

Minutes of the 65th meeting of the Board of Approval for SEZs held on 19th May 2015 to consider proposals for setting up Special Economic Zones and other miscellaneous proposals

The Sixty fifth (65th) meeting of the Board of Approval (BoA) for Special Economic Zones (SEZ) was held on 19th May, 2015 under the Chairmanship of Shri Rajeev Kher, Secretary, Department of Commerce, at 3.00 P.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. 65.1: Requests for extension of validity of formal approvals

BoA, in its meeting held on 14th September, 2012, while examining similar cases had observed as under: -

*“The Board advised the Development Commissioners to recommend the requests for extension of formal approval beyond 5th year and onwards only after satisfying that the developer has taken sufficient steps towards operationalisation of the project and further extension is based on justifiable reasons. Board also observed that extensions may not be granted as a matter of routine unless some progress has been made on ground by the developers. **The Board, therefore, after deliberations, extended the validity of the formal approval to the requests for extensions beyond fifth years for a period of one year and those beyond sixth year for a period of 6 months from the date of expiry of last extension**”*

(i) Request of M/s. Uralungal Labour Contract Co Operative Society Limited (ULCCS Ltd.) for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Nellikode Village, Kozhikode, Kerala, beyond 30th June 2015

The Board after deliberations extended the validity of the formal approval up to 31st December, 2015.

(ii) Request of M/s. Karnataka Industrial Areas Development Board (KIADB) for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Mangalore, Karnataka, beyond 26th June 2015

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

(iii) Request from M/s. Bagmane Developers Private Limited (BDPL) (SEZ–I), developer of IT/ITES SEZ at Mahadevapura K.R. Puram, Bangalore, Karnataka for extension of validity of formal approval, beyond 30th June, 2015

The Board after deliberations extended the validity of the formal approval up to 30th June, 2016.

(iv) Request of M/s. Gulf Oil Corporation Limited for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES/BPO/Electronic Hardware at Kattigenahalli and Venkatala villages, Yelahanka Hobli, Bangalore, Karnataka, beyond 17th June, 2015

The Board after deliberations extended the validity of the formal approval up to 17th June, 2016.

(v) Request of M/s. Vedanta Aluminium Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Manufacture and Export of Aluminium at village Bhurkamunda & Bhagkipalli Tehsil & District Jharsuguda, Orissa beyond 22nd May, 2015

The Board after deliberations extended the validity of the formal approval up to 22nd May, 2016.

(vi) Request of M/s Kandla Port Trust, developer of multi product SEZ at Kandla and Tuna, Gujarat for further extension of the validity period of formal approval, beyond 6th May 2015

The Board after deliberations extended the validity of the formal approval up to 6th May, 2016.

(vii) Request of M/s. SNP Infrastructure Private Limited for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Zamin Pallvaram village, Chinglepet Taluk, Kanchipuram District, Tamil Nadu, beyond 24th June, 2012

The Board after deliberations condoned the delay and extended the validity of the formal approval up to 24th June, 2016.

(viii) Request of M/s. Velankani Technology Park (P) Ltd. for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Electronic Hardware and Software including ITES at Sriperumbudure, Chennai, Tamil Nadu, beyond 22nd May 2014.

The Board after deliberations condoned the delay and extended the validity of the formal approval up to 22nd May, 2016.

(ix) Request of M/s. Nagarjuna Oil Corporation Ltd., for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Pharmaceuticals and Petroleum at Kayalattu Village, Cuddalore, Tamil Nadu, beyond 26th February 2015.

The Board after deliberations extended the validity of the formal approval up to 25th February, 2016.

(x) Request of M/s. Ascendant Estates Pvt. Ltd. for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Village Bhondsi, Tehsil Sohna, Gurgaon, Haryana, beyond 5th November, 2014

The Board noted that the DC, NSEZ had not recommended the proposal for further extension and after deliberations rejected the request for extension of formal approval of the Developer.

(xi) Request of M/s. G.P. Realtors Pvt. Ltd. for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Electronic Hardware & IT/ITES at Village Ghata, Behrampur and Balola, Gurgaon, Haryana, beyond 25th January, 2015.

The Board after deliberations extended the validity of the formal approval up to 25th January, 2016.

(xii) Request for further extension of LoA from M/s. Mayar Infrastructure Development Pvt. Ltd. for setting up of Biotechnology SEZ at village Rahaka & Nimoth District Gurgaon, Haryana beyond 13th July, 2015.

The Board after deliberations extended the validity of the formal approval up to 13th July, 2016.

(xiii) Request of M/s. Indiabulls Industrial Infrastructure Limited for further extension of the validity period of formal approval, granted for setting up of multi product SEZ at village Sinnar, District Nashik, Maharashtra, beyond 24th June, 2015

The Board after deliberations extended the validity of the formal approval up to 24th June, 2016 with the condition that the Developer shall furnish necessary clarifications to the State Government of Maharashtra on the issues raised by it.

