

Agenda for the 52nd meeting of the Board of Approval to be held on 30th March 2012 at 10.00 A.M. in the Room No. 47, Udyog Bhawan

Item No. 52.1: Proposals for setting up of SEZs

S. No	Name of the Developer	Location	Sector	Area (in ha)	Land Possession	SGR*	Status of application
(i)	M/s. Agroweb Online Private Limited	Village Kanadia, Tehsil & District Indore, Madhya Pradesh	IT/ITES	14.544	Yes	Yes	New
(ii)	M/s. Wipro Limited	Sarjapura, Anekal Taluk, Bangalore Urban District, Karnataka	IT/ITES	14.523	Yes	Yes	New
(iii)	Electronics Technology Parks – Kerala	Pallippuram & Veiloor Villages, Taluk & District Thiruvananthapuram, Kerala	IT/ITES	39.3719	Yes	Yes	New
(iv)	Electronics Technology Parks – Kerala	Andoorkonam Village, Taluk & District Thiruvananthapuram, Kerala	IT/ITES	17.7120	Yes	Yes	New
(v)	M/s. Suvi Information Systems Private Limited	Village Kanadiya, Badiyakima & Malikhedi, Indore, Madhya Pradesh	IT/ITES	10.11	No*	Yes	New

**The Government of M.P has taken an in-principle decision to allot 25 acres of land to the developer.*

Item No.52.2: Requests for co-developer

(i) Request of M/s. Earth Iconic Infrastructures Private Limited for co-developer in the sector specific SEZ for IT/ITES at Plot No. TZ-06, Tech Zone, Greater Noida, Uttar Pradesh, being developed by M/s. Ansal IT City & Parks Limited

The above mentioned SEZ was notified on 29th August, 2006 over an area of 30.41 hectares. M/s. Earth Iconic Infrastructure Private Limited has submitted a proposal for becoming a co-developer in the aforesaid SEZ for development of infrastructure facilities over an area of 151762.50 sqm (37.57 acres). Co-developer agreement dated 22nd February, 2012 entered into with the developer has also been provided. The draft lease agreement proposed to be executed has also been provided. DC NSEZ has recommended the proposal. The request of the co-developer is submitted for consideration of BoA.

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(ii) Request of M/s. HCL Technologies Limited for co-developer in the multi product SEZ at Nagpur, Maharashtra being developed by M/s. Maharashtra Airport Development Company Limited

The above mentioned SEZ stands notified over an area of 1597.16 hectares M/s. HCL Technologies Limited has submitted a proposal for becoming a co-developer in the aforesaid SEZ for development of infrastructure facilities, over an area of 140 acres in the processing area. Co-developer agreement dated 15th February, 2012 entered into with the developer has also been provided. The draft lease agreement proposed to be executed has also been

provided. DC SEEPZ SEZ has recommended the proposal. The request of the co-developer is submitted for consideration of BoA.

(iii) Request of M/s. Kings Canyon Insignia SEZ Private Limited for co-developer in the sector specific SEZ for IT/ITES at village Gwal Pahari, Tehsil Sohna, District Gurgaon, Haryana, being developed by M/s. ASF Insignia SEZ Private Limited (formerly M/s Canton Buildwell Private Limited)

The above mentioned SEZ stands notified on over an area of 19.3028 hectares. M/s. Kings Canyon Insignia SEZ Private Limited has submitted a proposal for becoming a co-developer in the aforesaid SEZ for development and/or operation and maintenance of infrastructure over 741036 sq. ft. built up area, over land area of 3.648 acres, in the processing area. A co-developer agreement dated 12th March, 2012 along with terms of Lease has been furnished. **Recommendation of DC NSEZ is awaited.** The request of the co-developer is submitted for consideration of BoA.

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Item No.5.3: Requests for extension of validity of formal approvals beyond 5th & 6th year

(i) Request of M/s. Indiabulls Industrial Infrastructure Limited for second extension of the validity period of formal approval, granted for setting up of multi product SEZ at villages Musalgaon and Gulvanch, Taluka Sinnar, District Nasik, Maharashtra beyond 24th June 2011(beyond 5th year)

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 1023.43 hectares, vide LoA dated 25th June 2007. The SEZ was notified on 27th October 2009, over an area of 1006.96 hectares. The developer has been granted two extensions of the formal approval, the validity of which is up to 24th June 2012. The developer has given the details of steps taken to implement the project. The developer needs to more time of the project and, therefore, has requested for grant of second extension of the validity of formal approval. DC SEEPZ SEZ has recommended the request of the developer.

The request of the developer is placed before the BoA for consideration.

