



Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Office of the Development Commissioner  
Indore Special Economic Zone  
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F. No. D-3/ISEZ/2006-07/1582

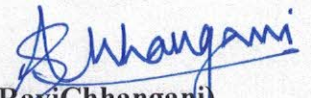
Dated: 21.02.2023

**OFFICE MEMORANDUM**

**Sub: Forwarding of Minutes of the Ninth Meeting (2022-23 series) of the Approval Committee for Indore SEZ held on 15.02.2023 – Reg.**

The undersigned is directed to forward the Minutes of the Ninth Meeting (2022-23 series) of the Approval Committee, Indore SEZ held on 15.02.2023, duly authenticated, for your kind perusal and further action to implement the decisions of the Approval Committee.

Encl: As above

  
(RaviChhangani)  
Asstt. Development Commissioner  
For Development Commissioner

To:

1. The Commissioner, Indore Division, Moti Bungalow, Indore (**Member representing Govt. of Madhya Pradesh**).
2. The Managing Director, MPIDC, Cedmap Bhawan, 16-A, Jail Road, Arera Hills Bhopal (**Member representing Govt. of Madhya Pradesh**).
3. The Commissioner, Customs, Office of the Commissioner of Customs, B-Zone, Business Space, 3<sup>rd</sup> Floor, 12/27 & 12/28 Village Pipliakumar, Nipania, Indore-452010 (M.P.) (**Member representing Deptt. of Revenue, Govt. of India**).
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**).
5. The Joint Director General of Foreign Trade, Nirman Sadan, Arera Hills, Hoshangabad Road, Bhopal (**Member**).
6. The Executive Director, MPIDC Regional Office, 1<sup>st</sup> Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road, Indore (**Special Invitee**).
7. The Dy. Secretary to the Govt. of India, Ministry of Commerce & Industry, Deptt. of Commerce, SEZ, Vanijya Bhawan, New Delhi (**Member**).
8. The Dy. Secretary (IF-I), Ministry of Finance, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi (**Member**).
9. The Specified Officer, Indore SEZ (**Special Invitee**).



## INDORE SPECIAL ECONOMIC ZONE

### Minutes of the Approval Committee

#### **Meeting No. 09 (2022- 23 series) held on 15.02.2023**

The meeting of the Approval Committee constituted by the Govt. of India vide Notification dated 07.02.2007 was held at 3:00 p.m. on 15.02.2023 in the Office of the Development Commissioner, Indore SEZ, Pithampur. Shri Suvidh Shah, Development Commissioner, Indore SEZ, chaired the meeting. Shri Rohan Saxena, Executive Director, MPIDC Ltd., Regional Office, Indore (representing the Managing Director, MPIDC Ltd., Bhopal), Shri Harkesh Meena, Asstt. Commissioner, Customs, Indore (representing the Commissioner, Customs, Indore) and Shri G.K. Mishra, Dy. DGFT, Indore (representing the Joint Director General of Foreign Trade, Bhopal) participated in the meeting. Shri Akash Agarwal, Dy. Commissioner, Income Tax (representing the Commissioner, Income Tax, Indore) participated through video conference.

2. Shri Santosh Kumar, Specified Officer (Customs), Indore SEZ assisted the Committee in its deliberations. Shri Ravi Chhangani, ADC (Projects) presented the proposal before the Committee.

**The following proposals were placed before the Approval Committee:**

#### **Main Agenda:**

**A. Ratification of the Minutes of the Eighth Meeting of 2022-23 series.**

**B. Proposal received from/concerning existing unit(s):-**

1. M/s Devshri Impex Pvt. Ltd., Plot No. 21, SEZ Phase II, Sector 3, Pithampur, Distt. Dhar (M.P.) – 454 775.
2. M/s Anjum Aromatics, Plot No. F-16, SEZ Phase I, Sector 3, Pithampur, Distt. Dhar – 454 775.
3. M/s Emerald Tobacco Pvt. Ltd., Plot No. C-31,32,39 and 40, SEZ Phase I, Indore SEZ, Sector 3, Pithampur, Distt. Dhar (M.P.) – 454 775.
4. M/s ACG Associated Capsules Pvt. Ltd., Plot Nos. M-29 to M-44, Pharma Zone, SEZ Phase II, Sector -3, Pithampur, Distt. Dhar – 454 775.
5. M/s Shankar Soya Concepts, Plot No. M-48, M-49A and M-47, SEZ Phase II, Misc. Zone, Sector 3, Pithampur, Distt. Dhar (M.P.) – 454 775

**C. Proposal(s) received from Developer of the Zone:-**

Madhya Pradesh Industrial Development Corporation (MPIDC) Ltd., Regional Office, Indore, 1<sup>st</sup> Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road, Indore.