(xiv) Request of M/s. Navi Mumbai SEZ Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Multi Services at Ulwe, District Raigad, Maharashtra, beyond 26th February 2015.

The Board after deliberations extended the validity of the formal approval up to 26th February, 2016 with the condition that the Developer shall furnish necessary clarifications to the State Government of Maharashtra on the issues raised by it.

(xv) Request of M/s. Navi Mumbai SEZ Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Gems & Jewellery at Ulwe, District Raigad, Maharashtra, beyond 26th February 2015

The Board after deliberations extended the validity of the formal approval up to 26th February, 2016 with the condition that the Developer shall furnish necessary clarifications to the State Government of Maharashtra on the issues raised by it.

(xvi) Request of M/s. DLF Info Park (Pune) Ltd. for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Rajiv Gandhi Infotech Park, Phase II, Pune, Maharashtra, beyond 26th June, 2015

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

Item No. 65.2 : Requests for extension of validity of in-principle approval

(i) Request of M/s. Venkatesh Coke & Power Ltd. for extension of the validity of in-principle approval, granted for setting up of Free Trade Warehousing Zone (FTWZ) at Athipattu, Nandiambakkam and Puludivakkam villages, Ponneri Taluk, Thiruvallur Dist, Tamil Nadu, beyond 12th May, 2015

The Board after deliberations extended the validity of the in-principle approval up to 12th May, 2016.

Item No. 65.3 : Requests for extension of LoP beyond 3rd Year onwards

(i) Request of M/s. Indofil Industries Limited, a unit in the multi product SEZ being developed by M/s. Dahej SEZ at Bharuch, Gujarat for extension of LoP beyond 13th March 2015.

The Board after deliberations extended the validity of the LoP up to 13th March, 2016.

(ii) Request of M/s. Anushakti Specialities LLP, a unit in the multi product SEZ being developed by M/s. Dahej SEZ at Bharuch, Gujarat for extension of LoP beyond 13th March 2015.

The Board after deliberations extended the validity of the LoP up to 13th March, 2016.

(iii) Request of M/s. Godrej & Boyce Manufacturing Company Limited, a unit in the multi product SEZ being developed by M/s. Dahej SEZ at Bharuch, Gujarat for extension of LoP beyond 29th May 2015.

The Board after deliberations extended the validity of the LoP up to 29th May, 2016.

(iv) Request of M/s. Tatva Chintan Pharma Chem Pvt. Ltd., a unit in the multi product SEZ being developed by M/s. Dahej SEZ at Bharuch, Gujarat for extension of LoP beyond 22nd May 2015

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

(v) Request of M/s P&J Cretechem (P) Ltd., a unit in multi product SEZ developed by Dahej at Bharuch Gujarat for extension of validity period of its LoP beyond 31st March, 2015.

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

(vi) Request of M/s. Sajjan Specialty Ltd., a unit in Dahej SEZ for extension of Letter of Permission (LoP) beyond 08th November, 2014

The Board after deliberations extended the validity of the LoP up to 8th November, 2016.

(vii) Request of M/s. Marsons Industries Pvt. Ltd., a unit in the sector specific SEZ for Engineering SEZ being developed by M/s. Mahindra World City (Jaipur) Ltd. at village Kalwara, Tehsil Sanganer, Distt. Jaipur, Rajasthan for extension of Letter of Permission (LOP) beyond 12th March, 2015

The Board after deliberations extended the validity of the LoP up to 12th September, 2015.

(viii) Request of M/s. KPIT Technologies Limited, a unit in MIDC SEZ for extension of Letter of Permission (LoP) beyond 28th June, 2013

The Board after deliberations condoned the delay and extended the validity of the LoP up to 28th June, 2016.

(ix) Request of M/s Yash Technologies Pvt. Ltd., a unit in MIDC at Plot No. 23/1, Rajiv Gandhi Infotech Park, Hinjewadi, Phase-III, Pune, Maharashtra for extension of validity period of its LoP beyond 10th November 2014.

The Board after deliberations extended the validity of the LoP up to 10th May, 2016.

(x) Request of M/s Hospira Healthcare India Pvt. Ltd., a unit in Ramky Pharmacity India Limited SEZ for manufacture of Injectables Formulations at Parawada, Visakhapatnam District, Andhra Pradesh for extension of validity period of its LoP beyond 25th June 2015

The Board after deliberations extended the validity of the LoP up to 25th June, 2016.

(xi) Request of M/s Dr. Reddy's Laboratories Limited - FTO, a unit in Dr. Reddy's Laboratories SEZ for manufacture of Pharmaceuticals & APIs at Devunipatavalsa village, Ranasthalam Mandal, Srikakulam District, Andhra Pradesh for extension of validity period of its LoP beyond 18th April, 2015.

