

Minutes of the 43rd meeting of the SEZ Board of Approval held on 18th November 2010 to consider proposals for setting up of Special Economic Zones

The forty third (43rd) meeting of the SEZ Board of Approval was held on 18.11.2010 under the chairmanship of Shri Rahul Khullar, Secretary, Department of Commerce in Room No. 47, Udyog Bhawan, New Delhi to consider proposals for setting up of Special Economic Zones and other miscellaneous requests in respect of notified/approved SEZs. A list of participants is enclosed (**Annexure -1**).

2. Addressing the Board of Approval members, the Chairman informed that so far 580 formal approvals have been granted for setting up of SEZs out of which 367 have been notified. He further informed that over 1,76,148 crores have been invested in the Special Economic Zones and direct employment of the order of 6,20,824 persons has been generated in the Special Economic Zones. During the financial year 2009-10, total export of Rs. 2,20,711 crore (approx) has been made from SEZs registering a growth of about 121.40% over the exports for the previous financial year. The export in the first half of financial year 2010-11, has been to the tune of Rs.1,39,841 crore (approx), registering a growth of 55.8% over the exports of corresponding period of the previous financial year.

Item No. 43.1: Policy for setting up of units for recycling of plastics in SEZs

It was noted that this policy paper was considered in the Board meeting held on 16th September, 2010 and was deferred in view of the points raised by D/o Chemicals & Petrochemicals as also Department of Revenue. This agenda item was re-circulated and so far no comments have been received from D/o Chemicals & Petrochemicals. The representatives of Department of Revenue reiterated their earlier position. It was pointed out to them that Department of Revenue must clearly bring out the revenue aspects of the proposal. As regards other issues raised by other departments, Department of Commerce will take it up with the concerned Ministries. It was thereafter decided that the consideration of the proposal will be deferred and a copy of the revised guidelines will be sent to Department of Revenue again to enable them to give their inputs.

Item No. 43.2 (a): Procedure for refund of service tax paid

Item No. 43.2 (b): Exemption of service tax paid on taxable services provided in relation to the authorized operations in SEZs.

The representative of D/o Revenue indicated that the report of TRU on both the issues have been received and are presently under submission in the Ministry of Finance and once it is cleared at appropriate levels, further course of action can be indicated. BOA, accordingly, deferred the proposal for the next meeting of the Board.

Item No.43.3: Requests for co-developers

BoA sanctioned approvals to the co-developers subject to the condition that particular terms and conditions of lease 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 prevalent Income Tax Act and Rules. The Assessing Officer, will have the right to examine the taxability of these amounts under the Income Tax Act. This is applicable for all the cases for co-developers approved of the BoA in this meeting:-

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(i) Request of M/s. Mundra International Airport Private Limited for co-developer in the multi product SEZ at Kutch, Gujarat, being developed by M/s. Mundra Port and Special Economic Zone Limited (MPSEZL)

The representative of D/o Revenue indicated that the Chief Commissioner of Customs, Gandhidham had carried out an inspection and according to the report, there are two airports – one at Gandhidham and the second one at Bhuj which are 60 Kms from Mundra and, hence, permitting another airport will adversely affect the viability of these existing airports. Moreover, in terms of the policy guidelines prescribed by Ministry of Civil Aviation, a new airport cannot come up within 150 kms of the existing airports. Above all, Department of Revenue may not be able to provide the customs support for a new airport.

It was pointed out that the proposal for the consideration of BOA is grant of co-developer status and in any case for the grant of authorised operations, the co-developer/developer has to come back and at that time the concerns expressed by DoR can be taken care of. Accordingly, the Board decided to approve the proposal for M/s Mundra International Airport Private Limited for co-developer in the MPSEZL SEZ to develop, operate and maintain an airport and related infrastructure facilities including airfield pavements, communication and navigational aids, visual aids, passenger and cargo terminals and equipments, support services, warehousing facilities and MRO facilities, over an area of around 175 hectares, **subject to the approval not being treated as an authorization for authorised operations and also the authorised operations will be subject to regulatory approvals.**

(ii) Request of M/s. Hind Terminals (Mundra) Private Limited for co-developer in the multi product SEZ at Mundra, Kutch, Gujarat, developed by M/s. Mundra Port and Special Economic Zone Limited

It was brought out that this proposal has been under consideration for quite some time now. It was also considered in the Board meeting held on 16th September 2010 and was deferred on the request of Department of Revenue who were to crystallize their views on this proposal. In this context, it was mentioned that a meeting was also held in Department of Commerce wherein it was decided that the proposal could be considered in terms of segregating the SEZ cargo and DTA cargo and both being separately assessed by SEZ Customs Authorities and Jurisdictional Customs Authorities respectively. The representative of D/o Revenue, however, indicated that they are yet to crystallize their views on the proposal. The Board, accordingly, deferred the consideration of the proposal for the next Board meeting.

(iii) Request of M/s. Chiplun FTWZ Private Limited for co-developer in the FTWZ at village Chanje, Taluka Uran, District Raigad, Maharashtra, being developed by M/s. Karanja Infrastructure Private Limited

After deliberations, the Board decided to grant **approval** to the request of M/s. Chiplun FTWZ Private Limited for co-developer for development of infrastructure in the entire processing area of 40.02.08 hectares in the above mentioned SEZ.

