021 as at Appendix 'X'.

ITEM NO- 2**PROPOSAL RECEIVED FROM EXISTING UNIT**

PROPOSAL NO. 2(i): M/s Shrinivas Polyfabrics & Packwell Pvt. Ltd.

<u>COMPANY/UNIT PROFILE</u>	
(a) Name and address, telephone/fax/email id	M/s Shrinivas Polyfabrics & Packwell Pvt. Ltd. Address: Plot No. P-21, SEZ Phase II, Sector 3, Pithampur, Distt. Dhar
(b) Issue	<p>Request for change of entrepreneur by way of sale/transfer of SEZ unit located at plot No. P-21, SEZ Phase II and exit from SEZ :-</p> <p>M/s Shrinivas Polyfabrics & Packwell Pvt. Ltd. has submitted the captioned request for grant of approval to exit from SEZ by way of sale/transfer of its assets located at plot No. P-21, SEZ Phase II via slump-sale under Rule 19 (2) read with Rule 74 and Rule 74A of SEZ Rules, 2006.</p> <p>The unit was granted LoA dated 04.09.2012 for 'Trading of Corrugated boxes & Accessories and Plastic containers & closures'. Subsequently, the UAC in its meeting dated 25.10.2017 permitted 'Warehousing activities' in the subject LoA. The unit has been allotted land as plot No. P-21 in SEZ Phase II vide lease deed dated 18.02.2013 executed with the Developer, MPIDC, RO, Indore (erstwhile MPAKVN (I) Ltd., Indore) for the purpose of trading/warehousing. As per records, the unit commenced its commercial activities w.e.f. 01.12.2014. The LoA of the unit was</p>

renewed for a further period of five years from 01.12.2019 and is presently valid till 30.11.2024. The unit submits that they have been achieving positive NFE consistently.

The unit has submitted that they have paid the lease rent to the Developer on time including the lease rent payment for 2021. With reference to the instant request, the unit has stated that due to financial reasons, Covid-19 situation and diversified business, they are not able to properly operate the premises located in SEZ, specifically the trading activity, and hence are required to sell / transfer this premises to another Company. The premises is operational and shall be continued by the Company purchasing this premises on a going basis. The purchasing Company (to be) M/s Devshri Impex Pvt. Ltd. will have the expertise to operate and enhance the trading and warehousing services in the premises and will be responsible for complying with all the provisions of SEZ Act/Rules. The purchasing Company will continue to operate the premises as per LOA. It is further submitted that the current majority shareholder in the existing Company (Smt. Indra Kasat) will also be the majority shareholder in the purchasing Company i.e. M/s Devshri Impex Pvt. Ltd.

The unit has informed that the sale deed for the structure is under process and has confirmed that there is no export remittance pending. An undertaking to this effect has also been submitted. The unit has therefore requested to grant permission/approval to proceed with sale/transfer and transfer the LoA as a case of change of entrepreneur under Rule 19(2), 74 and 74A.

(c) Rule provision w.r.t SEZ Rules, 2006

The third proviso under Rule 19(2) of SEZ Rules, 2006 provides that, subject to the provisions of Rule 74A, the Approval Committee may also approve change of the entrepreneur of an approved unit, if the incoming entrepreneur undertakes to take over the assets and liabilities of the existing unit. Further, the provisions contained in Rule 74-A provides for the units to opt out of the Special Economic Zone by transferring its assets and liabilities to another person by way of transfer of ownership including sale subject to the following conditions:-

- (i) the Unit has held a valid Letter of Approval as well as lease of land for not less than a period of five years on the date of transfer;
- (ii) the Unit has been operational for a minimum period of two years after the commencement of production as on the date of transfer;
- (iii) such sale or transfer transactions shall be subject to the approval of the Approval Committee;

- (iv) the transferee fulfills all eligibility criteria applicable to a Unit; and
- (v) the applicable duties and liabilities, if any, as calculated under Rule 74, as well as export obligations of the transferor Unit, if any, shall stand transferred to the transferee Unit which shall be under obligation to discharge the same on the same terms and conditions as the transferor Unit.

The provisions of Rule 74 which deals with Exit of Units, inter-alia, provides as under:-

The unit may opt out of SEZ with the approval of the Development Commissioner and such exit shall be subject to payment of applicable duties on the imported or indigenous capital goods, raw materials, components, consumables, spares and finished goods in stock;

Provided that if the unit has not achieved positive Net Foreign Exchange, the exit shall be subject to penalty that may be imposed under the Foreign Trade (Development and Regulation) Act, 1992.

