

Minutes of the 67th meeting of the Board of Approval for SEZs held on 9th October 2015 to consider proposals for setting up Special Economic Zones and other miscellaneous proposals

The Sixty seventh (67th) meeting of the Board of Approval (BoA) for Special Economic Zones (SEZ) was held on 9th October, 2015 under the Chairpersonship of Ms. Rita Teotia, Secretary, Department of Commerce, at 11.00 A.M. in Room No. 47, Udyog Bhawan, New Delhi, to consider proposals in respect of notified/approved SEZs. The list of participants is Annexed (**Annexure-1**).

Item No. 67.1: Requests for extension of validity of formal approvals

(i) **Request of Kerala State Information Technology Infrastructure Limited for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Eramam Village, Kannur District, Kerala, beyond 18th September 2015**

The Board after deliberations extended the validity of the formal approval up to 18th September, 2016.

(ii) **Request of M/s. Kerala State IT Infrastructure Ltd. (KSITIL) for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Cheemeni Village, Kasargod District, Kerala, beyond 18th September 2015**

The Board after deliberations extended the validity of the formal approval up to 18th September, 2016.

(iii) **Request of M/s. Kakinada SEZ Private Limited for further extension of the validity period of formal approval, granted for setting up of port based multi product SEZ at Kakinada, East Godavari District, Andhra Pradesh beyond 26th August, 2015**

The Board after deliberations extended the validity of the formal approval up to 26th August, 2016.

(iv) **Request of M/s. Golden Tower Infratech Pvt. Ltd. for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Plot No. 8, Sector-144, Noida, Uttar Pradesh, beyond 2nd September 2015**

The Board after deliberations extended the validity of the formal approval up to 2nd September, 2016.

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Item No. 67.2 : Requests for extension of LoP beyond 3rd Year onwards

- (i) Request of M/s. JBF Petrochemicals Limited, a unit in Mangalore (Multi Product) SEZ at Mangalore, Bangalore for extension of LoP beyond 15th September, 2015**

The Board after deliberations extended the validity of the LoP up to 15th September, 2016.

- (ii) Request of M/s. Benzo Chem Industries Pvt. Ltd. (Benzo), a unit in M/s. Dahej SEZ Limited, Gujarat for extension of LoP beyond 7th September, 2015**

The Board after deliberations extended the validity of the LoP up to 7th September, 2016.

- (iii) Request of M/s. ONS Interactive Solutions, a unit in NSEZ for extension of LoP beyond 19th July, 2015.**

The Board after deliberations extended the validity of the LoP up to 19th July, 2016.

- (iv) Request of M/s. Tech Mahindra Ltd. (Unit-IV), a unit in NSEZ for extension of LoP beyond 22nd September 2015**

The Board after deliberations extended the validity of the LoP up to 22nd September, 2016.

- (v) Request of M/s. Mylan Laboratories Ltd., a unit in Indore SEZ for extension of LoP beyond 27th May 2015**

The Board after deliberations extended the validity of the LoP up to 27th May, 2016.

Item No. 67.3 : Requests for co-developer

- (i) Request of M/s. Virtus IT Services Private Limited for co-developer in the sector specific SEZ for IT/ITES at Attipra, Taluk and District Thiruvananthapuram, Kerala, being developed by M/s. Electronics Technology Parks – Kerala for increase in area.**

After deliberations, the Board approved the proposal of M/s. Virtus IT Services Private Limited for increase in area of co-developer from one to two acres for providing infrastructure facilities and development of IT sector industry, in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules.

Item No. 67.4 : Proposals for setting up of SEZs

- (i) Request of M/s. Cheyyar SEZ Developers Pvt. Ltd. for setting up of a sector specific SEZ for Footwear at SIPCOT Industrial Growth Centre, Bargur, Uthangarai and Pochampalli Taluk, Krishnagiri District, Tamil Nadu, over an area of 58.21 hectares.**

The Board noted that 58.29 hectares of land from out of 153.83 hectares of land in the sector specific SEZ for Granite Processing sector notified in the name of SIPCOT has been approved for de-notification by the DoC. The Board, after deliberations, approved the



proposal of M/s. Cheyyar SEZ Developers Pvt. Ltd. for setting up of a sector specific SEZ for Footwear at SIPCOT Industrial Growth Centre, Bargur, Uthangarai and Pochampalli Taluk, Krishnagiri District, Tamil Nadu, over an area of 58.21 hectares.