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(iv) Request of M/s. Kalyani Global Engineering Private Limited for co-developer in the multi product SEZ at Taluka Khed & Shirur, District Pune, Maharashtra, being developed by M/s. Khed Economic Infrastructure Private Limited

The representative of CBDT pointed out that the language of the Co-developer agreement was not satisfactory as it left the implementation of the project to the satisfaction of the co-developer. The Board felt that the co-developer, when enters into contract with the agencies, has to ensure that the project is implemented to the co-developer's satisfaction. DC, SEEPZ also pointed out that the present agreement is the revised agreement which meets the requirements adequately. The Board, accordingly, approved the proposal.

Item No. 43.4: Requests for first extension of validity of formal approvals

After deliberations, the Board decided to grant first extension of validity of formal approval in respect of each of the following 3 (Three) developers for a period of one year beyond the expiry of the validity period:

(i) Request of M/s. Tata Consultancy Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at I.T Plot (IIF/3), Action Area-II, New Town, Kolkata, West Bengal, beyond 13th December 2010.

(ii) Request of M/s. Gujarat International Finance Tec-City Company Limited (GIFTCL) for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Multi Services at village Ratanpur and Phirozpur, Gandhinagar District, Gujarat, beyond 6th January 2011.

(iii) Request of M/s. Rakindo Kovai Township Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Perur Chettipalayam village, Coimbatore South, Coimbatore District, Tamil Nadu, beyond 4th December 2010.

Item No. 43.5: Requests for second extension of validity of formal approvals

After deliberations, the Board decided to grant second extension of validity of formal approvals in respect of each of the following 2 (Two) cases for a period one year beyond the expiry of the validity period.

(i) Request of M/s. Gitanjali Gems Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Gems & Jewellery at Panvel, Maharashtra, 24th October 2010.

(ii) Request of M/s. Adityapur Industrial Area Development Authority for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Automobiles/Auto Components at Adityapur, Jharkhand, beyond 13th June 2010.

Item No. 43.6: Request for grant of third extension of in-principle approval.

After deliberations, the Board decided to grant extension of validity of in-principle approval granted to M/s. Nanded SEZ Limited for setting up of a sector specific Special Economic Zone for Gems & Jewellery at Nanded, Maharashtra, for a period one year beyond the expiry of the validity period (i.e. upto 25th June 2011).

Item No. 43.7: Contiguity Relaxation

(i) Request of M/s. Navi Mumbai SEZ Private Limited for relaxation of conditions of LoA regarding contiguity and multiple entry/exit gates

It was brought out that this proposal was earlier considered by the Board in its meeting held on 16th September 2010 and was deferred on the request of Department of Revenue as they required more time to examine the proposal. DC, Navi Mumbai SEZ said that a detailed meeting was held with DGEP, developer and the Jurisdictional Customs Authorities and based on the discussions the final proposal has been prepared. After arriving at a consensus, Department of Revenue have raised essentially three issues – (i) instead of one SEZ now there are three SEZs proposed one multi sector, one apparel and one FTWZ and of these three, only FTWZ has contiguity between the processing and the non-processing zones in respect of the other two SEZs, there is no contiguity between the processing and non-processing zones. (ii) The processing area of the multi product SEZ is only 49.88% of the total area proposed instead of 50% and (iii) the number of gates required to be rationalized.

The Board noted that the SEZ was jointly inspected by Chief Commissioner of Customs and DC and the proposal under consideration has been prepared after due consultation with D/o Revenue. The developer will have to ensure that the processing area should be 50% of the total area. As regards relaxation of contiguity, EGoM has already settled the issue. The Board, however, deferred the consideration of the proposal on the request of the representatives of Department of Revenue who will send their comments before next BOA meeting.

Item No. 43.8: Requests for de-notification

(i) Request of Omnibus Industrial Development Corporation of Daman & Diu and Dadra & Nagar Haveli Limited (OIDC) for de-notification of the sector specific SEZ for IT/ITES at Khardpada, Naroli, Dadra & Nagar Haveli, notified over an area of 12.81 hectares

After deliberations, the Board decided to **approve** the request of Omnibus Industrial Development Corporation of Daman & Diu and Dadra & Nagar Haveli Limited (OIDC) for de-notification of notified sector specific SEZ for IT/ITES at Khardpada, Naroli, Dadra & Nagar Haveli, over an area of 12.81 hectares, **subject to DC's certificate that the developer has refunded all the tax/duty benefits.**

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(ii) Request of M/s. Ajanta Projects (India) Ltd. for de-notification of the sector specific SEZ for Non-conventional Energy including Solar Energy (originally Biotechnology) at Plot No. C-22, Five Star Industrial Area, Shendra, Aurangabad, Maharashtra, notified over an area of 10 hectares

(iii) Request of M/s. Ajanta Projects (India) Ltd. for de-notification of the sector specific SEZ for Pharmaceutical at Plot No. C-21, Five Star Industrial Area, Shendra, Aurangabad, Maharashtra, notified over an area of 100 hectares

The requests have been withdrawn by the developer.

