

# Tata Steel, Infosys, 2 others seek partial nixing of SEZs

**PLOT TWIST.** Proposals aim at optimising land parcels in Odisha, MP and Tamil Nadu

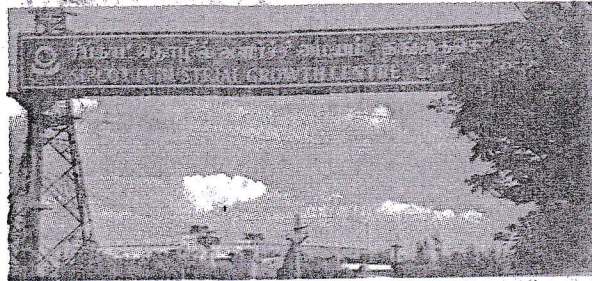
Amit Sen  
New Delhi

Tata Steel and Infosys are among the 4 developers who have sought partial cancellation of their special economic zones (SEZs), stating that there are no units in the proposed area for de-notification and tax benefits have not been availed.

The 4 proposals, including from ELCOT Ltd and Sipcot Ltd for their multi-product SEZs in Tamil Nadu, have got the approval of Development Commissioners and are scheduled to be taken up for consideration of the Board of Approval for EOUs and SEZs in its meeting on May 9, per the agenda for the meeting.

With the government considering SEZ amendments, some developers are optimistic about the future and have sought extensions for their letters of approval hoping for more demand soon, the agenda highlighted.

Tata Steel SEZ has applied



**MEETING ON MAY 9.** ELCOT Ltd. and Sipcot have also submitted proposals for partial de-notification. SHAIKMOHIDEEN A

for partial de-notification of 282.7351 hectares out of 588.6514 hectares of its multi product SEZ at Gopalpur, Ganjam, Odisha. The reason is that the SEZ land, much of which has been lying vacant, is in demand as DTA (domestic tariff area) land.

"There are no units in the proposed area for partial de-notification. After the proposed partial de-notification, the SEZ land area will be reduced to 305.9163 hectares. SEZ land remains contiguous and shall meet the

minimum requirement prescribed: 50 hectares," per the site inspection report cited in the agenda.

## POST-COVID WORLD

Infosys Ltd IT SEZ has requested for partial de-notification of 20.234 hectares out of 52.643 hectares of its IT/ITES SEZ in Indore, Madhya Pradesh. It said various challenges, including unprecedented pandemic situation and lockdowns, resulted in uncertainty regarding phase 2 and phase 3 development and completion.

"The said situation also led to hybrid model as a norm for IT industry and consequently we are contemplating optimisation of allotted land to create a conducive IT eco-system for other prospective companies. Hence, we have surrendered the portion of unutilised land," it stated.

However, some SEZs have also sought an extension of letters of approval for their proposed projects. Phoenix Spaces, an IT/ITES SEZ in Telangana which has sought an extension, stated that due to the present market condition of reduced demand for office spaces and sunset on income tax benefits to the new units, there are no takers for IT/ITES SEZ space. Yet, they are confident that with the proposed new SEZ amendments, the demand for SEZs will expand in future and they will be able to lease out the space and make the SEZ operational," the agenda noted.