In view of the above provisions, M/s Shrinivas Polyfabrics & Packwell Pvt. Ltd. (transferor Unit) has requested for opting out of the SEZ by way of change of entrepreneur by transferring its assets via sale/transfer to M/s Devshri Impex Pvt. Ltd. (transferee Unit - a new unit) under the provisions of Rule 19(2), 74 & 74A.

The unit has submitted following documents / information in support of the request:-

- (i) Draft Business Transfer Agreement between M/s Shrinivas Polyfabrics & Packwell Pvt. Ltd. and M/s Devshri Impex Pvt. Ltd.
- (ii) Copy of lease deed
- (iii) Copy of LoA.
- (iv) Copy of LoA renewal
- (v) Copy of commercial production intimation.
- (vi) Copy of Bond-cum-LuT
- (vii) Lease rent payment receipt for 2021
- (viii) Copy of APRs for the period 2013-14 to 2020-21 (Revised APRs of 2015-16 to 2020-21 submitted on 12.08.2021)
- (ix) Board Resolution dated 01.07.2021 regarding transfer of land & building to M/s Devshri Impex Pvt. Ltd.
- (x) CA certified statement showing FoB value of export and NFE achieved.
- (xi) CA certificate regarding duty liability and details of assets under Rule 74 of SEZ Rules 2006 and positive NFE as on 30.06.2021- According to certificate, the unit is not liable for

any duty pending on imported or indigenous capital goods, raw materials etc. as there are no capital goods in the premises. The details of assets as on 31.03.2021 includes building amounting to Rs. 144.63 lacs and electrical installation of Rs. 2.73 lacs. The NFE as on 30.06.2021 (2020-21) is positive.

(xii) Declaration of Export Remittances – No pendency.

Apart from above, another application has been submitted by M/s Devshri Impex Pvt. Ltd., the Company desirous of purchasing the trading and warehousing business of M/s Shrinivas Polyfabrics & Packwell Pvt. Ltd. The Company has submitted that they will continue to operate the activity in the SEZ as ongoing business and will be responsible for complying with all the provisions of SEZ Act/Rules and will put their best efforts in enhancing the activity and achieve positive NFE. An Undertaking to this effect has also been submitted. It is further informed that the current majority shareholder in the selling company (Smt. Indra Kasat) will also be the majority shareholder in the purchasing company. The company has attached an undertaking regarding fulfillment of duty obligations under Rule 74 as well as export obligations of the transferor unit i.e. M/s Shrinivas Polyfabrics & Packwell Pvt. Ltd. The company has also attached an Undertaking regarding fulfillment of pollution control board norms as may be applicable.

In view of the above, the company has requested to grant permission for purchase of land and structure of M/s Shrinivas Polyfabrics & Packwell Pvt. Ltd. located at plot No. P-21, SEZ Phase II via slump sale. In support of the the aforesaid request, the following documents have been enclosed:

- (i) Copy of draft business transfer agreement
- (ii) Certificate of Incorporation of M/s Devshri Impex Pvt. Ltd.
- (iii) Memorandum and Article of association
- (iv) Copy of PAN card of all the directors
- (v) Copy of PAN card of the company
- (vi) Copy of address proof of all the directors and promoters
- (vii) Last three years audited balance sheet of the company
- (viii) Last three years income tax returns of the company
- (ix) Project report
- (x) Director details in Form 32/DIR-12
- (xi) Shareholding pattern of the company
- (xii) Application Form-F along with DD of Rs. 5000/-
- (xiii) Board Resolution to apply for permission for LoA
- (xiv) Undertaking on Rs. 100/- stamp paper with regard to continuity of Business and NFE criterion and taking over of Assets and liabilities of the transferor company

- (xv) Undertaking on Rs. 100/- stamp paper with regard to complying with pollution control board norms
- (xvi) Undertaking on Rs. 100/- stamp paper with regard to fulfilling obligations under rule 74 along with export obligations.