Item No. 43.9: Requests for withdrawal of formal approval

(i) Withdrawal of formal approval granted to M/s. DivyaSree Infrastructure Projects Private Limited for setting up of sector specific SEZ for IT/ITES at Bellandur Amani Kane, Off Airport Road, Bangalore, Karnataka

The Board decided to **approve** the request of M/s. DivyaSree Infrastructure Projects Private Limited for setting up of sector specific SEZ for IT/ITES at Bellandur Amani Kane, Off Airport Road, Bangalore, Karnataka for withdrawal of formal approval, **subject to DC's certificate that the developer has refunded the tax/duty benefits, if any, which might have been availed under the SEZ Act/Rules.**

(ii) Withdrawal of formal approval granted to M/s. Indo Global Infotech City Private Limited for setting up of sector specific SEZ for IT/ITES at village Hinjewadi, Taluka Mulshi, Pune, Maharashtra

The Board decided to **approve** the request of M/s. Indo Global Infotech City Private Limited for setting up of sector specific SEZ for IT/ITES at village Hinjewadi, Taluka Mulshi, Pune, Maharashtra for withdrawal of formal approval, **subject to DC's certificate that the developer has refunded the tax/duty benefits, if any, which might have been availed under the SEZ Act/Rules.**

Item No. 43.10: Request of M/s. Wardha Power Company Private Limited for withdrawal of the approval of the BoA for de-notification of the sector specific SEZ for Power at Warora, Chandrapur District, Maharashtra, notified over an area of 101.47 hectares

The Board noted that the Sector specific SEZ for power at Warora, Chandrapur District, Maharashtra being developed by M/s. Wardha Power Company Private Limited (WPCL) was notified on 3rd September, 2008 over an area of 101.47 hectares.

The developer had requested for de-notification of the SEZ on account of uncertainty in the power sector due to non-finalization of tariffs. The request was approved in the BoA meeting held on 9th April, 2010. The SEZ has, however, not yet been de-notified as the DC's Report has not been made available so far. The developer has indicated that with the revival of fresh demand from an SEZ unit as also further requirement of units in SEZ/EOUs, the

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proposal for revival of the SEZ status has been found appropriate. Accordingly, the developer has sought the withdrawal of the approval of the de-notification of the SEZ.

The Board approved the proposal subject to due diligence report from DC SEEPZ.

Item No. 43.11: Requests of Authorized Operations

BoA considered the proposals for authorized operations and while sanctioning the approvals, they were subject to the development guidelines approved by EGoM in its meeting dated 24th October 2008, which was noted by the members of the BoA, and State Government Representatives in its meeting held on 8th December 2008. Accordingly, the DCs will ensure that all the authorized operations approved by the BoA, in this meeting, are in line with the guidelines.

(i) Request of M/s J.B. SEZ Private Limited for authorized operations in the sector specific SEZ for Pharmaceutical at Panoli near Ankleshwar, Bharuch District, Gujarat

The BoA perused the proposal and after deliberations, the Board decided to **approve** the authorized operations, in the **non-processing area**, as given in the table:-

S. No.	Name of the authorized activity	Quantum admissible in sqm.	Quantum already permitted (in sqm)	No. of units proposed	Area per unit (in sqm)	Total area proposed (in sqm)	Quantum Approved (in sqm)
1.	Residential						
	a) TYPE 1 – Apartment Building		Nil	32 [Each having 16 flats (8 flats of 80.805 sqm + 8 flats of 101 sqm)]	1454.44	46542.08 (1454.44 x32)	46542.08
	b) TYPE 2 – Apartment Building		Nil	48 [Each having 16 flats of 40.495 sqm]	695.92	33404.16 (695.92 x48)	33404.16
	Total	91200				79946.24	79946.24
	Commercial						
2.	a) Convenient Shopping + Office +Theatre		Nil	1	3144.24	3144.24	3144.24
	b) Hotel		Nil	1	7761.71	7761.71	7761.71
3.	a) JB SEZ Admin Bldg with Custom Office + Bank + Cafeteria +			1	1486.57	1486.57	1486.57

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	Dormitories						
	b) Educational Institute/ Vocational Training/School			1	3646.15	3646.15	3646.15
	c) Health Care Center/Hospital			1	574.04	574.04	574.04
	d) Fuel Pump			1	335.46	335.46	335.46
	e) Electrical Power Station			1	1189.00	1189.00	1189.00
	f) Central Sewage Treatment Plant			1	2173.00	2173.00	2173.00
	g) Truck Terminal with Ancillary Facilities			1	600.00		600.00
	1. Police Station			1	337.50		337.50
	2. Fire Station			1	810.00		810.00
	3. Restaurant +Toilet Block						
	Total	247000	Nil			11151.72	11151.72

(ii) Request of M/s Dishman Infrastructure Limited for authorized operations in the sector specific SEZ for Pharmaceuticals & Fine Chemicals at village Kalyangadh & Gangad, Taluka Bavla, District Ahmedabad, Gujarat

