

No. F.1/1/2011-SEZ(Vol.II)  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
(SEZ Section)

Udyog Bhawan, New Delhi  
Dated the 29<sup>th</sup> August, 2019

To  
All Development Commissioners  
Special Economic Zones

Subject: Review of lease period in case of developer, co-developer and units in Special Economic Zones – regarding.

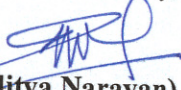
Sir/Madam,

The matter of extending the lease period of land as decided by the Board of Approval in its 65<sup>th</sup> meeting held on 19.05.2015 has been considered in the 91<sup>st</sup> meeting of the Board of Approval held on 06.08.2019. Taking into account the recommendations of BoA, it has been decided in this department that;

- (i) As stipulated in Rule 11(5) of the SEZ Rules, 2006, the lease rights cease to exist in case of the expiry or cancellation of the Letter of Approval. The lease period for developer, co-developer as well as the units may be for a period not exceeding the period allowed in the respective State Government's/UT's policy.
- (ii) The existing bar of 30 years lease period as laid down by the Board of Approval in its 65<sup>th</sup> meeting is dispensed with.
- (iii) It is mandatory to have a registered lease deed for legal sanctity of the documents.
- (iv) The existing agreements based on 30 years norms may be accordingly considered administratively for amendment of tenure clause. Alternatively, the same could be considered at the time of next renewal.

2. Accordingly, all Development Commissioners are requested to ensure necessary compliance of the aforesaid instructions with immediate effect.

Yours faithfully,

  
(Aditya Narayan)

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Copy to : All Chief Secretaries/Administrators of State Government's/UT's for their kind information.