**D. Miscellaneous Proposal concerning existing unit(s):-**

M/s Emerald Tobacco Pvt. Ltd., Plot No. C-31,32,39 and 40, SEZ Phase I, Indore SEZ, Sector 3, Pithampur, Distt. Dhar (M.P.) – 454 775.

**E. Any other proposal, if received.**

**Proposal wise decisions taken are as under: -**

**A. Ratification of the Minutes of the Eighth Meeting** – It was informed that no reference suggesting any amendment in the decisions of the Approval Committee Meeting held on 27.12.2022 was received and hence, the Minutes of the Eighth Meeting (2022-23 series) were ratified.

**B. Proposal received from/concerning existing unit(s):-**

- 1. M/s Devshri Impex Pvt. Ltd.- Request for addition of items for the purpose of trading – Broad-banding of LoA –Noted and Ratified.** The Committee deliberate in detail on the contents of the Agenda. After deliberations, the Committee ratified the permission accorded to the unit by the DC office vide letter dated 20.01.2023 with applicable conditions for broad-banding of LoA by addition of new items of trading in the LoA dated 04.09.2012.
- 2. M/s Anjum Aromatics - Request for import of Sandalwood (Santalum Album – ITC HS 44039922), a restricted item and change in certain conditions in the LoA amendment letter No. 359 dated 30.07.2021 - Approved.** The Committee deliberate in detail on the contents of the Agenda. The Committee noted that the unit has requested for grant of permission for import of Sandalwood (Santalum Album – ITC HS 44039922), a restricted item, of qty. 10,000 kg. from Indonesia for manufacture of sandalwood oil/chips/powder etc. approved in their LoA for export. The Committee was informed that the unit had applied for an import license from DGFT for import of aforesaid quantity of Sandalwood. DGFT vide O.M. dated 20.05.2022 forwarded the matter to the Department of Commerce (DoC) informing that the matter was taken up with MoEF&CC who informed that as the unit is situated in SEZ, the application of the firm may be examined as per the existing SEZ rules and in consultation with BoA under DoC. The DoC vide letter No. K-43019(11)/8/2022-SEZ dated 27.12.2022 has advised this office that the request of the Unit may be examined in terms of Rule 27 of the SEZ Rules, 2006 and necessary action may be taken accordingly.

The Committee was further informed that Instruction No. 47 dated 04.03.2010 issued by DoC inter-alia provides that SEZ units do not require any permission to export "restricted items of export" and further provides that "In terms of provisions of the Foreign Trade Policy, an item whose import is restricted can be imported under Customs Bond for export, export of imported logs / timber is not prohibited".

Further, as per Rule 27 of SEZ Rules, 2006 "a Unit or Developer may import or procure from the Domestic Tariff Area without payment of duty, taxes or cess or



procure from Domestic Tariff Area after availing export entitlements or procure from other Units in the same or other Special Economic Zone or from Export Oriented Unit or Software Technology Park unit or Electronic Hardware Technology Park unit or Bio-technology Park unit, all types of goods, including capital goods (new or second hand), raw materials, semi-finished goods, (including semi-finished Jewellery) component, consumables, spares goods and materials for making capital goods required for authorized operations except prohibited items under the Import Trade Control (Harmonized System) Classifications of Export and Import Items”.