The Board after deliberations extended the validity of the LoP up to 18th April, 2016.

Item No. 65.4 : Requests for co-developer

Approvals for co-developers are subject to the condition that particular terms and conditions of lease agreement/co-developer agreement will not have any bearing on the treatment of the income by way of lease rentals/down payment/premium etc., for the purposes of assessment under the Income Tax Act and Rules. The Assessing Officer, will have the right to examine the taxability of these amounts under the SEZ Act and Income Tax Act and Rules. This is applicable to all cases of co-developers approved by the BoA in this meeting. The decisions of the BoA on the proposals are as under:-

(i) Request of M/s. Infoparks Kerala for co-developer in the sector specific SEZ for IT/ITES at Muringur Thekkumuri Village, Koratty Panchayathu, Mukundapuram Taluk, Thrissur District, Kerala, being developed by M/s. Kerala State IT Infrastructure Ltd.

After deliberations, the Board approved the proposal of M/s. Infoparks Kerala for co-developer for construction of 3.3 lakh sqft IT building and utility building, construction of roads, drain, cable trench, ground water sump and sewage treatment plant for the building,

over an area of 2.4282 hectares, in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period be reduced to a period not exceeding 30 years (Renewable).

(ii) Request of M/s. MSEZ Power Limited for co-developer in Multi Product SEZ at Baikampady, Mangalore, Karnataka, being developed by M/s. Mangalore SEZ Ltd.

After deliberations, the Board approved the proposal of M/s. MSEZ Power Limited for Co-developer to carry on the power distribution activities to the units in the SEZ Zone. The Co-developer has informed that that the power will be procured from Bangalore Electric Supply Company (BESCOM). The power distribution activities are currently being perused by the developer itself and upon receipt of the required co-developer approval, further activities will be carried out by the proposed co-developer MSEZPL, in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules, provided that the lease period be reduced to a period not exceeding 30 years (Renewable) .

(iii) Request of M/s. Thefra Technopark Pvt. Ltd. for co-developer in the sector specific SEZ for IT/ITES at Kakkanad, Village, Ernakulam District, Kerala, being developed by M/s. SmartCity (Kochi) Infrastructure Pvt. Ltd.

The Board noted that the co-developer had not furnished details of 'other services' and that the lease period proposed exceeded 30 years. After deliberations, the Board sought details of 'other services' from the developer and deferred the proposal.

(iv) Request of M/s. Sands Infrabuild Pvt. Ltd. for co-developer in the sector specific SEZ for IT/ITES at Kakkanad, Village, Ernakulam District, Kerala, being developed by M/s. SmartCity (Kochi) Infrastructure Pvt. Ltd.

After deliberations, the Board approved the proposal of M/s. Sands Infrabuild Pvt. Ltd. for co-developer for IT/ITES infrastructure development, operation and maintenance of buildings and supportive infrastructure projects, over an area of 12.74 acres, in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period be reduced to a period not exceeding 30 years (Renewable).

(v) Request of M/s. Volupia Developers Pvt. Ltd. for co-developer in Multi Services SEZ at Ratanpur, District Gandhinagar, Gujarat, being developed by M/s. GIFT SEZ Ltd.

After deliberations, the Board approved the proposal of M/s. Volupia Developers Pvt. Ltd. as co-developer to develop, maintain and operate office building for units to undertake export of services in the processing area, over a built up area of 2,50,000 sq.ft., in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period be reduced to a period not exceeding 30 years (Renewable).

(vi) 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.

After deliberations, the Board approved the proposal of M/s. Mundra Solar Technopark Pvt. Ltd. as co-developer to develop, operate and maintain Electronics Manufacturing Cluster (EMC) and related infrastructure facilities & services for electronic products including solar energy equipments, its ancillaries etc, over an area of 207.20 hectares, in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules and also subject to the project being approved by the DeitY.

(vii) Request of M/s. Wipro Limited for co-developer in the sector specific SEZ for IT/ITES at Thenmelpakkam village, Chengalpattu, Kancheepuram District, Tamil Nadu, being developed by M/s. Mahindra World City Developers Limited

After deliberations, the Board approved the proposal of M/s. Wipro Limited as co-developer for site development, boundary wall, roads, installation of water supply & sanitation & sewage system, power distribution system, Telecom facilities, air-conditioning system, warehouse, welfare centre including first aid centre and crèche & employee business stay facilities, cafeteria, fuel storage, software development/office bldg. and other activity as may be required in processing area, over an area of 90.19 acres (36.50 hectares), in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period be reduced to a period not exceeding 30 years (Renewable).