The BoA perused the proposal and after deliberations, the Board decided to **approve** the authorized operations, in the **processing/non-processing area**, as given in the table:-

S. No.	Name of the authorized activity	Quantum admissible (in sqm)	Quantum already permitted	No. of units proposed	Area per unit (in sqm)	Total area (in sqm) proposed	Quantum Approved
	In the processing area						
1.	Steam Generation Plant and Distribution Network		Nil	1	NA	NA	1
	In the non-processing area						
2.	Residential Flats						
	(i) A Type Flat		Nil	48	145	6960	6960
	(ii) B Type Flat		Nil	48	100	4800	4800
3.	Guest House		Nil	1	NA	1000	1000
4.	Total of 2 & 3	212034	Nil			12760	12760

Item No. 43.12: Request for change of sector/broad-banding the sector

- (i) Request of Gujarat Industrial Infrastructure Development Corporation for change of sector of notified SEZ at Ahmedabad, Gujarat from ‘Apparel’ to ‘Textiles & Articles of Textiles’
- (ii) Request of Gujarat Industrial Infrastructure Development Corporation for change of sector of notified SEZ at Surat, Gujarat from ‘Apparel’ to ‘Textiles & Articles of Textiles’

The Board noted that the SEZ Rules have been amended to provide for broad-banding the category of “apparel” with “Textiles and Articles of Textiles” in respect of Annexure-II category SEZs which do not meet the area criteria prescribed in respect of sector specific SEZs. Representatives of the D/o Revenue, however, indicated that approving such proposals would require the approval of EGoM. The Board noted that for the Department of Commerce, EGoM is yet to be set up and as and when the EGoM is set up, these cases can be placed before it for consideration. Till then, these proposals stand deferred.

(iii) Request of M/s. CCCL Pearl City Food Port SEZ Limited for broad banding of the sector of the SEZ for “food processing” by including allied industries relating to food processing industry

The Board noted that the request of the developer was for broad banding of the sector of the SEZ by including manufacturing of machinery for food processing industry. This would correctly fall under the category of Engineering industries and cannot be approved for the purpose of broad banding in the SEZ for food processing. The Board accordingly rejected the proposal of the developer.

Item No. 43.13: Request of M/s. Indiabulls Realtech Limited, a co-developer in the multi product SEZ being developed by M/s. Indiabulls Industrial Infrastructure Limited at Nasik, Maharashtra, for waiver of the condition prohibiting trading bricks and blocks made out of thermal ash in the DTA

The Board noted that it is binding on the developer as a part of the environment clearance to the project that he has to dispose of the fly ash in the form of bricks. Hence, for the developer, it is by way of a regulation that the fly ash bricks have to be made rather than as a commercial proposition. The Board, after discussions, waived the condition prohibiting trading of bricks and blocks made out of fly ash generated from their thermal power plant in the DTA.

Item No. 43.14: Request of M/s. Apollo Hospitals Enterprise Limited for authorized operations as co-developer in the manufacture and assembling of electronics, telecommunication and IT hardware and development of software, R&D services and

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other services in telecommunication SEZ at Sriperumbudur, Tamil Nadu developed by M/s. Nokia India Private Limited

The Board after deliberations decided that the matter would be examined on file by the Department of Commerce.

Item No. 43.15: Request for approval of construction of Boundary Wall

(i) Request for construction of boundary wall of 1.8 m of barbed wire fencing & 2 (two) entry/exit points for the processing area in the sector specific SEZ for Biotechnology at Hinjewadi, District Pune, Maharashtra by M/s. International Biotech Park Limited

The Board after deliberations approved the request of the developer for construction of boundary wall of 1.8 meters of barbed wire fencing. The Board however, approved only one entry/exit point for the processing area

Item No. 43.16: Request for setting up of units for processing of pulses

(i) Request of M/s. Prakash Overseas, for setting up Pulses Processing unit in Indore SEZ

(ii) Request of M/s. Kogta Import Export Private Limited, for setting up Pulses Processing unit in multi product SEZ at Sinnar, District – Nasik, Maharashtra, being developed by M/s. Indiabulls Industrial Infrastructure Limited

(iii) Request of M/s. Diet Foods International, for setting up Pulses Processing unit in multi product SEZ at Nagpur, Maharashtra, being developed by Maharashtra Airport Development Authority (MADC)

(iv) Request of M/s. Kitchen Express Overseas Limited, Ahmedabad for setting up unit in KASEZ for manufacturing of Processed Pulses, Grains, Spices, Lentils etc. as well as trading activities of Pulses, Grains, Spices, Lentils etc.

After deliberations the Board **approved** the above requests for setting up of pulses processing units, subject to the condition that the all the pulses will be imported from outside India and no procurement will be made from DTA till prohibition on exports continue in Foreign Trade Policy (FTP).

Item No. 43.17: Request of M/s. Sukhi India Pvt. Ltd., a unit in FALTA SEZ for extension of validity of LoP

After deliberation the Board extended LoP of the unit for a further period of five years from the date of expiry of the validity of the extension (i.e. w.e.f. 14.7.2010). The approval is, however, subject to the condition that the unit shall have to abide by the outcome of the final policy for the plastic re-processing units in the SEZs.