In response to certain queries issued to M/s Devshri Impex Pvt Ltd., the incoming entrepreneur vide letter No. Nil dated 23.07.2021 submitted their point wise reply along with requisite documents viz., DIR-12 regarding the Directors who have resigned except Mrs. Indra Kasat & Mrs. Anjali Kasat who now are promoter Directors, duly notarized undertakings, and promoters profile & business model as part of the project report. Regarding financial aspect of the proposal to acquire the business of M/s Shriniwas Polyfabrics and Packwell Pvt. Ltd., it has been informed that the promoters have sound financial background and in support a CA certified net worth statement i.r.o Mrs. Indra Kasat with net worth reported as Rs. 386.10 lacs and that of Mrs. Anjali Kasat with net worth reported as Rs. 48.67 lacs has been submitted. It has been further informed that M/s Devshri Impex Pvt. Ltd. is already infusing the share capital and are willing to increase the share capital as per business requirement and further may also go for financing option from the financial institutions for further expansion in trading activity, as there are enough assets and properties with the promoters that can be used for financing option.

It has been further stated/clarified that the company was mostly non-operative since past few years and hence is showing Nil income in previous years ITRs, and now with new board and promoters in place, they intend to run the business activity with full dedication and that with the same object, they have amended the memorandum and articles of association and also change the name of the company to perform trading and warehousing operations.

The Specified Officer, Indore SEZ was requested to ascertain the duty liabilities of the unit arising out of change of entrepreneur along with the present status of the unit. The Specified Officer vide letter dated 30.08.2021 has informed that M/s Shriniwas Polyfabrics and Packwell Pvt. Ltd. had submitted APRs duly certified by an independent Chartered Accountant and on verification of the said APRs with others statutory record and the record submitted by the unit, it was noticed that the unit has submitted incorrect CIF value of imports and incorrect FoB value of export. On being pointed out, the unit submitted revised APRs for the period 2015-16 to 2020-21 (upto 31.07.2021) on

12.08.2021 as they had entered CIF value of R.M. of as Rs. 61.11 lacs which was in fact DTA procurement.

It has been further intimated that on going through the revised APRs and various letters submitted by the unit, it was observed as under:

S.No.	Particulars	Value (in Rs.)	Duty involved (in Rs.)
1	CIF value of Import	Nil	Nil
2	FoB value of Export	Nil	Nil
3	Net Foreign Exchange for last 5 yrs.	Negative	
4	DTA Procurement (Inputs)	5,36,17,790/-	47,53,574/-
5	DTA Procurement (Capital Goods)	1,44,27,762/-	19,55,353/-
6	DTA Procurement (Electrical Installation)	2,40,953/-	11,548/-
7	Suply to SEZ (against Non F/C A/c)	560.74 lakhs	-
8	Warehousing receipt (2015-16 to 2019-20)	45.60 lakhs	-
9	Warehousing receipt (2020-21 to 31.07.2021)	29.85 lakhs	-

The Specified Officer has submitted that the unit vide the aforesaid letters have submitted that they have zero stock as on date and the import and export of the unit is Nil. Therefore, the unit has achieved Negative NFE. However, the unit has procured inputs and capital goods valued at Rs. 682.87 (536.18+144.28+2.41) lakhs and supply value of goods & warehousing services comes to Rs. 636.19 (560.74+45.60+29.85) lakhs. Therefore, the closing balance of capital goods value comes to Rs. 46.68 lakhs (682.87-636.19) on which duty @ 14% comes to Rs. 6,53,520/- and that as per Rule 74 of SEZ Rules, 2006, the unit has to pay duty liability on exit from SEZ.

It is to be noted that the LoA of M/s Shrinivas Polyfabrics and Packwell Pvt. Ltd. was renewed for a further period of five years beyond 30.11.2019 on the basis of the Chartered Accountant certificate and CA certified APRs wherein the NFE was reported as Positive. The Specified Officer in his instant report has stated that the NFE of the unit for last 5 years is Negative. The issue involved in the matter is that the subject unit is supplying goods to