The Committee noted that the DGFT vide O.M. No. 01/91/110/42/AM18/EC/371 dated 07.08.2018 referring to DGFT O.M. No. 01/91/171/17/AM06/PC-III/EC dated 11.07.2017 has inter-alia clarified that faced with the practical difficulties in granting NOC in respect of export of red sanders wood / sandalwood products from SEZ units in terms of the revised guidelines issued by the DGFT on 11.07.2017, entire matter was revisited in consultation with the Ministry of Environment, Forest and Climate Change. Accordingly, it has been decided that the export and import of red sanders wood / sandalwood and their products would be regulated in the following manner:

- f. The quantitative restrictions on import and / or export, wherever applicable, would be with reference to import into DTA (including import from SEZ to DTA) and export from DTA (including export from DTA to SEZ).
- g. This would imply that, in respect of restricted Sandalwood items, import into DTA (including import from SEZ to DTA) and export from DTA (including export from DTA to SEZ) would be based on NOC from the M/o Environment & Forest.
- h. Import of Sandalwood into SEZ (other than from DTA) and export from SEZ (other than to DTA) would be regulated under SEZ Act/Rules.
- i. The Development Commissioner of concerned SEZ or any officer authorized by him on his behalf should ensure that the consignment of Sandalwood products intended to be exported from SEZ units do not have any mixing with domestic species of Sandalwood i.e. Santalum Album.”

The unit was represented by Sh.Ahammed Riyas Pallathil, Manager who explained the case to the Committee and requested to allow them to import Sandalwood for manufacturing the items permitted in their LoA under authorized operations for export. The representative stated that they have also submitted an undertaking that neither the raw material nor finished products nor by-products of Sandalwood will be cleared in DTA and that all the products will be exported directly. The representative submitted that their order for import from Indonesia was placed long back and presently has become outdated. He further informed the Committee that they are having orders from Sri Lanka, Mauritius and Australia for import of 36130 Kgs. of Sandalwood and accordingly requested the Committee to permit import of Sandalwood from these countries. The representative assured to submit the copies of the said orders.

The Committee was informed that upon the request of the unit, the Approval Committee in its Third meeting (2021-22 series) held on 27.07.2021 had approved the unit's request for broad-banding of LoA by addition of new items of manufacture



including enhancement of capacity of certain existing items in the LoA dated 05.02.2017 and accordingly the unit was granted the requisite permission subject to the conditions as stipulated in the DC office letter dated 30.07.2021 which inter-alia included (i) requirement of obtaining NoC from MOEF&CC through DGFT regarding import/export of items related to Sandalwood; (ii) non-export of restricted items; and (iii) permission to supply/sell goods in DTA. The Committee noted that a similar matter regarding import of Sandalwood was considered by the Approval Committee of Moradabad SEZ under the jurisdiction of DC, Noida SEZ and that NSEZ has framed SOP regarding import of Sandalwood.

Accordingly, the Approval Committee, after deliberations, duly noting the fact that the unit had applied for an import license and taking cognizance of the replies of the DoC, DGFT and MoEF&CC which primarily indicated that the subject matter is governed by SEZ Rules and be examined in terms of Rule 27 of SEZ Rules, 2006 and further in light of DGFT O.M. dated 07.08.2018, Instruction No. 47 dated 04.03.2010 and SOP framed by DC, NSEZ, decided to delete/modify (as may be required) certain conditions in the LoA of the unit amended vide letter dated 30.07.2021 and to grant permission to the unit for import of 36130 Kgs. of Sandalwood from Sri Lanka, Mauritius and Australia on the basis of copies of orders submitted subject to the following conditions:

- (a) The unit will make an application to O/o the DC, Indore SEZ seeking permission for import of Sandalwood prior to generation of bill of lading (B/L) at exporting port.
- (b) DTA sales, sub-contracting/job work, deemed export or export to other SEZ units shall not be allowed for products originating from or having any content of the imported Sandalwood or its waste/by-products.
- (c) No DTA sale of raw material, intermediate product or finished goods will be allowed except with prior permission and on production of import license by the DTA buyer.
- (d) 100% examination of import and export of goods originating from the imported Sandalwood. The export goods must be as approved for authorized operations in the LoA.
- (e) Performance monitoring for the unit to be done Quarterly and stock taking to be also done on Quarterly basis.
- (f) The waste generated is not allowed to be sold in DTA except with prior permission and on production of import license by the DTA buyer; otherwise the same will be destroyed in presence of Officer of Customs.