Item No. 43.18: Request for transfer of unit from one SEZ to another

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(i) Request of M/s. InterGlobe Technology Quotient Private Limited, a unit in Noida SEZ for shifting its location to sector specific SEZ for IT/ITES at Gurgaon, Haryana, being developed by M/s. Gurgaon Infospace Limited

The Board after deliberation approved the request of M/s. InterGlobe Technology Quotient Private Limited from the Noida SEZ to sector specific SEZ for IT/ITES at Gurgaon, Haryana, being developed by M/s. Gurgaon Infospace Limited.

Item No. 43.19: Extension of LoP of M/s. Ucal Fuel Systems Limited beyond fourth year for a period of one year

The Board ratified the decision.

Item No. 43.20: Appeals before BoA

(i) Appeal of M/s. NSL SEZ (Hyderabad) Private Limited against the decision of the BoA rejecting the request of the developer for waiver of the condition of exclusive use of residential apartments by SEZ employees

The Board noted that the present proposal is for waiving of a condition of exclusive use of residential apartment by SEZ employees. The Board also noted that the location of the SEZ is in Uppal Industrial Area of Hyderabad. The Board held the opinion that as a matter of policy, it has not been permitting hotels, residential space for occupants other than SEZ related employees in highly congested urban areas. Since the present proposal falls within that parameter, the Board will not be in a position to approve the proposal.

(ii) Appeal of M/s. Msource (India) Private Limited, against the order of DC IT/ITES Bangalore, for rejecting its request for setting up of a unit in the IT/ITES SEZ

The appeal was withdrawn by the appellant.

DECISIONS ON SUPPLEMENTARY AGENDA

Item No. 43.21: Proposals for setting up of SEZs

(i) Request for setting up of a sector specific Special Economic Zone for IT/ITES at IMT Manesar, Gurgaon, Haryana by M/s. Rose View Promoters Private Limited, over an area of 10.12 hectares

The Board noted that the Developer was in possession of the land. The State Government has also recommended the proposal. Accordingly, the Board decided to grant **formal approval** to the proposal of M/s. Rose View Promoters Private Limited, for setting up of a sector specific Special Economic Zone for IT/ITES at IMT Manesar, Gurgaon, Haryana, over an area of **10.12 hectares**.

Item No. 43.22: Proposals for conversion of in-principle to formal approval

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- (i) **Request for conversion of in-principle approval into formal approval for setting up of a sector specific Special Economic Zone for Handicraft at Panipat, Haryana by M/s. Natasha Housing & Urban Development Limited, over an area of 10.522 hectares**

The Board noted that the Developer was in possession of the land. The State Government has also recommended the proposal. The Board granted **formal approval** for setting up of a sector specific Special Economic Zone for Handicraft at Panipat, Haryana by M/s. Natasha Housing & Urban Development Limited, over an area of **10.522 hectares**.

Item No. 43.23: Request of M/s. Mansarovar Industrial Development Corporation for setting up of sector specific SEZ for Electronic Hardware and Software including IT/ITES over an area of 10 hectares, out of 131 hectares of the notified sector specific SEZ for “Handicraft” at Kaparda, Jodhpur, Rajasthan

The Board noted that the Developer was in possession of the land. The State Government has also recommended the proposal. Accordingly, the Board decided to grant **formal approval** to the proposal of M/s. Mansarovar Industrial Development Corporation, for setting up of a sector specific Special Economic Zone for IT/ITES at Kaparda, Jodhpur, Rajasthan, over an area of **10 hectares**.

Item No.43.24: Requests for co-developer

BoA sanctioned approvals to the co-developers subject to the condition that particular terms and conditions of lease 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 prevalent Income Tax Act and Rules. The Assessing Officer, will have the right to examine the taxability of these amounts under the Income Tax Act. This is applicable for all the cases for co-developers mentioned below:-

- (i) **Request of M/s. Cambridge Builders Private Limited for co-developer in the sector specific SEZ for Electronic Hardware and Software including IT/ITES at Shimoga, Karnataka being developed by Karnataka State Electronics Development Corporation Limited (KEONICS)**

After deliberations, the Board decided to grant **approval** to the request of M/s. Cambridge Builders Private Limited for co-developer for development of IT Infrastructure on an area of 6 acres in the above mentioned SEZ.

- (ii) **Request of M/s. Phoenix Hitec City Private Limited for co-developer in the sector specific SEZ for IT/ITES at Gachibowli village, Serilingampally Mandal, R.R. District, Andhra Pradesh, being developed by M/s. Phoenix Infocity Private Limited**

After deliberations, the Board decided to grant **approval** to the request of M/s. Phoenix Hitec City Private Limited for co-developer for development of IT space within permissible FSI, over a leased area of 2 acres 43 cents (0.98 hectares) in the above mentioned SEZ.