	<p>units located within the SEZ in terms of the provisions of Rule 53A(j) of SEZ Rules, 2006. According to the Specified Officer, the payment for such supplies is not received from the Foreign Currency account of the buyers and therefore the NFE as per Rule 53 is Negative. In this regard, a reference in a similar type of matter pertaining to another unit in the Zone wherein the supplies have been made under Rule 53A(j) has been forwarded to the Ministry for clarification regarding NFE. Since the instant unit has applied for change of entrepreneur by way of opting out of SEZ and ambiguity on status of NFE appear to exist in this case as well, a reminder duly intimating the instant case has been forwarded to Ministry to obtain the requisite clarification.</p> <p>Further, in view of the submissions from M/s Shrinivas Polyfabrics and Packwell Pvt. Ltd. (transferor unit), M/s Devshri Impex Pvt. Ltd. (transferee unit)-the incoming entrepreneur, who has undertaken to take over the assets and liabilities of M/s Shrinivas Polyfabrics and Packwell Pvt., including the submissions of the Specified Officer, the request of the SEZ unit to grant permission/approval to proceed with sale/transfer under slump sale and transfer the LoA as a case of change of entrepreneur under Rule 19(2), 74 and 74A of SEZ Rules, 2006 is placed before the Approval Committee for consideration.</p>
Decision required from UAC	Request for change of entrepreneur by way of sale/transfer of SEZ unit under the provisions of Rule 19(2), 74 and 74A of SEZ Rules, 2006
DECISION OF THE UAC	

PROPOSAL NO. 2(ii): M/s Innovative Clad Solutions Pvt. Ltd.

<u>COMPANY/UNIT PROFILE</u>	
(a) Name and address, telephone/fax/email id	M/s Innovative Clad Solutions Pvt. Ltd. Address: Plot No. M-7, SEZ Phase II, Sector 3, Pithampur, Distt. Dhar
(b) Issue	<p>Request for broad-banding of LoA by addition of new items of manufacture under LoA No. C-58/ISEZ/Proj./2007-08/13 dated 04.04.2008 –Amendment / Broad-banding of LoA</p> <p>M/s Innovative Clad Solutions Pvt. Ltd has submitted the captioned request for addition of new items of manufacture in the existing LoA. The unit was granted LoA dated 04.04.2008 for manufacturing of Metal Clad products and Mono Metal and is operational on plot No. M-7, SEZ Phase II. Subsequently, upon the request of the unit, the LoA was broad-banded by addition of</p>

new items of manufacture namely, Nano Crystalline Core and Resistance Wire. The unit has now submitted the instant request along with the project report, projected financial statements and other related documents for broad-banding of LoA. According to the project report, the unit has already incurred an expenditure of Rs. 5871.49 lacs in their existing project and has further proposed to invest Rs. 98.72 lacs for the broad-banding activities. The new investment is proposed in imported plant & machinery. The unit has reported an employment of 94 persons.

The unit has accordingly proposed to manufacture and export following new products under the broad-banding activities :-

ITC(HS) Code	Name of the product – Item description	Unit	Annual Capacity
85049010	Magnetic Cores for Transformer application example current transformers	Nos.	50,00,000
85049090	Magnetic Cores for others than Transformer application	Nos.	50,00,000
85389000	Magnetic Cores for Switching or protecting electrical circuit application example circuit breaker	Nos.	50,00,000
85045010	Magnetic Cores for Chokes application example Common Mode Choke, Differential Mode choke	Nos.	50,00,000
85051190	Magnetic Cores for Electromagnetic application – others	Nos.	50,00,000

According to the unit, the proposed product – magnetic core finds applications in EMC/EMI filter for SMPS & inverter drives, switched mode power supplies, electrical welding power sources, x-ray generators, battery chargers, AC/DC or DC/DC converters, Railway transportation systems etc.. The unit has also submitted the details of existing export & domestic customers as well as suppliers of imported & indigenous goods, manufacturing process flow chart of the items proposed to be manufactured along with the foreign exchange balance sheet pursuant to the items proposed to be added, intimating the FoB value of exports during the five