3. **M/s Emerald Tobacco Pvt. Ltd. - Request for change in name of the Company from M/s Emerald Tobacco Private Limited to M/s Emerald Multiventure Private Limited in LoA No. 12/3/03-SEZ/3046 dated 14.05.2003 - Approved.** The Committee deliberated in detail on the contents of the Agenda. The unit was represented by Sh. Zubair Taj, Commercial Manager, who informed the Committee that they have received the Certificate of Incorporation dated 13.09.2022 from RoC, Gwalior regarding change in name of the Company. He further informed that the name of the Company has also been changed in the PAN card, GST certificate and IEC. The representative stated that there is no change in the Directors as well as the



share holding pattern of the Company and Certificate(s) dated 01.02.2023 issued by M/s Maheshwari & Gupta, Indore, Chartered Accountants, in this context, have also been submitted by them. He further informed that they have also submitted an undertaking duly signed by the Directors stating that, the SEZ unit shall not opt out or exit out of the SEZ and continue to operate as a going concern and that all the liabilities of the unit will remain unchanged on such reorganization, all the assets and liabilities in the name of Emerald Tobacco Private Limited shall continue to be valid in the new name of the company i.e. Emerald Multiventure Private Limited and that there has been no change in the address of Registered office of the Company

Accordingly, after deliberations, the Committee decided to approve the proposal for change of name in LoA from M/s Emerald Tobacco Private Limited to M/s Emerald Multiventure Private Limited in terms of Instruction No. 109 dated 18.10.2021 of the Department of Commerce, duly noting that there is no change in the Board of Directors and shareholding pattern of the Company and the unit has submitted an undertaking that pursuant to change of name of the Company, the SEZ unit shall not opt out or exit out of the SEZ and continue to operate as going concern and that all liabilities of the unit will remain unchanged on such reorganization. The approval is subject to following conditions:

- (i) Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered entity;
- (ii) Fulfillment of all eligibility criteria applicable, including security clearances etc., by the altered entity and its constituents;
- (iii) Applicability of and compliance with all Revenue/Company Affairs/SEBI etc. Act/Rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- (iv) Full financial details relating to change in equity/merger, de-merger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional authority.
- (v) The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, de-merger, amalgamation or transfer and ownership etc. as may be applicable and eligibility for deduction under relevant Section of the Income Tax Act, 1961.
- (vi) The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- (vii) The unit shall furnish details of PAN and jurisdictional Assessing Officer of the unit to CBDT.

4. **M/s ACG Associated Capsules Pvt. Ltd. - Request for allotment of additional land bearing plot Nos. M-45, M-46 & M-49 admeasuring approx. 131654 sq. mtrs. for the purpose of expansion of existing plant located at plot Nos. M-29 to M-44 in SEZ Phase II operating under LoA No. C-53/ISEZ/Proj./2010-11/1416 dated 08.12.2010 - Deferred.** The Committee deliberate in detail on the contents of the Agenda. The Committee noted that the unit has requested for allotment of additional land admeasuring approx. 131654 sq. mtrs. bearing plot Nos.





M-45, M-46 & M-49 which are vacant and located adjacent to their current plot Nos. M-29 to M-44 in SEZ Phase II for the purpose of expansion of the existing plant. The unit was represented by Sh. Nitin Desai, Chief Commercial Officer, Sh. Ashish Saxena, Head (Operations), Sh. Vinit Bewtra, HR Head and Ms. Meenakshi Sharma, DGM (Finance), who explained the proposal to the Committee. The Committee noted that out of the aforesaid plots, one another unit, namely, M/s Shankar Soya Concepts has also requested for allotment of additional land admeasuring approx. 15250 sq. mtrs. bearing plot Nos. M-45 & M-46 in SEZ Phase II for setting up an additional manufacturing facility as part of expansion of their existing unit which is located adjacent to the requested plots. The Committee noted that the matter pertained to allotment of land in the Zone as per the land allotment provisions of the Developer. The Executive Director, MPIDC Ltd., RO, Indore, Developer of the SEZ, present in the meeting, stated that as both the units have requested for allotment of two similar plots i.e. M-45 & M-46, he would examine the issue and forward his comments to the DC office. Accordingly, after deliberations, the Approval Committee decided to defer the request of the unit till receipt of comments from the Executive Director, MPIDC Ltd., RO, Indore, Developer.