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(iii) Request of M/s. Phoenix Dwellings Private Limited for co-developer in the sector specific SEZ for IT/ITES at Gachibowli village, Serilingampally Mandal, R.R. District, Andhra Pradesh, being developed by M/s. Phoenix Infocity Private Limited

After deliberations, the Board decided to grant **approval** to the request of M/s. Phoenix Dwellings Private Limited for co-developer for development of IT space within permissible FSI, over a leased area of 2 acres 69 cents (1.08 hectares) in the above mentioned SEZ.

Item No. 43.25: Requests of Authorized Operations

(i) Request of M/s Larsen & Toubro Limited for authorized operations in the sector specific SEZ for IT/ITES at Mysore, Karnataka

The BoA perused the proposal and after deliberations, decided to **approve** the authorized operations, in the **non-processing area, only for L&T employees**, as given in the table:-

S. No.	Name of the authorized activity	Quantum requested	Quantum approved
1.	Training of L&T's internal Employees in the Training Center	4317.96 sqm	4317.96 sqm

(ii) Request of M/s DLF Limited for authorized operations in the sector specific SEZ for IT/ITES at Plot No. II F/Block-II – Action Area – II, New Kolkata Township, Rajarhat, Kolkata, West Bengal

The BoA perused the proposal and after deliberations, decided to **approve** the authorized operations, in the **non-processing area**, as given in the table:-

S. No.	Name of the authorized activity	Quantum admissible	Quantum already approved	Quantum requested	Quantum approved
1.	Commercial Space	15,000 sqm	Nil	29,000 sqm	15000 sqm

(iii) Request of M/s MAS GMR Aerospace Engineering Company Limited for authorized operations in the sector specific SEZ for Aviation sector at Mamidipalli village, Hyderabad, Andhra Pradesh, being developed by M/s. GMR Hyderabad International Airport Limited

The BoA perused the proposal and after deliberations, the Board decided to **approve** the authorized operations, in the **processing area**, as given in the table:-

S. No.	Authorized activity	Quantum admissible	Quantum already approved	Quantum Requested		Quantum Approved
				No. of units	Area	

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1.	Common material handling equipments integral to the physical hanger infrastructure					
	• Docking systems			7 sets	NA	7 sets
	• Under slung Cranes			2		2 Nos.
	• Monorail Cranes			5		5 Nos.
	• Jib Cranes			3		3 Nos.
• Other Material Handling Eqpts			Various	Various		
2.	Equipments & systems essential to the physical infrastructure					
	• Heating, Ventilation & Air	486 sqm	Nil	NA	486 sqm.	486 sqm.
	• Compressed air system	150 sqm	Nil		150 sqm.	150 sqm.
• Hazardous Materials (HAZMAT) Building/facility	144 sqm	Nil	144 sqm.		144 sqm.	
3.	Common Physical Hangar Infrastructure					
	• Workshop facility	640 sqm.	Nil	NA	640 sqm.	640 sqm.
	• Seat bay facility	1318 sqm.	Nil		1318 sqm.	1318 sqm.
	• Common Tool crib facility	678 sqm.	Nil		678 sqm.	678 sqm.
• Non-destructive test facility	277 sqm.	Nil	277 sqm.		277 sqm.	

Item No. 43.26: Request for inclusion of Bandhwari village in the IT/ITES SEZ at Gurgaon, Haryana by M/s G.P. Realtors Pvt. Ltd.

After deliberations the Board decided to approve the request of M/s G.P. Realtors Private Limited for including Bandhwari village as part of the SEZ.

Item No. 43.27: Request of M/s. Indian Infrastructure Corporation Limited for change of location of the SEZ as well as for grant of third extension of in-principle approval

The Board noted that Government of Gujarat has recommended the request of the developer for changing the location of the multi product SEZ. The Board, after deliberations approved the request of M/s. Indian Infrastructure Corporation Limited for changing the location of the proposed SEZ **from** Anjar Taluka, District Bhuj, Gujarat **to** village: Targadi, Tal: Mandvi, Dist: Kutch, Gujarat.

The Board also granted third extension of the validity of the in-principle approval for a period of one year from the expiry of the last extension (i.e. w.e.f. 30th July, 2010).

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Item No. 43.28: Request of M/s. Aditi Technologies Private Limited, a co-developer in the sector specific SEZ for IT/ITES, at Rachenhalli and Nagavara villages, Hobli, Outer Ring Road, Bangalore, Karnataka, being developed by M/s. Manyata Promoters Private Limited, for surrendering of co-developer rights over built up area 65,177 sqft.

The Board after deliberations approved the proposal of M/s. Aditi Technologies Private Limited for surrendering built up area of 65,177 sqft (i.e. Ground Floor and First Floor) out of 161,054 sqft. to M/s. Manyata Promoters Private Limited (the developer).

Item No. 43.29: Requests for increase/decrease area

(i) Request of M/s. DLF Ackruti Info Parks (Pune) Limited for increase in area of the sector specific SEZ IT/ITES at Rajiv Gandhi Infotech Park, Hinjewadi, Pune, Maharashtra, by relaxing contiguity

The Board after due deliberations approved the increase in area of the sector specific IT/ITES SEZ of M/s DLF Ackruti Info Parks (Pune) Limited for adding an area of 7.066 hectares, thereby, making the total area of the SEZ as 17.396 hectares. This is subject to the following conditions:-

- (a) the developer will seek withdrawal of formal approval of the SEZ from whose area, the additional land is being apportioned; and
- (b) the developer will establish contiguity by over bridge/underpass over the sector road that passes through the SEZ.