	<p>year period beginning from 2021-22 as Rs.348.86 crores, Forex Outgo of Rs. 335.24 crores with NFE earnings as Rs. 13.62 crores.</p> <p>The revised foreign exchange balance sheet in five years is as under:-</p> <table border="0"> <tr> <td>(i) FoB value of exports</td> <td>- Rs. 34886.32 lacs</td> </tr> <tr> <td>(ii) Foreign Exchange Outgo –</td> <td></td> </tr> <tr> <td> Import of RM & Components</td> <td>- Rs. 33100.61 lacs</td> </tr> <tr> <td> Import of CG</td> <td>- Rs. 98.72 lacs</td> </tr> <tr> <td> Other forex outgo</td> <td>- Rs. 325.00 lacs</td> </tr> <tr> <td>(iii) NFE</td> <td>- Rs. 1361.99 lacs</td> </tr> </table> <p>(c) Rule provision w.r.t SEZ Rules, 2006</p> <p>Rule No. 19 of SEZ Rules 2006 applies to the issue.</p> <p>The first proviso of Rule 19(2) of SEZ Rules, 2006 stipulates as under:</p> <p>“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 requirement of Rule 18.</p> <p>In the instant case the requirements of Rule 18 is already met as the LoA dated 04.04.2008 has been issued to the unit and the unit is operational in the Zone.</p> <p>Considering the submissions made by the unit and the afore-stated applicable Rule provisions, the proposal for broad-banding of LoA by way of addition of new items of manufacture is placed before the Approval Committee for consideration under the provisions of Rule 19(2) .</p>	(i) FoB value of exports	- Rs. 34886.32 lacs	(ii) Foreign Exchange Outgo –		Import of RM & Components	- Rs. 33100.61 lacs	Import of CG	- Rs. 98.72 lacs	Other forex outgo	- Rs. 325.00 lacs	(iii) NFE	- Rs. 1361.99 lacs
(i) FoB value of exports	- Rs. 34886.32 lacs												
(ii) Foreign Exchange Outgo –													
Import of RM & Components	- Rs. 33100.61 lacs												
Import of CG	- Rs. 98.72 lacs												
Other forex outgo	- Rs. 325.00 lacs												
(iii) NFE	- Rs. 1361.99 lacs												
Decision required from UAC	Request for broad-banding of LoA by way of addition of new items of manufacture under LoA dated 04.04.2008 under the provisions of Rule 19(2).												
DECISION OF THE UAC													

PROPOSAL NO. 2(iii): M/s Shree Tirupati Balajee FIBC Ltd.

<u>COMPANY/UNIT PROFILE</u>	
(a) Name and address, telephone/fax/email id	M/s Shree Tirupati Balajee FIBC Ltd. Address: Plot No. AP-14, SEZ Phase-II, Indore SEZ, Sector-3, Pithampur – 454775, Distt. Dhar
(b) Issue	Approval for addition/alteration in building plans received from M/s Shree Tirupati Balajee FIBC Ltd. on the basis of technical inputs and approval accorded by MPIDC, RO,

Indore, Developer, Indore SEZ, Pithampur.

M/s Shree Tirupati Balajee FIBC Ltd. is holding LoA dated 13.11.2009 for manufacturing of FIBCs/Jumbo Bags and Fabric and has been allotted Plot Nos. AP-14 in SEZ Phase II by the Developer, Madhya Pradesh Industrial Development Corporation, Regional Office Indore. For commencement of any kind of construction activities on the allocated plot(s), the units are required to obtain approval of their Building Plans.

The background of the matter is that during a meeting held under the Chairmanship of the Chief Secretary, Government of Madhya Pradesh on 24.03 2015, it was decided that the Development Control Rules (DCRs) be Notified for the multi product SEZs in the State in line with the M.P. Bhumi Vikas Niyam, 2012 and the building plans of the SEZ units be submitted to the Development Commissioner for approval under the said DCRs. The DCRs were to be framed by the Department of Industrial Policy and Investment Promotion (erstwhile the Deptt. of Commerce, Industry and Employment), Govt. of M.P. It was further decided that till the rules are framed the applications may be submitted to the Development Commissioner who after attaining technical inputs from the Developer will approve the plans under the Single Window Mechanism.

Accordingly, the SEZ units in the multi-product SEZ at Pithampur were submitting their building plan applications for approval in terms of M.P. Bhumi Vikas Niyam, 2012 to this Office, which accompanied by requisite documents and building plans were forwarded to MPIDC, Regional Office, Indore for scrutiny, evaluation, technical inputs and approval. Subsequent to receipt of technical inputs, the plans received from MPIDC are approved under the seal and signature of DC office under the Single Window Mechanism and forwarded to the SEZ units.

The above matter was taken up with MPIDC, RO, Indore vide this Office letter dated 15.10.2020 intimating that the requisite DCRs are yet to be framed by the State Government, and presently, the DC Office is granting the building plan approvals in line with the decision taken in the aforesaid meeting after receiving technical inputs from MPIDC under the Single Window Mechanism. It was informed that, in absence of the DCRs and also on account of a change in the Governing Act under which the applications are to be submitted by SEZ units, it is felt appropriate that the Developer may take up the matter with the State Government seeking clarification as to whether the presently adopted mechanism should continue or some other mechanism is proposed to be adopted.