(viii) Request of M/s. Wipro Limited for co-developer in the sector specific SEZ for IT/ITES at Coimbatore, Tamil Nadu, being developed by M/s. Electronics Corporation of Tamil Nadu Limited (ELCOT)

After deliberations, the Board approved the proposal of M/s. Wipro Limited as co-developer for site development, boundary wall, roads, installation of water supply & sanitation & sewage system, power distribution system, Telecom facilities, air-conditioning system, warehouse, welfare centre including first aid centre and crèche & employee business stay facilities, cafeteria, fuel storage, software development/office bldg. and other activity as may be required in processing area, over an area of 9.50 acres (3.84451 hectares), in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period be reduced to a period not exceeding 30 years (Renewable).

Item No. 65.5 : Proposals for setting up of SEZs

(i) Proposal of M/s. Infosys Limited, for setting up of a sector specific SEZ for IT/ITES at Gokul Village, within the limits of Hobli, Hubli Taluk, District Dharward, Near Airport Hubli, Karnataka, over an area of 17.422 hectares.

The Board noted that the Developer is in possession of the land. The Government of Karnataka has also recommended the proposal vide their letter dated 15.09.2014. Accordingly, the Board decided to grant formal approval to the proposal of M/s. Infosys Limited, for setting up of a sector specific Special Economic Zone for IT/ITES at Gokul Village, within the limits of Hobli, Hubli Taluk, District Dharward, Near Airport Hubli, Karnataka, over an area of 17.422 hectares.

(ii) Proposal of M/s. Mantri Developers Private Limited, for setting up of a sector specific SEZ for Electronic Hardware and Software including IT/ITES at Nanakramguda village, Gachibowli, Serilingampally Mandal, Ranga Reddy District, Telangana, over an area of 1.0504 hectares.

The Board noted that the Developer is in possession of the land. The Government of Telangana has conveyed its in-principle approval vide their letter dated 16.05.2015. Accordingly, the Board decided to grant in-principle approval to the proposal of M/s. Mantri Developers Private Limited, for setting up of a sector specific Special Economic Zone for Electronic Hardware and Software including IT/ITES at Nanakramguda village, Gachibowli, Serilingampally Mandal, Ranga Reddy District, Telangana, over an area of 1.0504 hectares. The Board also noted that there were pre-existing buildings/structures on the land proposed for the SEZ. As such buildings were vacant in terms of SEZ Rules, not having been put to commercial use, the BOA approved the proposal subject to no duty benefits being granted to the developer for pre existing buildings/structures.

Item No. 65.6 : Miscellaneous Cases

(i) Request of M/s. Manyata Promoters Pvt. Ltd., developer of sector specific SEZ for IT/ITES in Karnataka for change in shareholding pattern

After deliberations, the Board approved the request of the 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 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 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 developer shall furnish details of PAN and jurisdictional assessing officer of the developer to CBDT.

(ii) Request of M/s. Leela Soft Pvt. Limited a co-developer in the sector specific SEZ for IT/ITES at Kochi, Kerala being developed by M/s. Infopark SEZ for change of name and transfer of 100% of equity shares.

After deliberations, the Board approved the request for change of name of the co-developer from Leela Soft Pvt. Limited to M/s. Carnival Soft Pvt. Ltd., and transfer of 100% of equity shares to M/s. Carnival India Pvt. Limited, 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 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.

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

The BOA, after deliberations, decided to defer the request of the Co-developer till the new power guidelines are finalized.

(iv) Proposal of M/s. MPAKVN (Indore) Ltd. developer in the multi product SEZ at Indore, Madhya Pradesh for approval of authorized operation in the non-processing area of the SEZ

After deliberations, the Board approved the proposal of the developer for the following authorized operations in the non-processing area of the SEZ subject to the condition that the authorized operation shall be available for use of the SEZ only.

S. No.	Authorized Operations	No. of Units	Area per unit (in sqm.) as per FSI / FAR norms as applicable	Total area (in sqm.) / capacity (in MW)
1.	Restaurant	1	NA	240.18 sqm.
2.	Shops	1	NA	159.30 sqm./8 Nos
3.	Dormitory	1	NA	281.26 sqm./20 beds
4.	Sulabh Complex (Public Toilet facility)	1	NA	73.60 sqm.

The Board also directed that it may be examined that henceforth the power to take decisions on such matters may be delegated to the Department of Commerce.

(v) Proposal of M/s. Larsen & Toubro Ltd. in sector specific SEZ for IT/ITES at Vadodara, Gujarat for temporary two additional access gates during construction activities

After deliberations, the Board approved the proposal for two temporary additional access gates during construction activities.

(vi) Request of M/s. La Spirit Liquor Trading Company, KASEZ for extension of LoP and conversion of the authorized trading activity from all sorts of liquor to warehousing for worn and used clothe/waste plastic etc.

After deliberations, the BOA approved the extension of LOA upto 19th May, 2016 and deferred the request of the Unit for conversion of the authorized trading activity from all sorts of Liquor to 'Warehousing for Worn and Used Clothes/Waste Plastic etc.