5. **M/s Shankar Soya Concepts - Request for allotment of additional land bearing plot Nos. M-45 & M-46 admeasuring approx. 15250 sq. mtrs. for the purpose of setting up of a new additional manufacturing unit as part of expansion of existing plant located at plot Nos. M-47, M-48 & M-49A in SEZ Phase II operating under LoA No. C-59/ISEZ/Proj./2010-11/1947 dated 01.03.2011 - Deferred.** The Committee deliberate in detail on the contents of the Agenda. The Committee noted that the unit has requested for allotment of additional land admeasuring approx. 15250 sq. mtrs. bearing plot Nos. M-45 & M-46 which are vacant and located adjacent to their current plot Nos. M-47, M-48 & M-49A in SEZ Phase II for the purpose of setting up an additional manufacturing facility as part of expansion of their existing unit. The unit was represented by Sh. Vinay Mangharamani, Partner, Sh. Manish Mangharamani, Partner, Sh. Jeyakumar TNS, Manager (Technical), Dr. Ashutosh Sharma, Manager, and Sh. Ashok Vishwakarma, Unit Manager, who explained the proposal to the Committee. The Committee noted that in respect of the aforesaid plots, one another unit, namely, M/s ACG Associated Capsules Pvt. Ltd. has also requested for allotment of additional land admeasuring approx. 131654 sq.mtrs. bearing plot Nos. M-45, M-46 & M-49 in SEZ Phase II for expansion of the existing plant which is located adjacent to the requested plots. The Committee noted that the matter pertained to allotment of land in the Zone as per the land allotment provisions of the Developer. The Executive Director, MPIDC Ltd., RO, Indore, Developer of the SEZ, present in the meeting, stated that as both the units have requested for allotment of two similar plots i.e. M-45 & M-46, he would examine the issue and forward his comments to the DC office. Accordingly, after deliberations, the Approval Committee decided to defer the request of the unit till receipt of comments from the Executive Director, MPIDC Ltd., RO, Indore, Developer.

C. **Proposal received from Developer of the Zone:-**

1. **Madhya Pradesh Industrial Development Corporation (MPIDC) Ltd., Regional Office, Indore -Procurement of duty free goods inter-alia including Sand in**



**terms of Rule 12 read with Rule 10 of SEZ Rules 2006, Instruction No. 50 dated 15.03.2010 and Instruction No. 111 dated 29.08.2022 of the Department of Commerce for the already approved activity for construction of New boundary wall and repairing of existing boundary wall at Phase-I & II, SEZ Pithampur-Approved** - The Committee deliberated in detail on the contents of the Agenda. The Committee was informed that the request for approval of the activity for construction of New boundary wall and repairing of existing boundary wall at Phase-I & II, SEZ Pithampur, Distt. Dhar (M.P.) and for procurement of duty free goods thereof, was approved by the Approval Committee in its 10<sup>th</sup> meeting (2021-22 series) held on 23.03.2022 and the requisite permission was accordingly accorded. The subject activity approval was granted to the Developer on their consensus to bring Concrete M-15, M-20 (Ready Mix Concrete) & Plaster along with other materials as contained in the independent Chartered Engineers certificate dated 15.02.2022.

The Developer was represented by Shri A.K. Jain Executive Engineer and Sh. P. Singh, Asstt. Engineer, MPIDC Ltd., RO, Indore who informed the Committee that at the time of obtaining the aforesaid approval, the agency was not finalized and was under process, and that after getting the approval, they had finalized the agency through transparent tendering process. The Executive Engineer informed that the agency has started the work of 'Construction of New boundary wall and repairing of existing boundary wall' at Phase-I & II, SEZ Pithampur and the work is to be completed before the rainy season. He stated that they are facing a practical difficulty as the agency is not local and is not having any concrete mixer plant nearby the SEZ Area, and therefore, the agency is compelled to establish such plant within the SEZ Premises. The representative further submitted that at the time of initial application for activity approval, they had submitted an Independent Chartered Engineer's Certificate wherein the list of items contained two options i.e. either to procure Cement, Sand and Aggregate or Ready mixed concrete mixer M-15, M-20 & plaster with other items. Accordingly, in view of the practical difficulties where the finalized contractor awarded the work will not be able to procure Ready mixed concrete M-15, M-20 & Plaster and will require to establish a mixer plant within the SEZ premises, they have requested to grant a Revised permission for procurement of Cement, Aggregate including, Sand, a restricted item, to prepare the concrete mix along with other goods as per the details already mentioned in the independent Chartered Engineer's Certificate dated 15.02.2022 submitted at the time of initial request. Further, the agency shall bring various returnable and non-consumable equipments for concrete mixing facility within the SEZ premises. The representative informed that the requisite Undertaking duly signed by the Executive Director stating that they will comply with the conditions mentioned in Instruction No. 111 dated 29.08.2022 and the procured Sand will only be used in the said activity and applicable environmental / other statutory obligations will be duly complied with has also been submitted.