(ii) Request of M/s. Orient Craft Infrastructure Limited for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Textiles at Gurgaon, Haryana, beyond 16th August 2012(beyond 6th year)

The developer was granted formal approval for setting up the above mentioned SEZ over an area of 113.35 hectares vide LoA dated 17th August 2006. The said SEZ was notified on 13th April 2007 over an area of 114.8318 hectares. The developer has already been granted three extensions. The validity of the last extension is up to 16th August 2012. The developer has given the details of the steps taken towards implementation of the project. The developer has stated that the master plan approved on 30.08.2008 by the State Government has not been attested by them due to the fact that the State Government have initiated the process of acquiring the notified land for the construction of Toll Plaza in their land notified as SEZ. The land acquisition was challenged by them in the Hon'ble High Court of Punjab and Haryana and same is still sub-judice. The developer, therefore, needs more time to complete

the project and has, therefore, requested for grant of further extension of validity of the formal approval. DC, NSEZ SEZ has recommended the request of the developer and has informed that the developer has so far made the following investment of around 139.52 crores including land.

The request of the developer for grant of further extension of the validity of formal approval is placed before the BoA.

(iii) Request of M/s. Gujarat Hira Bourse for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Gems and Jewellery at Ichhapor, Surat, Gujarat beyond 6th April 2012(beyond 6th year)

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 100 hectares, vide LoA dated 7th April 2006. The SEZ was notified on 20th July 2007 over an area of 73.87.97 hectares. The developer has been granted further extension up to 6th April 2012. The developer has requested for further extension of the validity of formal approval. DC, KASEZ, has recommended the request and has intimated that the developer has started taking implementation action to develop the notified SEZ, for which demarcation as well as approval of goods & services for authorized operations has already been done. Further, the developer has completed most of infrastructure work in processing/non-processing and incurred total expenditure of Rs. 80.10 crore as on 3.03.2012. DC, has also intimated four units have been granted LoA out of which one unit shall commence commercial production by 31st October, 2012.

The request of the developer for further extension of the validity of formal approval is placed before the BoA.

Item No. 52.4: Request for grant of second extension of in-principle approval.

(i) Request of M/s. Karaikal Port Private Limited for extension of in-principle approval granted for setting up of a Port Based Multi Product SEZ, over an area of 243.506 hectares, at Vanjore village, Thirupattinam Commune, Karaikal District, Pondicherry, beyond 26th February, 2012

In-principle approval was granted vide LoA dated 27th February 2009. The developer has already been granted two extensions of one year each, the validity of which was up to 26th February 2012. The developer has stated that it has already acquired 202 hectares of land and the balance land would be acquired in around 8 months. The developer has stated that due to uncertain economic scenario several mega industries in the hinterland of the port have deferred their business plans and that Government of Tamil Nadu and Government of Puducherry have undertaken review of the regional plans which need to be incorporated in their business plans. In view of the above the developer has sought one year's extension of the validity of the in-principle approval. DC MEPZ has recommended grant of further extension for a period of one year beyond 26th February, 2012.

The request is placed before the BoA for consideration.

Item No. 52.5: Requests for extension of LoP of units beyond 3rd to 5th year

(i) Request of M/s. Ramdev Chemical Industries, a unit in M/s. Dahej SEZ Limited, Gujarat for extension of LoP beyond 31st May, 2012 (*beyond 3rd year*)

M/s. Ramdev Chemical Industries was granted LoP for setting up a unit in the above mentioned SEZ, vide LoP dated 1st December, 2008. Subsequently, on request of the unit, DC had extended LoP of the unit up to 30th November, 2011 in respect of manufacturing activity. In the BoA meeting held on 28th November, 2011, the unit was granted extension up to 31st May, 2012 with the directions that the unit must be operational by that date. The unit has requested for grant of further extension up to 31st May, 2013. DC has informed that the unit has started construction of fencing/boundary wall, and has completed structural work for one of the plant buildings (utility building). Also the constructions work for the production plant building (pigment blue 15:3) is in progress. The foundation work for the major equipments is completed. Effluent Treatment plant work is in progress. Other infrastructure facilities like water tank, road network inside the site is in progress. Unit has stated that due to unavailability of natural gas the commercial production would start on 31st March, 2013.

DC Dahej SEZ has also informed that the unit has so far invested Rs. 7 crores towards the site development activities (including land and construction) and another Rs. 1 crore towards advance payment for the equipments. Further, the unit has proposed investments for Rs.14.83 crore. DC has, therefore, recommended further extension up to 31st March, 2013.

In view of the above position the request of the unit for grant of further extension of LoP up to 31st March, 2013 is placed before the BoA for consideration.