Item No. 67.5 : Miscellaneous Cases

(i) Request of M/s. Syngene International Limited, a co-developer of M/s. Mangalore SEZ a multi product SEZ at Mangalore, Karnataka for authorized operations.

The Board after deliberations, approved following authorized activities of the co-developer in the processing area of 16.2 hectares.

S. No.	Name of the authorized activity	No. of units	Area per unit (in sqm.) as per FSI/FAR norms applicable	Total area (in sqm.) capacity (in MW)
1.	Setup the lab facility for Research & development	NA	NA	NA
2.	Research & Development in active pharmaceutical ingredients, advanced intermediates & Agro chemicals	NA	NA	NA

(ii) Request of M/s. SciGenom Labs Pvt. Ltd., a unit in CSEZ for permission for import of samples for testing purpose under contract R&D.

The BOA after deliberations decided to direct the Unit to first obtain all statutory permissions including the one from the Engineering Approval Committee under the Ministry of Environment & Forest before seeking BoA approval.

(iii) Proposal for setting up of a 66 KV sub-station by KSEB within the notified area of the KSITIL SEZ, Kozhikode

The BOA, after deliberations approved the proposal of M/s. Kerala State IT Infrastructure Ltd. (KSITIL), Technopark to allot 95.776 cents of land in the non-processing area on lease for 99 years to M/s. Kerala State Electricity Board for setting up of a 66 KV Sub-station without availing any duty free benefits or tax exemptions.

(iv) Request of M/s Torrent Energy Ltd. (co-developer in Dahej SEZ), for amalgamation/merger with M/s. Torrent Power Ltd.

The Board, after deliberations, approved the request of M/s. torrent Energy Ltd. for amalgamation /merger with M/s. Torrent Power Ltd. consequent to order of amalgamation from the High Court of Gujarat subject to the condition that (i) the merged entity shall furnish undertakings to the DC to take over all assets and liabilities of the transferee company, and; (2) the merged entity shall abide by the Power Guidelines dated 1.4.2015, as amended from time to time. The approval is further subject to following conditions: -

- Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered co-developer entity;
- Fulfillment of all eligibility criteria applicable to co-developers, including security clearances etc., by the altered co-developer entity and its constituents;
- Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.



- (iv) Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- (v) The Assessing Officer shall have the right to examine and assess the taxability and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- (vi) The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- (vii) The co-developer shall furnish details of PAN and jurisdictional assessing officer of the co-developer to CBDT.

(v) Request of M/s. Wipro SEZ, for relaxation of the contiguity of the sector specific SEZ for IT/ITES at Sector –V, Salt Lake City, Kolkata

The BOA noted that the said SEZ is functional at Site 1, and both Site 1 and 2 have proper boundary wall and that it is an SEZ for IT/ITES. Therefore, the BOA, after deliberations, approved the request of M/s. Wipro SEZ to develop 2.5 acres of land which is situated at Site 2 of the said SEZ with the condition that the Developer shall install foolproof security systems at the entry and exit points which shall be adequately manned to prevent any possible leakages or misuse of SEZ scheme.

(vi) Request of M/s. India Land KGISL Tech Park Pvt. Ltd. a co-developer in M/s. Coimbatore Hitech Infrastructure Private Ltd. (CHIL) a sector specific IT/ITES SEZ at Keeranatham village, Coimbatore Taluk & District for change of shareholding pattern

After deliberations, the Board approved the request of the co-developer for change of shareholding pattern of the company, subject to following conditions:-

- (i) Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered co-developer entity;
- (ii) Fulfillment of all eligibility criteria applicable to co-developers, including security clearances etc., by the altered co-developer entity and its constituents;
- (iii) Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- (iv) Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- (v) The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- (vi) The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- (vii) The co-developer shall furnish details of PAN and jurisdictional assessing officer of the co-developer to CBDT.



(vii) Request of M/s. Aachvis Softech Pvt. Ltd. for setting up of sector specific SEZ for IT/ITES at Plot No. 7, Sector 144, Noida for change of name of the company to M/s. Oxygen Business Park Private Limited and shareholding pattern

After deliberations, the Board approved the request for change of name of the developer from Aachvis Softech Pvt. Ltd. to Oxygen Business Park Private Limited, and change in shareholding pattern, subject to following conditions:-

- (i) Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered developer entity;
- (ii) Fulfillment of all eligibility criteria applicable to developers, including security clearances etc., by the altered developer entity and its constituents;
- (iii) Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- (iv) Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- (v) The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- (vi) The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- (vii) The developer shall furnish details of PAN and jurisdictional assessing officer of the developer to CBDT.