(vii) Request of M/s. Sarthak Warehousing & Trading Co., KASEZ to cut the material into wipers which left over during the process of their service activity.

The unit has sought permission to carry out manufacturing process on behalf of overseas client i.e. to cut the material into wipers which are left over during the process of their service activity, which is not permitted under Rule 18 (4) (c) of SEZ Rules, 2006. After deliberations, the BOA decided to reject the proposal.

(viii) Request of M/s. Ashmeer Global, KASEZ for setting up of a unit for manufacturing of Gutkha, Scented Khaini, Flavoured Chewing Tobacco & Pan Masala

The BOA directed the Department to examine the policy of permitting units for manufacture of Gutkha, Scented Khaini, Flavoured Chewing Tobacco & Pan Masala etc, in consultation with DIPP and till such time deferred the proposal.

(ix) Appeal of M/s. Integrated Warehousing Kandla Project Development Pvt. Ltd. (IWKPDPL), co-developer for FTWZ at Kandla against BoA decision dated 18.09.2014

The Board after deliberations decided to revoke its earlier decision taken in 63rd BOA held on 18th September, 2014 for cancellation of co-developer status of M/s. IWKPDPL and restored the co-developer approval granted to M/s. Integrated Warehousing Kandla Project Development Pvt. Ltd. (IWKPDPL), co-developer for FTWZ at Kandla.

(x) Proposal of M/s. Tidel Park Coimbatore Ltd. a co-developer in the sector specific SEZ for IT/ITES at Vilankurichi, Coimbatore, Tamil Nadu, being developed by M/s. ELCOT SEZ for approval of authorized operation in the processing area of the SEZ

The Board after deliberations deferred the proposal of the co-developer for approval of authorized operations in the processing area of the ELCOT SEZ.

(xi) Request of M/s. Dr. Fresh SEZ Phase I Private Limited, a co-developer in the sector specific SEZ for IT/ITES at village Ghamroj, Tehsil Sohna, District Gurgaon, Haryana being developed by M/s. Dr. Fresh Health Care Pvt. Ltd. for increase in area

The Board, after deliberations, approved the request of M/s. Dr. Fresh SEZ Phase I Private Limited, a co-developer in the sector specific SEZ for IT/ITES at village Ghamroj, Tehsil Sohna, District Gurgaon, Haryana being developed by M/s. Dr. Fresh Health Care Pvt. Ltd. for addition of 0.634 hectares land thereby making the total area of the SEZ to 1.794 hectares in the processing area of SEZ, subject to the contiguity of the land in the SEZ being maintained.

(xii) Request of M/s. Ranbaxy Laboratories Ltd. developer for sector specific SEZ for Pharmateutical at A-41, Industrial Area, Phase-VIII-A, Mohali, Punjab, for change of

name & transfer of assets & liabilities to M/s. Sun Pharmaceutical Industries Ltd. consequent to amalgamation approved by Hon'ble High Court of Punjab & Haryana and Hon'ble Court of Gujarat

The Board approved the request of M/s. Ranbaxy Laboratories Ltd. for change of name & transfer of assets & liabilities to M/s. Sun Pharmaceutical Industries Ltd. pursuant to amalgamation of M/s. Ranbaxy Laboratories Ltd. with M/s. Sun Pharmaceutical Industries Ltd., consequent upon amalgamation order issued by High Court of Punjab and Haryana on 09.03.2015 and High Court of Gujarat on 14.11.2014 subject to:-

- (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 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 developer shall furnish details of PAN and jurisdictional assessing officer of the developer to CBDT.

(xiii) Renewal of LoP for next 5 years in respect of M/s. Plastic Processors & Exporters Private Limited, a unit in NSEZ

The Board, after deliberations, deferred the proposal.

(xiv) Request of M/s Pune Embassy Projects Pvt. Ltd., developer of sector specific SEZ for IT/ITES in Hinjewadi, Pune, Maharashtra for change in shareholding pattern

After deliberations, the Board approved the request of the developer for change in shareholding pattern of the company, 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 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 developer shall furnish details of PAN and jurisdictional assessing officer of the developer to CBDT.

(xv) Request of M/s. Sunny Vista Realtors Pvt. Ltd. developer of sector specific SEZ for multi services at Panvel, Maharashtra for change of ownership to M/s. Persipina Developers Pvt. Ltd. (PDPL) and permission for Dual Use Residential Building in Non-processing area of SEZ

BOA, after deliberation approved the request of M/s. Sunny Vista Realtors Pvt. Ltd for change of ownership to M/s. Persipina Developers Pvt. Ltd. as developer of SEZ, 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 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 developer shall furnish details of PAN and jurisdictional assessing officer of the developer to CBDT.