(ii) Requests of M/s. Hangers Plus (I) Private Limited a unit in M/s. Mahindra World City SEZ, Chennai for extension of LoP beyond 31st March 2012 (*beyond 5th year*)

M/s. Hangers Plus (I) Private Limited was granted LoP for setting up of a unit in the above mentioned SEZ vide LoA dated 28.03.2007. The unit has been granted extension from time to time by the DC MEPZ up to 31.03.2011. In the BoA meeting held on 31st May, 2011, the unit was granted extension up to 31st March, 2012. The unit has requested for further extension of the validity of LoP for a period of one year. DC has informed that the unit has completed 85% of the civil job and expecting approval from Electricity Board any moment. Further, the unit has ordered machinery and importing from USA and Vietnam. It has also been stated that the unit is making efforts to implement the project by the end of this year. DC has intimated that the unit has so far made an investment of Rs. 10 crores. DC has, therefore, recommended grant of further extension up to 31st March, 2013.

Rule 19(4) of SEZ Rules, 2006 have been amended vide notification dated 10.11.2010. The amendment has enabled BoA to grant further extension of the validity of the LoP of a unit, beyond fourth year (one year, at a time) on the request of the entrepreneur.

The request of the unit for grant of further extension of LoP is placed before the BoA for consideration.

Item No. 52.6: Request of M/s. Larsen & Toubro Limited for temporary 2nd gate during construction activities in the sector specific SEZ for IT/ITES at Vadodara, Gujarat

The above mentioned SEZ was notified on 18th November, 2008 over an area of 10 hectares. In the BoA meeting held on 14th January, 2011 the request of the developer for one additional temporary entry/exit gate in addition to the already existing one gate for a period up to 31st March 2012 was approved. The minutes are as below:-

*“The Board after deliberations **approved** the request of the developer for one additional temporary entry/exit gate in addition to the already existing one gate for a period up to 31st March 2012 keeping in view the plan of construction by the Developer.”*

DC has informed that the developer has sought extension of validity for use of additional temporary entry/exit gate for further period of nine months i.e. from 01.04.2012 to 31.12.2012, since their construction activities due to which the temporary gate was set up has not yet finished. The same is, however, expected to be completed by December, 2012.

DC has stated that the SEZ is an operational SEZ, with four approved units employing over 2000 persons in the SEZ, with total IT exports of Rs. 49.21 crore as on 29.02.2012 (2011-12). The construction of activity is in progress to meet the demand for space.

DC has recommended the proposal in order to facilitate the developer to move construction materials and equipments, without hindrance to the functional units.

The request of the developer is placed before the BoA for consideration.

Item No. 52.7: Request of Ms. RBS India Development Centre Private Limited for merger of two SEZ units located in IT/ITES SEZ at Gurgaon, Haryana being developed by M/s. Gurgaon Infospace Limited

Ms. RBS India Development Centre Private Limited has two units in the above mentioned SEZ (Unit-I & Unit-II). The unit-I was granted LoP on 16.12.2009 for carrying on authorized activities namely “computer software development and support services” over an area of 222468 sq. ft. Unit -II was granted the LoP on 12.11.2010 for carrying on authorized activities namely “computer software development, Information Technology and Information Technology Enabled Services (IT/ITES)” over an area of 161046 sq. ft. Both the units are availing duty/tax benefits on the equipments/goods procured for authorized operation and have become already become operational.

DC, NSEZ has intimated that to achieve the operational efficiencies, optimizing infrastructure utilization as well as optimizing the compliance efforts M/s RBS has requested for merger of two SEZ units located in the above SEZ.

DC, NSEZ has stating that there is no provision given in the SEZ Act/Rule for merger of LoA of two SEZ units. DC has, therefore, forwarded the request for consideration of the Board.

Item No. 52.8: Request for transfer of unit from one SEZ to another

(i) Request of M/s. Inspop.com a unit in the sector specific SEZ for IT/ITES at Gurgaon, Haryana, being developed by M/s. DLF Cyber City Developers Limited for shifting its location to Gurgaon Infospace Limited SEZ at Gurgaon, Haryana

M/s. Inspop.com was granted approval for setting up of a unit in the above mentioned SEZ. The unit commenced activities w.e.f. 24th March, 2011 and the performance of the unit for the year 2010-11 is as under:-

FOB Value of export	Imports (consumed during the year)	NFE Position
Rs. 42.12 lakhs	Nil	Rs. 42.12 lakhs