Accordingly, after deliberations, the Committee approved the request of the Developer for procurement of 500 cubic meter of Sand, a restricted item under ITC(HS) code 25051011 (as per export policy), from DTA, in terms of Instruction





No. 111 dated 29.08.2022 issued by the Department of Commerce along with Cement, Aggregate and other goods as mentioned in the independent Chartered Engineers certificate dated 15.02.2022, for construction of New boundary wall and repairing of existing boundary wall at Phase-I & II, SEZ Pithampur by its approved contractor, subject to the condition that the item, Sand (500 cubic meter) is actually used for the stated purpose and applicable environmental / other statutory obligations are duly complied with by the Developer / their approved contractor. The Committee noted that the other duty free goods as contained in the independent Chartered Engineers certificate dated 15.02.2022 submitted by the Developer at the time of obtaining the initial approval would remain the same.

2. **Madhya Pradesh Industrial Development Corporation (MPIDC) Ltd., Regional Office, Indore -Procurement of duty free goods inter-alia including Sand in terms of Rule 12 read with Rule 10 of SEZ Rules 2006, Instruction No. 50 dated 15.03.2010 and Instruction No. 111 dated 29.08.2022 of the Department of Commerce for the already approved activity for construction of Storm Water Drain at Phase-II, SEZ Pithampur- Approved** - The Committee deliberated in detail on the contents of the Agenda. The Committee was informed that the request for approval of the activity for construction of Storm water drain at Phase-II, SEZ Pithampur, Distt. Dhar (M.P.) and for procurement of duty free goods thereof, was approved by the Approval Committee in its 10<sup>th</sup> meeting (2021-22 series) held on 23.03.2022 and the requisite permission was accordingly accorded. The subject activity approval was granted to the Developer on their consensus to bring Concrete M-15, M-20 (Ready Mix Concrete) & Plaster along with other materials as contained in the independent Chartered Engineers certificate dated 15.02.2022.

The Developer was represented by Shri A.K. Jain Executive Engineer and Sh. P. Singh, Asstt. Engineer, MPIDC Ltd., RO, Indore who informed the Committee that at the time of obtaining the aforesaid approval, the agency was not finalized and was under process, and that after getting the approval, they had finalized the agency through transparent tendering process. The Executive Engineer informed that the agency has started the work of 'Construction of Storm Water Drain' at SEZ Phase II, Pithampur and the work is to be completed before the rainy season. He stated that they are facing a practical difficulty as the agency is not local and is not having any concrete mixer plant nearby the SEZ Area, and therefore, the agency is compelled to establish such plant within the SEZ Premises. The representative further submitted that at the time of initial application for activity approval, they had submitted an Independent Chartered Engineer's Certificate wherein the list of items contained two options i.e. either to procure Cement, Sand and Aggregate or Ready mixed concrete mixer M-15, M-20 & plaster with other items. Accordingly, in view of the practical difficulties where the finalized contractor awarded the work will not be able to procure Ready mixed concrete M-15, M-20 & Plaster and will require to establish a mixer plant within the SEZ premises, they have requested to grant a Revised permission for procurement of Cement, Aggregate, including Sand, a restricted item, to prepare the concrete mix along with other goods as per the details already mentioned in the independent Chartered Engineer's Certificate dated 15.02.2022 submitted at the time of initial request. Further, the agency shall bring various returnable and non-consumable equipments for concrete mixing facility within the





SEZ premises. The representative informed that the requisite Undertaking duly signed by the Executive Director stating that they will comply with the conditions mentioned in Instruction No. 111 dated 29.08.2022 and the procured Sand will only be used in the said activity and applicable environmental / other statutory obligations will be duly complied with has also been submitted.

