

MARCH, 2018

**MAHESWARI & CO.**  
Advocates & Legal Consultants



## NEWSLETTER

### Government to constitute group for changes in SEZ policy

In order to bring the changes in SEZ policy, keeping in view the interest of several other sectors, the Government will constitute a group to suggest necessary changes in the policy for special economic zones (SEZs). SEZs are export hubs and contribute significantly to the country's total outbound shipments.

as per the suggestion of Ministry of Commerce and Industry, the Government is in the process of constituting a group to study necessary changes in the SEZ policy.

zones enjoy certain fiscal and no licence required for subcontracting; and no authorities of export/import indirect tax benefits.



The developers and units of these non-fiscal incentives such as there is import; full freedom for routine examination by customs cargo. They also enjoy direct and

the Government has also decided to address concerns of rubber sector and to constitute a task force on the commodity for finding out short term solutions and formulating long term strategies to tackle the problems.

## **EESL joint venture acquires UK-based Edina Power**



EPAL, a joint venture between state-run Energy Efficiency Services Limited (EESL) and UK-based EnergyPro Limited, has acquired combined heat and power utility Edina Power Systems Limited in £55 million (INR 493 crore) in order to acquire technical expertise and to enter into memorandum of understanding (MoU) with three industrial companies as to set up the acquired technology.

The tri-generation technology, which will use gas engine to produce power, cooling and hot water, will be used for large industrial or setups like hospitals, hotels, and can minimise the cost of power to commercial or industrial users of electricity by as much as 50%.

Last year, EESL invested £7 million in EPAL. The company has committed to invest £150 million (INR 1,343 crore) through EPAL into energy services business opportunities in the UK, EU and North America between 2017 and 2019. EESL holds 80% stake in EPAL and this acquisition will bring activity in both India and UK.

## **India & Singapore can work on infra financing**

India and Singapore can work together on infrastructure financing with opportunities to tap into USD 1.5 trillion funding required for development projects in India over the next 10 years, as per the official of Singapore Ministry.

Indian infrastructure projects seeking long-term institutional funds can also look to leverage the strong infrastructure financing ecosystem in Singapore, comprising multilateral development banks, private financiers, lawyers, accountants, and other professional services. The Indian insurance sector holds great promise for growth.



India and Singapore has a very good potential area for collaboration of Fintech. The development of FinTech has opened up new frontiers and exciting opportunities for cooperation between Singapore and India.

## **Government releases draft policy on defence production**

The Defence Ministry has come out with a draft policy which envisages achieving a turnover of Rs 1,70,000 crore in military goods and services by 2025 by promoting the domestic defence industry and creating employment for nearly 2 to 3 million people. At present, India is one of the world's largest importers of military platforms and weapons.

The policy aim is to make India one of the top five manufacturers of defence platforms with active participation of public and private sectors.

The policy lists as a major aim achieving export of Rs 35,000 crore in military equipment and services by 2025 by promoting the domestic defence industry. The government identified 12 major military platforms and weapons systems for production in India.

The policy says the licensing process for defence industries will be liberalised and the list of items requiring licences will be reviewed and pruned. Further, all applications for licences will be disposed off in 30 days.

A 'no-objection certificates' and comments from all agencies must necessarily be received within two weeks of filing of the applications by the companies. The tax regime will be rationalised to make domestic manufacturing attractive by ensuring that there is no tax inversion. The taxes on import of capital goods and services, inputs and components used in defence production will also be rationalized.



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