The unit is presently occupying an area of 6713 sq. ft. The unit has informed that the existing facility of DLF Cyber City SEZ does not allow leasing additional space in the same premises which could be integrated with the space presently available with the SEZ unit. Therefore, the unit has now proposed to occupy an area of 15674 sq. ft. in Gurgaon Infospace Limited SEZ. The unit has informed that it has not claimed any tax holiday under provision of section 10AA of the Income Tax Act 1961. The following justification has been given for the proposed re-location:-

- (i) Another group entity M/s. EUI Limited in the same premises shall result in strategic benefits to Admiral Group Plc by way of availability of a considered and secure IT infrastructure for both the units.
- (ii) Relocation would also assist the group companies in minimizing transportation and other administrative and support costs. The unit has expected that the rental and maintenance costs for operating unit at the proposed location are more economical for the unit.
- (iii) Both entities in the close proximity and in the same building will help them to create more visibility in India by operating from the same place with a large combined workforce and this will help in HR and other support functions.
- (iv) Relocation of the unit would assist in creating additional employment opportunities for qualified personnel and increase foreign exchange earnings from more robust Indian operation

As per instruction no. 59, issued by D/o Commerce the request for transfer of units from one SEZ to another SEZ is to be considered by BoA.

DC, NSEZ, has forwarded the request for consideration of the Board.

The request is placed before the BoA for consideration.

Item No. 52.9: Request of M/s. Cosmo Films Ltd, a unit in the sector specific Special Economic Zone for Engineering & Electronics Sector at Shendre, District Aurangabad developed by Maharashtra Industrial Development Corporation for broad-banding of LoP to include the item of manufacture viz. BOPP Films falling under CTH No. 39 20 20.

M/s. Cosmo Films Ltd was granted approval for setting up a unit in the above mentioned SEZ vide LoP dated 26.8.2010 for manufacture and export of Aluminium Laminated BOPP and Extrusion Laminated BOPP Films. The request of the unit for broad banding of the items of manufacture viz. BOPP Films was considered by the Approval Committee in its meeting held on 21.03.2012. The Committee decided to forward the request to the Board of Approval as the proposed item of manufacture is a plastic product.

The unit has stated that due to changing global competitive environment, they have to modify their manufacturing capacity to set up a backward integration project with additional investment of Rs. 160 Crores. The unit has further stated that the pricing of the product viability will be achieved if the manufacture the BOPP Films in their plant to overcome the constraint of supply /transport of BOPP Films from in a outside plant towards transit cost/time involved, required critical handling and process requirement of fresh material for process of extrusion coating /matelizer films. The unit has therefore requested for approval for setting backward integration plant of capacity of 35,000 TPA in the same campus for which MIDC has already approved and allotted Land & joint construction activity is being planned. The unit has furnished the following justification: -

- (i) In present era the only available upgraded technology machines are of 35000 MT/Annum which is easily available and economically viable in SEZ projects.
- (ii) The capacity of Machines will save energy which cannot be achieved in similar Capacity machines.
- (iii) The performance of machine is best in utilization that the lower Capacity Machines.
- (iv) Man Power cost is same for the machine even the capacity is lower, so having less manpower cost will support the competitive pricing under control for global export market.
- (v) This capacity production is ideal for lower down time and less maintenance cost as compared to lower capacity plant.

The proposal is placed before BoA for consideration.

Item No. 52.10: Request for permission to shift M/s. Prayas Wollens Private Limited from EOU scheme to SEZ scheme in KASEZ, Gandhidham

M/s. Prayas Wollens Private Limited was granted LoP for setting up of 100% of EOU for reprocessing worn clothing. The unit commenced production in 2004 and has made total exports of Rs. 21.24 crore as on 31.3.2011 and has achieved positive NFE. On completion of first block of five years, the LoP was extended for two years only by the BoA. The unit sought further extension, before the expiry of the LoP in 2011. The request was rejected in the BoA for EoU in its meeting held on 28.11.11. The unit preferred an appeal which was considered in the BoA meeting held on 24.01.2012. BoA decided to grant an extension of LoP for a period up to 30th September 2012, in view of the hardship on account of immediate closure. BoA also decided that no further permission would be granted for extension of LoP for units engaged in such activity of recycling of used clothes. Aggrieved with the BoA decision that the LoP of the unit shall expire on 30.09.2012 and no further extension shall be granted, the unit has now preferred a representation dated 7.2.2012 requesting for permission for shifting their unit to KASEZ. DC KASEZ has requested for placing the request before the

BoA for consideration as a special case. The report dated 29.02.2012 of DC KASEZ along with the representation of the EOU is at **Annexure –1 (page no. 10-15)**.

The request is placed before BoA for consideration.