Accordingly, after deliberations, the Committee approved the request of the Developer for procurement of 7300 cubic meter of Sand, a restricted item under ITC(HS) code 25051011 (as per export policy), from DTA, in terms of Instruction No. 111 dated 29.08.2022 issued by the Department of Commerce along with Cement, Aggregate and other goods as mentioned in the independent Chartered Engineers certificate dated 15.02.2022, for construction of Storm Water Drain in SEZ Phase-II, Pithampur by its approved contractor, subject to the condition that the item, Sand (7300 cubic meter) is actually used for the stated purpose and applicable environmental / other statutory obligations are duly complied with by the Developer / their approved contractor. The Committee noted that the other duty free goods as contained in the independent Chartered Engineers certificate dated 15.02.2022 submitted by the Developer at the time of obtaining the initial approval would remain the same.

**D. Miscellaneous Proposal concerning existing unit(s):-**

**M/s Emerald Tobacco Pvt. Ltd. - Filing of Bill of Entry for Deemed Exports (SEZ to bonded warehouse) - Rejected.** The Committee deliberated in detail on the contents of the Agenda. The Committee noted that the Specified Officer vide letter dated 08.02.2023 has informed that the SEZ entity, M/s Emerald Tobacco Pvt. Ltd. has filed a Bill of Entry No. 2000896 dated 19.01.2023 for Deemed Export to clear the goods i.e. King Size Cigarettes from their unit to the importer, M/s Paramount Indentures & Sales, Dr. Mukherjee Nagar, Sub-post Office, Bhai Parmanand Colony, Singh Sabha, Delhi - 110 009. The goods are to be kept in Customs bonded warehouse namely KSM Interiors, New Delhi, W/H code - DEL4U080. The Specified Officer has stated that as per the LoA of M/s Emerald Tobacco Pvt. Ltd., the unit is not allowed DTA sale and only export is allowed. Cigarette being a sensitive commodity, the matter has been submitted to decide as to whether deemed export is allowed in this case as the LoA allows only export.

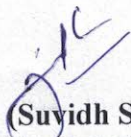
The Committee was informed that as per records, M/s Emerald Tobacco Pvt. Ltd. is holding LoA dated 14.05.2003 for manufacturing and export of Cigarettes with no DTA sale amongst other items. As per the terms and conditions mentioned in the LoA, the unit has not been granted any specific permission for Deemed exports.

The Committee noted that as per Section 2(m) of SEZ Act, 2005, export means (i) taking goods, or providing services, out of India, from a SEZ, by land, sea or air or by any other mode, whether physical or otherwise; or (ii) supplying goods, or providing services, from the Domestic Tariff Area to a Unit or Developer; or (iii) supplying goods, or providing services, from one Unit to another Unit or Developer, in the same or different SEZ. The Committee further noted that SEZ Act, 2005 and SEZ Rules, 2006 does not contain any definition for Deemed exports. Further, as per



para 7.01(i) of FTP 2015-20, Deemed exports for the purpose of the FTP inter-alia refer to those transactions in which goods supplied do not leave country. Further, para 7.02 A categorizes supplies which are treated as Deemed exports but does not include supplies of goods to bonded warehouses. In the instant case, M/s Emerald Tobacco Pvt. Ltd. has filed BoE for the purpose of Deemed Export with respect to supplies from SEZ to bonded warehouse under Rule 53A(j) of SEZ Rules, 2006. In the BoE, at the place of Signature on behalf of the entity the words 'DTA Sale' are mentioned. Further, in Rule 53A(j), no mention regarding supplies to bonded warehouse has been made. Furthermore, the Sale Agreement dated 25.01.2023 enclosed, has not been signed by the SEZ Supplier. The unit was represented by Sh. Zubair Taj, Commercial Manager, who informed that they wish to supply the Cigarettes to bonded warehouse under Deemed exports to their DTA buyer. The Committee sought the purpose for making such supplies and as to what will be the further transactions involved in further supplies of Cigarettes from the bonded warehouse and whether such supply can lead to any DTA sales. The representative, however, was not able to explain the very purpose of the proposed Deemed export supplies. The Committee opined that as the unit has only been granted the LoA for manufacturing and export of Cigarettes with no DTA sale, the instant request for supplies to bonded warehouse cannot be acceded to. Accordingly, after deliberations, the Committee rejected the request of the unit.

E. Any other proposal, if received – Nil.



(Suvindh Shah)  
Development Commissioner