(viii) Request of M/s. Mikado Realtors Pvt. Ltd. a sector specific SEZ for Electronic Hardware, IT/ITES SEZ at Village Behrampur & Balola, Distt. Gurgaon, Haryana for re-consideration of the decision of the BoA for de-notification/cancellation of formal approval

BOA, after deliberations, directed the applicant to submit a detailed report to DC, NSEZ with respect to acquisition and ownership of land, nature of investment proposed to be made in the SEZ and the future plans of the said SEZ. DC, NSEZ will examine the same and submit his report with his specific recommendations to the DoC. Thereafter, the matter may be examined by the DoC on file.

(ix) Ratification of the decision taken by BoA in respect of M/s. Rajiv Gandhi Infotech Park, Chandigarh (RGTPC) a sector specific SEZ for IT in its meeting held on 08.08.2007.

The BOA after deliberations noted that the required corrective action has been taken by the applicant and the concerned authorities. Therefore, it was unanimously decided to regularize and close the matter.

(x) Request of M/s. PI Industries Ltd., a unit in Sterling SEZ for granting permission to procure restricted raw material "Chlorodifluoromethane" (Mefron 22 & Freon 22) falling under ITC Chapter Heading 29037100 from DTA Unit.



The BOA, after deliberations, approved the proposal of M/s. PI Industries Ltd to procure restricted raw material "Chlorodifluoromethane" (Mefron 22 & Freon 22) falling under ITC Chapter Heading 29037100 from DTA Unit in respect of supply of items to a SEZ developer or unit for setting up infrastructure facility or for setting up of a unit. It can also supply raw material to SEZ unit for undertaking a manufacturing operations except refrigeration, cutting, polishing and blending. The approval is subject to compliance of safety and environmental clearance.

(xi) Request of M/s Pooja Scrap Industries (Partnership), a unit in VSEZ for extension of validity of LoP for the next block of five years from 31.08.2014

DC VSEZ informed the Board that M/s. Pooja Scrap Industries has effected FoB value of physical exports worth Rs.703.51 lakh (01.09.2014 to 30.08.2015) which is against the mandated target of Rs.668.33 lakhs, i.e. the pending export obligation of the unit during the previous block. Besides, the Unit has effected clearances for a value of Rs.446.69 lakhs against payment in free foreign currency which are counted towards NFE. The Board after deliberations extended the validity of the LoP w.e.f. 31.8.2014 for a period of five years.

Item No. 67.6 : Appeals before BoA

(i) Appeal of M/s. Shahtootwale Industries Ltd., a unit in Noida SEZ against order of the UAC dated 18th August, 2015.

The BOA, after deliberations, directed the appellant to submit audited financial statements of SEZ and DTA units to the DC and directed DC, NSEZ to carry out formal inspection of the Unit and submit a detail report on investments made in the unit, plant and machinery installed in the said Unit alongwith the performance of the Unit since grant of initial LoP. BOA accordingly deferred decision on the appeal.

Decision on Supplementary Agenda

Item No. 67.7: Requests for Co-developer

(1) Request of M/s. Mundra Solar Technopark Pvt. Ltd. for co-developer in the multi product SEZ at Mundra, Kutch, Gujarat, being developed by M/s. Adani Ports and Special Economic Zone Ltd.

The BOA after deliberations approved the request of M/s. Mundra Solar Technopark Pvt Ltd for increase of Electronic Manufacturing Cluster (EMC) area from 207.20 hectares to 259.70 hectares.



Item No. 67.8 : Requests for extension of LoP beyond 3rd Year onwards

- (i) Request of M/s. Hi-Tech Inforamtion Pvt. Ltd a unit in the multi product SEZ being developed by M/s. Falta SEZ, Kolkata for extension of LoP beyond 30.09.2015.**

The Board after deliberations extended the validity of the LoP up to 31th March, 2016.

- (ii) Request of M/s. Alstom Bharat Forge Power Pvt. Ltd. a unit in the multi product SEZ being developed by M/s. APSEZ, Mundra for extension of LoP beyond 2.2.2015.**

The Board after deliberations extended the validity of the LoP up to 31st October, 2016.