The BOA did not approve the proposal for grant of permission for dual use of infrastructure and directed the Developer to denotify the total area of 1077419 sq.ft. (100094 sqm.) in the Non-processing area where 1012 residential units have been built from the said SEZ, subject to payment of duty benefits availed after obtaining NOC from the State Government.

(xvi) Request of M/s Virtusa India Pvt. Limited, co-developer in M/s. APIIC Ltd. IT/ITES SEZ at Nanakramguda Village, Serlingampally Mandal, Ranga Reddy District, Telangana for merger of their company into M/s. Virtusa Consulting Services Pvt. Ltd.

The Board after deliberations approved the request of M/s. Virtusa India Pvt. Limited for merger of their company into M/s. Virtusa Consulting Services Pvt. Ltd. consequent upon their merger, 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 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.

(xvii) Proposal of M/s Senpet (India) Ltd., an EOU under Falta SEZ for De-notification of SEZ land on which the EOU is located and swapping of private land with SEZ land.

The matter was deliberated and the Board after deliberations did not approve the proposal of M/s Senpet (India) Ltd. It further directed the Department of Commerce to pass a speaking order in the matter.

Item No. 65.7 : Request for partial de-notification

(i) Request for de-notification of 2nd phase of SEZ for Apparel Sector at Ahmedabad over an area of 17.62 Hectares out of Notified area of 38.04 Hectares – Amendment of Rules

After deliberation, the Board decided to defer the proposal as the matter was under consideration of the Department of Commerce.

Item No. 65.8 : Cancellation of Formal Approvals

The Board examined the 22 cases of the agenda for cancellation of formal approval /notification. The Board noted that the progress made by the developer is not satisfactory.

The Board, after deliberations, decided to cancel the formal approval/notification, as the case may be, in the following 22 cases. The approval is subject to the DC furnishing a certificate in the prescribed format certifying that the developer has not availed any tax/duty benefits including Service Tax Exemptions, if any, under SEZ Act/Rules, or has refunded any such benefits availed by it:-

Sr. No.	Name of the Developer/co-developer	Sector	Date of formal approval	Zone
1.	M/s. Hall Marc Technopark (P) Ltd. (Coimbatore District, Tamil Nadu)	IT/ITES	27.02.2007	MEPZ
2.	M/s. Tamilnadu Industrial Development Corporation Ltd. (Ennore,	Multi Product	23.07.2007	MEPZ

	Tiruvallur District, Tamil Nadu)			
3.	M/s. Platinum Holdings Pvt. Ltd. (Navallur, Chennai, Tamil Nadu)	Hardware and Software	6.11.2006	MEPZ
4.	M/s. True Developers Pvt. Ltd. (Palladam Taluka, Coimbatore District, Tamil Nadu)	Electronic Hardware including IT/ITES	30.07.2007	MEPZ
5.	M/s. KPR Developers Ltd. (Coimbatore District, Tamilnadu)	IT/ITES and Electronic Hardware	27.02.2009	MEPZ
5.	M/s. Haaciendaa Realtors Pvt. Ltd. (Kancheepuram District, Tamil Nadu)	IT/ITES	25.10.2008	MEPZ
7.	M/s. DSRK Holding (Chennai) Pvt. Ltd. (Kancheepuram District, Tamil Nadu)	IT/ITES	30.10.2008	MEPZ
3.	M/s. R.C. Infosystems Pvt. Ltd. (Tech Zone, Greater Noida)	IT/ITES	27.02.2008	NSEZ
9.	M/s. Rose View Promoters Pvt. Ltd. (IMT Manesar, Distt Gurgaon, Haryana)	IT/ITES	29.11.2010	NSEZ
10.	M/s. IVR Prime IT SEZ Pvt. Ltd. (Sector – 144, Noida, Uttar Pradesh)	IT/ITES	01.07.2008	NSEZ
11.	M/s. Sohna Buildcon Pvt. Ltd. (Dist. Gurgaon, Haryana)	IT/ITES	14.01.2008	NSEZ
12.	M/s. Mohan Investment and Properties Pvt.	IT/ITES	26.07.2007	NSEZ