In response to the letter dated 15.10.2020, the Developer vide letter

dated 07.11.2020 informed that the Special Economic Zone, Phase I & II are notified in Pithampur Investment Region under Madhya Pradesh Investment Region Development and Management Act, 2013 and accordingly, the Development Control Rules namely Madhya Pradesh Investment Region Development and Management Rules, 2016 and Madhya Pradesh Industrial Land and Building Management Rules, 2019 will be applicable at SEZ, Pithampur.

The Developer was therefore informed that since the Development Commissioner has not been delegated any powers for approval of building plans under the afore-mentioned Act and Rules, the application of building plans submitted in this office are being sent for granting necessary approval at their end, as per procedure.

The Developer referring to the above communications vide letter dated 29.01.2021 informed that as per Rule 17 of SEZ Rules, 2006, as amended, the powers regarding such approvals are provided to the Unit Approval Committee and therefore in view of the provisions such approval of building plans may be granted by DC office in pursuance to the UAC approvals.

The Developer clarified that 44 villages of Indore and Dhar district were covered under the Madhya Pradesh Industrial and Development Rules, 2016 and Madhya Pradesh Industrial land and Building Management Rules, 2019 out of which few villages are included between SEZ and in DTA, but for SEZs there no provision of DCRs and there is no motive in their communication to say that approval of building plans of SEZ units shall be done at their end. The Developer has insisted that as per Single Window Mechanism powers of approval of building plans are provided to the UAC. The Developer has informed that for delegation of power of the State Government under section 50 of the SEZ Act, 2005, a request has been sent to the State Government Department of Industrial Policy and Investment Promotion. The Developer has stated that there is no change in regard to SEZ's building plan approval after implementation of Madhya Pradesh Industrial Land and Building Management Rules, 2019 and hence, in terms of the decision of the meeting of the Chief Secretary, Govt. of M.P. on 24th March 2015, the ongoing system of building plan approval may be continued till further delegation of power or new DCRs are issued.

In view of the above, the building plans of M/s Shree Tirupati Balajee FIBC Ltd. regarding necessary approval and addition/alteration in building plans including permission for construction of further building at plot No. AP-14, SEZ Phase II were forwarded to the Developer for examination as per applicable rule provisions and forwarding the technical inputs and approval.

	<p>The requisite technical inputs and approval for issuance of building plans have been forwarded by the Developer to DC Office.</p> <p>Rule 17 of SEZ Rules, 2006 inter-alia provide that applications seeking permission for building plan approval shall be made to the Development Commissioner who shall get the proposal scrutinized and place before the Approval Committee for its consideration.</p> <p>The building plans of the units are therefore placed before the Approval Committee for consideration and approval.</p>
Decision required from UAC	Approval of building plans of M/s Shree Tirupati Balajee FIBC Ltd., Plot Nos. AP-14, SEZ Phase II, Pithampur as per technical inputs & approval received from MPIDC, RO, Indore, Developer of Indore SEZ.
DECISION OF THE UAC	

ITEM NO - 3

MISCELLANEOUS PROPOSAL CONCERNING DEVELOPER OF INDORE SEZ

I COMPANY/UNIT PROFILE

(a)Name and address, telephone/fax/email id	<p>M/s Bantwal Warehousing Pvt. Ltd. Address: Plot No. 13 B, Industrial Growth Centre, Kheda, Sector 3, Pithampur, Distt. Dhar</p>
(b) Issue	<p>Application for work permission/approval towards Operation, Maintenance and Management of Logistics Hub at SEZ Phase II, Indore SEZ - Reg.</p> <p>M/s Bantwal Warehousing Pvt. Ltd. has submitted the captioned application with the request to grant work permission for Operation, Maintenance and Management of Logistics Hub at SEZ Phase II, Indore SEZ constructed by the Developer, MPIDC Ltd., RO, Indore. The applicant company has informed that they have been issued Agreement cum Work Order No. 09/2021 dated 03.08.2021 by MPIDC Ltd., RO, Indore for the aforesaid work and as per the Agreement, the contract period is for 36 months and operations can commence after obtaining the requisite approval from SEZ authority and signing the contract agreement with MPIDC. The service provider has therefore requested to grant necessary approval to complete the formalities and commence the operations at Logistic hub.</p> <p>The Developer, MPIDC Ltd., RO, Indore has issued a Work Order</p>

dated 03.08.2021 to M/s Bantwal Warehousing Pvt. Ltd. vide which the service provider in reference to the Agreement No. 09/2021-22 executed between the Developer and the service provider, has been advised to execute the work related to Operation, Maintenance and Management Contract of Logistic Hub at SEZ Phase-II, Pithampur, Distt. Dhar. The amount of contract indicated in the work order is Rs. 119.00 lacs and the time period of the contract is 36 months.