(ii) Request of M/s. Aachvis IT SEZ Infra Private Limited a co-developer in the sector specific SEZ IT/ITES at Noida, Uttar Pradesh being developed by M/s. Aachvis Softech Private Limited, for increase in area

The Board after deliberations approved the request of the co-developer for increasing the area of its operation by 3.7763 hectares, thereby, making the total area of its operation to 5.2038 hectares by way of consolidation of the existing co-developers areas. The approval is subject to the condition that the co-developer shall have to develop the same infrastructure facilities, on the increased area, for which it has been approved as a co-developer and also ensuring that the legal agreements of other co-developers whose lands are being consolidated, are also properly dealt with legally.

Item No. 43.30: Request of M/s. Mahindra World City (Jaipur) Limited for broad banding of the sector of the SEZ for “Handicraft” by including “Textile products, accessories and all handicraft items”

After discussions, the developer was requested to clearly specifying the items related to handicrafts which can then be considered by BOA.

Item No. 43.31: Contiguity Relaxation

(i) Request of M/s. Wellgrow Buildcon Pvt. Ltd., Haryana for relaxation of contiguity

The Board after deliberations deferred the proposal and directed DC, NSEZ, to inspect the land and submit report for consideration of the Board before its next meeting.

(ii) Request of M/s. Vedanta Aluminium Limited, Jharsuguda, Orissa for relaxation of contiguity setting up of railway line in non-processing area of SEZ

The Board after deliberations deferred the proposal and directed DC, FSEZ, to submit a report of the alignment of the proposed railway track and submit the same for consideration of the Board before its next meeting.

(iii) Request of M/s. Raheja Haryana SEZ Developers Private Limited, for relaxation of the contiguity of the sector specific SEZ for Engineering at Gurgaon, Haryana

The Board after deliberations deferred the proposal and directed DC, NSEZ, to inspect the land and submit report for consideration of the Board before its next meeting.

Item No. 43.32: Requests for first extension of validity of formal approvals

After deliberations, the Board decided to grant first extension of validity of formal approval in respect of each of the following 3 (Three) developers for a period of one year beyond the expiry of the validity period:

(i) Request of M/s. Dishman Infrastructure Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Engineering Industry at village Kerala-Bhayala and Chiyada, Taluka Bavla, District Ahmedabad, Gujarat, beyond 21st April 2011.

(ii) Request of M/s. G.P. Realtors Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at village Behrampur, District Gurgaon, Haryana, beyond 13th November 2009.

(iii) Request of M/s. G.P. Realtors Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Electronic Hardware and IT/ITES at Ghata, Behrampur and Balola villages, Gurgaon District, Haryana, beyond 25th July 2010.

Item No. 43.33: Requests for second extension of validity of formal approvals

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After deliberations, the Board decided to grant second extension of validity of formal approvals in respect of each of the following 8 (Eight) cases for a period one year beyond the expiry of the validity period. The Board also noted that in respect of SEZs in Goa while extensions are being approved, the SEZs are all subject to the outcome of the cases pending in Mumbai High Court.

- (i) Request of M/s. Calica Construction & Impex Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Ahmedabad, Gujarat, beyond 5th November 2010
- (ii) Request of M/s. Platinum Holdings Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Hardware and Software at Navallur village, Chengulpet Taluk and Semmencherry village, Tambaram Taluk, Kancheepuram District, Tamil Nadu, beyond 5th November 2010
- (iii) Request of M/s. Balaji Infra Projects Limited for second extension of the validity period of formal approval, granted for setting up of a port based multi product SEZ inclusive of FTWZ, at Dighi Port, District Raigad, Maharashtra, beyond 22nd October 2010
- (iv) Request of M/s. Ganesh Housing Corporation Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at village Chharodi and Tragad, Taluka Dascroi and City, District Ahmedabad, Gujarat, beyond 19th December 2010
- (v) Request of M/s. Karanja Infrastructure Private Limited for second extension of the validity period of formal approval, granted for setting up of Free Trade Warehousing Zone (FTWZ) at village Chanje, Taluka Uran, District Raigad, Maharashtra, beyond 30th October 2010
- (vi) Request of M/s. Haaciendaa Infotech & Realtors Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at No. 51, Sholinganallur village, Old Mahabalipuram Road, Tambaram Taluk, Kancheepuram District, Tamil Nadu, beyond 24th October 2010
- (vii) Request of M/s. Peninsula Pharma Research Centre Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Biotechnology at Sancoale, Goa, beyond 24th October 2010
- (viii) Request of M/s. Suncity Haryana SEZ Developers Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Information Technology (IT) at Jhund Sarai Viran & Bhangrola Pataudi Road, Gurgaon, Haryana, beyond 13th November 2010

Item No. 43.34: Requests for grant of second extension of in-principle approval.