	Ltd. (Badshapur, District Gurgaon, Haryana)			
13.	M/s. Sarv-Mangal Real Tech Pvt. Ltd. (Sector 140-A, Noida, Uttar Pradesh)	IT/ITES	18.02.2008	NSEZ
14.	M/s. Sunwise Properties Pvt. Ltd. (Gurgaon, Haryana)	IT/ITES	21.04.2008	NSEZ
15.	M/s. Uppal Housing Ltd. (Knowledge Park-V, Greater Noida)	IT/ITES	15.02.2008	NSEZ
16.	M/s. Mikado Realtors Pvt. Ltd. (Village Behrampur & Balola, District Gurgaon, Haryana)	IT/ITES	30.10.2008	NSEZ
17.	M/s. GHI Finlease and Investment Ltd. (Village Bhonsi, Distt. Gurgaon, Haryana)	IT/ITES	25.08.2006	NSEZ
18.	M/s. Progressive Buildestate Pvt. Ltd. (Tehsil Sohna, Distt. Gurgaon, Haryana)	IT/ITES	01.07.2008	NSEZ
19.	M/s. Township Developers India Pvt. Ltd. (Pune, Maharashtra)	Engineering	26.02.2009	SEEPZ
20.	M/s. APIIC Ltd. (Putlampally Village, Andhra Pradesh)	IT/ITES	30.07.2007	VSEZ
21.	M/s. APIIC Ltd. (Kurukalava Village, Renigunta, Andhra Pradesh)	IT/ITES	12.10.2007	VSEZ
22.	M/s. Raaga Mayuri Builders Pvt. Ltd. (Tadakannapalli,	IT/ITES	10.09.2008	VSEZ

	Kurnol Dist., Andhra Pradesh)			
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Item No. 65.9 : Appeals before BoA

(i) Appeal of M/s. Usha Global Corporation, a unit in Noida SEZ against order dated 17th October, 2014 of the UAC.

The Board heard the petitioner but found no merit in the contentions made by the appellant and rejected the appeal.

(ii) Appeal of M/s. Gujeswori Apparels, a unit in Noida SEZ against order dated 25th November, 2014 of the UAC

The Board heard the petitioner and after deliberations, decided to remand the case back to DC NSEZ to reconsider his recommendation and after giving the opportunity to the appellant for personal hearing, pass a speaking order after examining all relevant facts of the case and the applicable Rule position.

(iii) Appeal of M/s. Backbay Clothing, a unit in Noida Special Economic Zone, U.P against order dated 22nd August, 2014 of UAC.

The Board heard the petitioner and after deliberations, decided to remand the case back to DC NSEZ to reconsider his recommendation and after giving the opportunity to the appellant for personal hearing, pass a speaking order after examining all relevant facts of the case and the applicable Rule position.

(iv) Appeal of M/s. Asian Latex Limited, a unit in Noida Special Economic Zone, U.P against order dated 25th November, 2014 of UAC.

The Board heard the petitioner however it found no merit in the contentions made by the appellant and rejected the appeal.

(v) Appeal of M/s. Sona Overseas, a unit in NSEZ against order dated 25th November, 2014 of the UAC.

Since no representative from the appellant appeared for personal hearing, the Board decided to give another opportunity to the appellant.

(vi) Appeal of M/s. RGN Global Enterprises a unit in Jaipur SEZ against order dated 31st March, 2015 of the UAC, Jaipur SEZ.

The Board noted that the unit had requested to withdraw the appeal. Accordingly, the Board allowed the appeal to be withdrawn.

(vii) Appeal of M/s. Indo Widecom International Ltd., a unit in NSEZ against order dated 17th October, 2014 of the UAC

Since no representative from the appellant appeared for personal hearing, the Board decided to give another opportunity to the appellant.

(viii) Writ Petitions 2622/2014 filed by M/s. Ellenbarrie Exim Limited v/s Union of India & ors. before Hon'ble High Court at Calcutta

On the request of the appellant to adjourn the hearing to any day after three weeks or till next BOA meeting, the Board deferred the appeal till next BOA meeting.

(ix) W.P. (C) No. 431/2012 filed by M/s Futuristic Trading Pvt. Ltd. before the Hon'ble High Court of Delhi

(x) W.P (C) No. 442/2012 filed by M/s Globus Metal Trading Pvt. Ltd. before the Hon'ble High Court of Delhi.

Brief Background of the above petitions

Both the above mentioned petitioners had submitted their proposals for setting up of units in the Kandla SEZ to carry on (a) Import of scrap material to the warehouse; (b) Segregation of material by labours; (c) Unbundling of scrap; (d) Cutting of scrap to make it usable as per customer requirement; (e) Polishing and welding; and, (f) Bundling if required by customer.

The KASEZ UAC rejected their requests and the petitioners filed an appeal before 48th meeting of the BoA held on 19.09.2011. The Board rejected the appeal as it was against the provision of Rule 18(4) (d) of the SEZ Rules, 2006. Aggrieved by the decision of BoA the petitioners filed writ petitions before the Hon'ble Court of Delhi. The Delhi High Court on 19.01.2015, gave its verdict which is reproduced below:-

“Accordingly, the impugned orders are set aside. The appellate authority is directed to accord a hearing to the petitioners. The appellate authority will send an appropriate notice in that behalf to the petitioners indicating the date, time and venue. The notice will be sent in this behalf to the petitioner no later than ten (10) days from today. A decision will be taken on the appeal of the petitioner, as expeditiously as possible, though no later than six (6) weeks from today.....”