Item No. 52.11: Appeal before BoA

(i) Appeal of M/s. CMC Limited, a unit in the sector specific SEZ for IT/ITES at Rajarhat, Kolkata being developed M/s. DLF IT/ITES SEZ, against rejection of its request for approval of certain services for carrying authorized operations

M/s. CMC Limited was granted approval for setting up of unit in the above mentioned SEZ, vide LoP dated 5th July, 2011. The unit had sought approval for certain input services for the authorized operations from the officer of the Development Commissioner, FSEZ. The request of the unit was considered by the Unit Approval Committee (UAC) in its meeting held on 31st January, 2012. The UAC has not approved the following inputs services as requested by the unit on the grounds that such services are for personal use:-

- a. Outdoor Caterer's Service
- b. Air Travel Agent's Service
- c. Rail Travel Agent's Service
- d. Travel Agent's Service
- e. Rent – a Cab Scheme Operator's Service
- f. Cable Services
- g. Transport Passenger's by Air Service

The unit has filed an appeal against the decision of the UAC. The brief facts of the case along with the grounds on which appeal has been filed as furnished by the unit is at **Annexure – 2(page no. 16-21)**.

The appeal is placed before the BoA for consideration.

(ii) Appeal of M/s. Swarnabhoomi Academic Institutions (Division Marg Institute of Technology Swarnabhoomi) against decision of the UAC rejecting its request for permitting, setting up an educational institution as captive operation for the Research & Technology and Consultancy Services, as one of the authorized operation

M/s. Swarnabhoomi Academic Institutions (Division Marg Institute of Technology Swarnabhoomi) had submitted the proposal for setting up a unit in the processing are of the multi services, SEZ, being developed by M/s. New Chennai Township Private Limited, Chennai. The unit has stated that it intends to provide service to foreign entities in Education, Research & Technology, Consultancy Services and also to establish, operate and manage Educational Institution as a captive operation for the Research & Technology and Consultancy Services. UAC in its meeting held on 27.02.2012 has approved setting up of the unit for providing services of Research & Technology and Consultancy Services to Foreign Entities. However, the proposal of setting up an education as captive operation for the Research & Technology and Consultancy Services was not approved by the UAC.

Aggrieved by the decision of the UAC as stated above, M/s. Swarnabhoomi Academic Institutions has preferred an appeal before the BoA. The ground on which appeal has been filed as furnished by the unit is at **Annexure – 3, (page no. 22-24)**.

The appeal is placed before the BoA for consideration.

(iii) Appeal of M/s. Amrapali Exports, a unit in the SEZ at Sitapura Jaipur, Rajasthan, against rejection of its request for re-import of exported goods, which was sent on consignment basis

M/s. Amrapali Exports had exported a parcel containing jewellery on 7.2.2011 to M/s. Amrapali Inc., USA. The export was on consignment basis. The unit has stated that the goods sent on consignment basis are kept in USA for sales as & when possible and unsold goods should be returned to India. The unit re-imported the above goods and the parcel is presently lying at Air Cargo Complex, Sanganer, Jaipur. The unit has not been allowed the re-import of the said parcel stating that the re-import is being made after one year. The decision was conveyed to the unit vide letter dated 5.3.2012.

Aggrieved by the decision, the unit has preferred an appeal stating that the above parcel was handed – over on 30.01.2012, well in time i.e. within one year from the date of export, to the courier company in USA but due to duty drawback entry, US customs had held the parcel and the same could not be cleared up to 7.2.2012 i.e. within one year from the date of export. The brief fact of the case along with the grounds on which appeal has been filed as furnished by the unit is at **Annexure – 4(page no. 25-31)**.

The appeal is placed before the BoA for consideration.

(iv) Appeal of M/s. UPS Logistic Private Limited, a unit, against rejection of its request for approval of certain Input Services for authorized operations

M/s. UPS Logistic Private Limited is a unit in the sector specific SEZ for Electronic Hardware and Software including ITES at Magarpatta City, District Pune, Maharashtra being developed by M/s. Magarpatta Township Development and Construction Company Limited. The request of the unit for approval of the following services as authorized operations was not approved by the UAC:-

- (a) Real Estate Agent's services
- (b) Hotel Accommodation services.

The unit has filed an appeal against the decision of the UAC. The appeal was considered in the BoA meeting held on 28th November, 2011. The minutes are as under:-

“The Board decided to grant personal hearing to the appellant. However, the appellant was not present in the meeting. The Board, therefore, after deliberations decided that the appeal would be examined on file by the Department of Commerce.”

Now, the unit has requested for grant of personal hearing stating before taking a decision on the appeal stating that it was not served with notice of personal hearing [**Annexure – 5 (page no. 32-42)**].

The appeal is placed before the BoA for consideration.
