



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/2006-07/205

Dated: 23.06.2021

OFFICE – MEMORANDUM

**Sub: Second Meeting (2021-22 series) of the Approval Committee for Indore SEZ to be held on 29.06.2021 at 3:00 p.m. – Reg.**

The undersigned is directed to inform you that the Second 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 29.06.2021 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, 3<sup>rd</sup> 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, 1<sup>st</sup> 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 FIRST MEETING OF UNIT APPROVAL COMMITTEE  
(2021-22 series) TO BE HELD AT 3:00 p.m. ON 29.06.2021**

**Venue:** Office of the Development Commissioner, Indore SEZ  
207, 2<sup>nd</sup> 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 First Meeting (2021-22 series) held on 25.05.2021 as at Appendix 'X'.

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

**PROPOSAL NO. 2(i): M/s India Nets**

<b><u>I. COMPANY/UNIT PROFILE</u></b>	
(a) Name and address, telephone/fax/email id	<b>M/s India Nets</b> Address: Plot No. F-1 & F-2, SEZ Phase I, Sector 3, Pithampur, Distt. Dhar
(b) Issue	<b>Request for enhancement in annual production capacity of approved items of manufacture under LoA No. C-104/ISEZ/Proj./2016-17/82 dated 12.04.2016.</b>  M/s India Nets is holding LoA dated 12.04.2016 for manufacturing of Sports Nets, Safety Nets and all types of Nets made up of HDPE/PP/Nylon/Polyester/Dyneema and all type of plastic material. Upon the request of the unit, the UAC in its meeting dated 10.08.2016 accorded permission for broad-banding of LoA by inclusion of additional items of manufacture viz. Twine, Ropes and its products made up of HDPE/PP/Nylon/Polyester/Plastic material in the approved authorized operations with approved annual production capacity 6000 M.T. Subsequently the UAC in its meeting dated 14.11.2017 approved further enhancement in capacity to 15000 M.T. The unit commenced production under the LoA dated 12.04.2016 w.e.f 07.04.2017 and is operational on plot No. F-1 & F-2, SEZ Phase I.

The unit has submitted the captioned request vide letter No. Nil dated 14.06.2021 vide which the unit has proposed to enhance the annual production capacity of the above approved manufacturing items viz. Twine, Ropes and its products made up of HDPE/PP/Nylon/Polyester/Plastic material from the permitted 15000 MT to 24000 MT. The unit has submitted the following documents (i) Project Profile; (ii) brief project report; (iii) Manufacturing flow chart ; (iv) List of imported & indigenous machinery; (v) Foreign Exchange calculation; and (vi) Statement of cumulative project cost in support of the proposal.

According to the unit, the instant enhancement would involve an additional capital expenditure of Rs. 32.00 crores in addition to the existing investment of Rs. 102.84 crores incurred in the project. Out of the proposed additional expenditure of Rs. 32.00 crores, Rs. 19.65 crores would be invested in plant & machinery (imported – Rs. 15.50 crs. & indigenous Rs. – 4.15 crs.); Rs. 1.00 crs. in misc. fixed assets; and Rs. 11.35 crs. as working capital. The enhancement would generate additional employment of 80 persons. The unit proposes to indigenously procure raw material and other inputs valued at Rs. 73.44 per year from multiple suppliers viz. Reliance Industries (SEZ), Reliance Industries, GAIL etc. The cumulative project cost pursuant to capacity expansion in the SEZ would be Rs. 134.84 crores (Existing - Rs. 102.84 crores and Additional - Rs. 32.00 crores). No additional expenditure on land & building is proposed for the said expansion.

Statement of foreign exchange balance sheet in five years is as under:-

(Rs. In lacs)

Particulars	Existing	Proposed pursuant to capacity expansion	Cumulative
<b>FoB value of exports</b>	69000	33121	102121
<b>CIF value of import</b>	36000	19630	55630
<b>NFE</b>	33000	13491	46491

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

Rule No. 19 of SEZ Rules 2006 applies to the issue.

(ii) The first proviso of Rule 19(2) of SEZ Rules, 2006 stipulates as under:

“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

	<p>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 12.04.2016 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 is placed before the Approval Committee for consideration under the provisions of Rule 19(2) .</p>
Decision required from UAC	Enhancement in annual production capacity of approved items of manufacture under LoA No. C-104/ISEZ/Proj./2016-17/82 dated 12.04.2016
DECISION OF THE UAC	

**PROPOSAL NO. 2(ii): M/s Alkem Laboratories Ltd.**

<b>I. <u>COMPANY/UNIT PROFILE</u></b>	
(a) Name and address, telephone/fax/email id	<p><b>M/s Alkem Laboratories Ltd.</b> Address: Plot No. A-17, SEZ Phase-II, Indore SEZ, Sector-3, Pithampur – 454775, Distt. Dhar</p>
(b) Issue	<p><b>Approval of building plans received from M/s Alkem Laboratories Ltd. on the basis of technical inputs and approval accorded by MPIDC, RO, Indore, Developer, Indore SEZ, Pithampur.</b></p> <p>M/s Alkem Laboratories Ltd. is holding LoA dated 02.12.2016 for manufacturing of formulations i.e. Tablets, Capsules, Dry Syrups etc. and has been allotted Plot Nos. A-17 in SEZ Phase II by the Developer, Madhya Pradesh Industrial Development Corporation, Regional Office Indore. For commencement of construction activities on the allocated plot(s), the units are required to obtain approval of their Building Plans.</p> <p>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</p>

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.

	<p>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.</p> <p>In view of the above, the building plans of M/s Alkem Laboratories Ltd. regarding necessary approval and construction permission for construction of further building at plot No. A-17, SEZ Phase II were forwarded to the Developer for examination as per applicable rule provisions and forwarding the technical inputs and approval.</p> <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 Alkem Laboratories Ltd., Plot Nos. A-17, 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**

**Any other proposal, if received.**