The Board heard the lawyer representing both M/s. Futuristic Trading Private Ltd. and M/s. Globus Trading Pvt. Ltd. The Board also observed that these Units' proposed activities, inter alia include cutting of scrap as well as polishing and welding. The representative of the appellant companies also submitted written arguments in support of its contention. It was noted that the “Recycling Process” involves some or all of the steps including Sorting, Baling, Shearing, Media separation, Melting etc. The Board noted that the activities proposed to be carried out by the appellant companies amounted to recycling of waste attracting the prohibition enshrined in Rule 18(4) (d) which provides, “No proposal shall be considered for import of other used goods for recycling.” The Board thus rejected the appeal of the SEZ Units.

Decision on Supplementary Agenda

Item No. 65.10 : Requests for co-developer

(i) Request of M/s. Electronics Technology Parks-Kerala (Technopark) for co-developer in the sector specific SEZ for IT/ITES at Mulavana Village, Kollam District,

Kerala, being developed by M/s. Kerala State Information Technology Infrastructure Limited

After deliberations, the Board approved the proposal of M/s. Electronics Technology Parks-Kerala (Technopark) for construction of a total of 5 lakhs sq.ft. IT/ITES Building, power/water, road and other infrastructure for the park, over an area of 01.80 hectares, in accordance with the co-developer agreement entered into with the developer subject to standard terms and conditions as per SEZ Act and Rules provided that the lease period be reduced to a period not exceeding 30 years (Renewable).

Item No. 65.11 : Cases for ratification by the BoA

(i) Request of M/s. Lupin Ltd., a unit in MIHAN SEZ, for extension of Letter of Permission (LoP) beyond 22nd April 2015

The Board after deliberations ratified the proposal for extension of validity period of LoP up to 22nd April, 2016.

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

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Annexure - 1

List of Participants for the Meeting of the Board of Approval for Special Economic Zones held on 19th May, 2015 under the Chairmanship of Commerce Secretary, Department of Commerce

1. Shri Rajeev Kher, Chairman, BoA & Commerce Secretary, Department of Commerce
2. Shri Ram Tirath, DGEP, Department of Revenue, Ministry of Finance
3. Dr. L. B. Singhal, Additional DGFT, Dte. General of Foreign Trade
4. Dr. Tejpal Singh, ADGEP, Department of Revenue, Ministry of Finance
5. Ms. Deepshikha Sharma, Director (ITA-1), CBDT, Department of Revenue, Ministry of Finance
6. Shri Anwar Ali, Deputy Director, DGEP
7. Ms. Abha Shukla, Resident Commissioner, Government of Maharashtra
8. Shri K. Biswal, Joint Secretary & Legislative Counsel, M/o of Law & Justice, Legislative Department, Government of India
9. Dr. Namrata Pathak, Director/SC-F, Department of Science & Technology
10. Shri Dinesh Kumar, Deputy Secretary, Ministry of Shipping
11. Shri Hardyal Sehrawat, Additional Director Industries, Department of Industries & Commerce, Haryana
12. Shri Sanjiv Bawa, ED, (PSIEC), Government of Punjab
13. Shri N.K. Singh, HOD (Industries), Noida, Government of Uttar Pradesh
14. Shri A.K. Misra, Research Assistant TCPO, Ministry of Urban Development, Vikas Bhawan, I.P. Estate, New Delhi
15. Shri Ajay Kumar, Research Assistant, TCPO, Ministry of Urban Development, Vikas Bhawan, IP. Estate, New Delhi

LIST OF DEVELOPMENT COMMISSIONERS

16. Shri Sumeet Jerath, Development Commissioner, Noida SEZ
17. Dr. Safeena AN, Development Commissioner, CSEZ
18. Shri Sanjeev Nandwani, Development Commissioner, Falta, Kolkata
19. Shri N.P.S. Monga, Development Commissioner, SEEPZ SEZ
20. Shri A.K. Choudhary, Development Commissioner, MEPZ
21. Shri Upendra Vashisht, Development Commissioner, KASEZ
22. Shri K.L. Sharma, Development Commissioner, Sterling SEZ, Gujarat
23. Smt. Lata Shukla, Development Commissioner, Mundra SEZ
24. Shri Rakesh kumar, Deputy Development Commissioner, Noida SEZ

LIST OF PARTICIPANTS FROM DEPARTMENT OF COMMERCE

25. Shri A.K. Bhalla, Additional Secretary, Department of Commerce
26. Dr. Guruprasad Mohapatra, Joint Secretary, Department of Commerce
27. Shri Sanjeet Singh, Director, Department of Commerce
28. Shri S.S. Kumar, Under Secretary, Department of Commerce
29. Shri Kabiraj Sabar, Under Secretary, Department of Commerce
30. Shri V.P. Rajvedi, Section Officer, Department of Commerce
31. Shri K.C. Biswal, Section Officer, Department of Commerce