- (iii) Proposal of M/s Plastic Processors & Exporters Pvt. Ltd. for renewal of LoA for next five years in terms of Rule 18(4) of SEZ Rules, 2006.**

The BOA heard Shri Rakesh Agrawal, representative of M/s. Plastic Processors & Exporters Pvt. Ltd. It was noted that the Unit is lying dormant for many years and has been unable to discharge its prescribed export obligations. The BOA, therefore, after deliberations rejected the request for renewal of LoP of M/s. Plastic Processors & Exporters Pvt. Ltd.

Item No. 67.9 :Authorized Operations

- (i) Proposal of M/s Cochin Port Trust, for amendment of authorized operations in connection with the development of Muti-User Liquid Terminal approved for M/s. Indian Oil Corporation.**

The BOA after deliberations approved the request of M/s. Cochin Port Trust, the Developer, to the effect that construction of a barge loading jetty for handling bunkers will be an authorized operation of the Developer i.e. construction of main jetty will remain as the authorized operation of Indian Oil Corporation Limited, and construction of barge loading jetty will become the authorized operation of Cochin Port Trust.

The meeting ended with a vote of thanks to the Chair.



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Annexure – I

List of Participants for the Meeting of the Board of Approval for Special Economic Zones held on 9th October, 2015 under the Chairpersonship of Commerce Secretary, Department of Commerce

1. Ms. Rita Teatolia, Chairpersonship, BoA & Commerce Secretary, Department of Commerce
2. Shri John Joseph, DGEP, Department of Revenue, Ministry of Finance
3. Shri Jitendra Kumar, Additional Dir, DGEP
4. Shri Anup Wadhawan, DG, DGFT, Udyog Bhawan
5. Ms. Deepshikha Sharma, Director (ITA-1), CBDT, Department of Revenue, Ministry of Finance
6. Shri K. Biswal, Joint Secretary & Legislative Counsel, M/o of Law & Justice, Legislative Department, Government of India
7. Shri Shri J.S. Randhawa, General Managing, (PSIEC), Chandigarh
8. Shri A.K. Misra, Research Assistant TCPO, Ministry of Urban Development, Vikas Bhawan, I.P. Estate, New Delhi
9. Shri Jasbir Singh, Department of Chemical & Petrochemicals
10. Shri Subhash Sharma, OSD, Govt. of Chhattisgarh
11. Shri N.K.S, OSD (Industries) Noida Authority, Government of U.P.
12. Shri Ajayakumar K, Joint Secretary, Liaison officer, O/o Resident Commissioner, Govt. of Kerala
13. Dr. S.K. Sahoo, Dy. Director (EP), O/o DC(MSME), M/o MSME, Nirman Bhawan, New Delhi.
14. Dr. Rakesh A.R., Ministry of Urban, Department of Town and Country Planning
15. Dr. Anita Aggarwal, Department of S&T, Ministry of S&T
16. Shri J.P. Singh, Joint Director (Ento), MOA&FW
17. Shri S.N. Singh, J.D. DIC, Gurgaon, Haryana
18. Smt. Shiela Tirkey, SO, Ministry of Commerce & Industry, Department of Industrial Policy & Promotion
19. Ms. Letha Lakshmi Kutty, SO (IS-II), Ministry of Home Affairs

LIST OF DEVELOPMENT COMMISSIONERS

20. Dr. L.B. Singhal, Development Commissioner, Noida SEZ
21. Dr. Safeena AN, Development Commissioner, CSEZ
22. Shri A.K. Choudhary, Development Commissioner, Sri City SEZ
23. Shri Upendra Vashisht, Development Commissioner, KASEZ
24. Ms. Sobhana K.S. Rao, Development Commissioner, VSEZ
25. Shri M.K. Shanmuga Sundaram, Development Commissioner, MEPZ-SEZ
26. Shri K.L. Sharma, Development Commissioner, Sterling SEZ, Gujarat
27. Smt. Lata Shukla, Development Commissioner, Mundra SEZ
28. Shri Ishwar Singh, Joint Development Commissioner, Indore SEZ
29. Shri P.S. Raman, Joint Development Commissioner, SEEPZ SEZ

LIST OF PARTICIPANTS FROM DEPARTMENT OF COMMERCE

30. Dr. Guruprasad Mohapatra, Joint Secretary, Department of Commerce
31. Shri Madhup Vyas, Director, Department of Commerce
32. Shri G. Srinivasan, Under Secretary, Department of Commerce
33. Shri Kabiraj Sabar, Under Secretary, Department of Commerce
34. Shri V.P. Rajvedi, Section Officer, Department of Commerce
35. Shri K.C. Biswal, Section Officer, Department of Commerce