It is submitted that the Logistic Hub in SEZ Phase II has been constructed by the Developer, MPIDC Ltd., RO, Indore, over an area of approx. 4.5 hectares out of the demarcated area of 5.75 hectares in SEZ Phase II in the Non-Processing area of SEZ Phase II. The activity has been undertaken by the Developer as per the default authorized operations allowed under instruction No. 50 dated 15.03.2010 read with Rule 9 of SEZ Rules, 2006 approved by the UAC in its meeting 22.12.2014 and permission for facilities like restaurant, dormitory, shops etc. have been approved by the BoA for SEZs in its 65th meeting held on 19.05.2015 to be made available for specific use of the SEZ only.

(c) Rule provision w.r.t SEZ Rules, 2006

In this context, the provisions of Rule 11(10) of SEZ Rules, 2006, are reproduced below:

“No vacant land in the non-processing area shall be leased for business or social purposes such as educational institutions, hospitals, hotels, recreation and entertainment facilities, residential and business complexes, to any person except a co-developer approved by the Board:

Provided that the developer or co-developer may lease the completed infrastructure along with vacant land appurtenant thereto for such purposes”

In this case, MPIDC has proposed to lease the completed infrastructure of Logistic Hub located in the Non-processing area of SEZ Phase II to M/s Bantwal Warehousing Pvt. Ltd. for its Operation, Maintenance and Management.

MPIDC Ltd., RO, Indore was advised to submit a copy of Agreement No. 09/2021-22 along with the copies of Letter of Acceptance & Lease Agreement awarded to M/s Bantwal Warehousing Pvt. Ltd. and also confirm that the entire area of the Logistic Hub is bonded, ensures swift movement of cargo and that the contract awarded to the service provider is for the purpose of specific use of SEZ only.

M/s Bantwal Warehousing Pvt. Ltd. has submitted the following documents:-

(i) Detailed project report;

	<p>(ii) Letter of acceptance dated 10.03.2021 issued by MPIDC, RO, Indore, Developer of the SEZ;</p> <p>(iii) Copy of Agreement No.09/2021-22 executed with MPIDC, RO, Indore;</p> <p>(iv) Duly signed copy of tender document along with Annexure(s) of the Developer, MPIDC which inter-alia provide modus operandi of the O&M work, the scope of work to be undertaken as per MPIDC in Annexure-K etc.; and</p> <p>(v) Other relevant documents viz., copy of Certificate of Incorporation, PAN card, GST Registration and Memorandum & Articles of Association of the Company.</p> <p>The modus operandi of the O&M and the scope of work to be undertaken as stipulated by the Developer in the tender document provides inter-alia that ‘the facility is to be specifically used for SEZ only and the Operator shall operate, maintain and manage the logistic hub facility for the benefit of the processors, importers, exporters and entrepreneurs working in SEZ who may use the facility and further that the facility is proposed to be used by SEZ companies, their employees, vendors and visitors only, being a notified SEZ having restricted entry for outsiders’.</p> <p>Subsequently, MPIDC, RO, Indore in response to this office letter dated 23.08.2021, vide their letter dated 02.09.2021 has submitted the copies of agreement, acceptance letter and work order, though confirmation regarding bonding of entire area of Logistics hub including ensuring swift movement of cargo remains to be intimated.</p> <p>An undertaking to the effect that the service provider will operate as per the provisions of SEZ Act, 2005 and SEZ Rules, 2006 and that the facility would specifically be used for SEZ only, may also be required to be submitted.</p> <p>In view of the above submissions of the O & M Operator and the Developer, the proposal regarding Operation, Maintenance and Management of the Logistic hub at SEZ Phase II is therefore placed before the Approval Committee for discussions and suitable decision.</p>
Decision required from UAC	Work permission towards Operation, Maintenance and Management of Logistics Hub at SEZ Phase II, Indore SEZ
DECISION OF THE UAC	

ITEM NO - 4

Any other proposal, if received.