After deliberations, the Board decided to grant second extension of validity of in-principle approval granted to M/s. Vikram Logistic and Maritime Services Private Limited

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for setting up of FTWZ at Ponneri Taluk, Tiruvallur District, Tamil Nadu for a period one year beyond the expiry of the validity period (i.e. beyond 15th October 2010).

Item No. 43.35: Requests for first extension of the validity period of co-developers

(i) **Requests of the following a co-developers in the multi product SEZ developed by M/s. Navi Mumbai SEZ Private Limited at Dronagiri, Navi Mumbai, Maharashtra, for extensions of the validity of their letters of approval (LoAs), beyond 12th December, 2010:-**

- (a) **M/s. Urban Infrastructure Constructions Private Limited**
- (b) **M/s. Urban Water Supply Private Limited**
- (c) **M/s. Urban Energy Generation Private Limited**
- (d) **M/s. Urban Infotech Solutions Private Limited**
- (e) **M/s. Urban Communication Infrastructure Private Limited**
- (f) **M/s. Urban Energy Distribution Private Limited &**
- (g) **M/s. Urban Energy Transmission Private Limited**

The Board after deliberations extended the validity of the above 07 co-developers further for a period of one year from the date of expiry of their validity (i.e. w.e.f. 13th December, 2010).

Item No. 43.36: Request of M/s. Aurobindo Pharma Limited, for import of API namely Alprazolam, restricted product in ITC (HSN) No. 2933. 9100, for manufacturing Alprazolam tablets

The request was withdrawn by the unit.

Item No. 43.37: Request of M/s. Hansen Drives Limited for grant of approval for undertaking repair/reconditioning etc. of defective gear box units manufactured by third party (Indian and overseas) manufacturers

After due deliberations, BOA deferred consideration of the proposal and suggested that the unit must provide more information for a better appreciation of the issue which can include the likely quantum of gear boxes from various sources which will be repaired/serviced, the methodology of payment for the services and the issue relating to payment of duty in respect of gear boxes coming in from DTA.

Item No. 43.38: Request for Additional Gates

(i) **Proposal of DC, KASEZ, for approval of an additional entry/exit gate of KASEZ for ODC cargo**

The Board after deliberation approved the request of Kandla SEZ for an additional entry/exit gate of KASEZ for ODC cargo.

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(ii) **Request for approval of separate entry/exit gate for M/s. Flamingo Pharmaceuticals Limited, a unit approved in a sector specific SEZ for Pharmaceuticals at Krushnoor, District Nanded, Maharashtra, being developed by Maharashtra Industrial Development Corporation Limited (MIDC)**

The Board noted that the developer has not been able to provide the requisite infrastructure. However, BOA cannot give permission to individual units to set up gates. Accordingly, the unit has to work out the arrangement with the developer for setting up of the gates after which DC SEZ can consider locating the same at an appropriate place in the SEZ.

Item No. 43.39: Request of Kandla SEZ, Gandhidham, Gujarat for renewal/extension of LoP in respect of worn/used clothing units functioning in the zone

After deliberation the Board decided to extend the LoP of the 16 units (Listed in the Annexure-10 of the Agenda) for a further period of 5 years w.e.f. the date of expiry of their last extension subject to the guidelines issued by Department of Commerce.

Item No. 43.40: Request of M/s. DLF Limited for relaxation in the authorized operations "Housing for Employees"

After deliberations the Board rejected the request of the developer for relaxation of the condition on exclusive usage by SEZ employees only.

Item No. 43.41: Appeals before BoA

(i) **Appeal of M/s. Polychem Adhesives Private Limited, a unit in Surat SEZ, against rejection of its request for extension of the validity of its LoP**

(ii) **Appeal of M/s. Erba Diagnostics Mannheim GmbH against rejection of the request for setting up a unit, in SEEPZ Special Economic Zone, Mumbai**

(iii) **Appeal of M/s. AAKAR Impex, a unit in Surat SEZ, against rejection of its request for extension of the validity of its LoP**

(iv) **Appeal of M/s. Marval India, a unit in Surat SEZ, against rejection of its request for extension of the validity of its LoP**

The above four appeals have been deferred and would be taken up for consideration in the next meeting of the Board of Approval.

Item No. 43.42: Proposal of SEEPZ Exporters Energy Saving Association for in-principle approval for becoming co-developer in the SEZ for sourcing and distribution of electricity in SEEPZ-SEZ at economical rate

The Board noted/ratified the decision.

DECISION ON ADDENDUM TO THE SUPPLEMENTARY AGENDA

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Item No.43.43: Requests for co-developer

(i) Request of M/s. 3 K Technologies Limited for co-developer in the sector specific SEZ for IT/ITES at Madhurawada, Hill No. 3, Visakhapatnam, Andhra Pradesh, being developed by Andhra Pradesh Industrial Infrastructure Corporation Limited

After deliberations, the Board decided to grant **approval** to the request of M/s. 3 K Technologies Limited for co-developer for development of complete IT infrastructure over an area of 4 hectares in the above mentioned SEZ.

Annexure - 1

List of Participants for the Meeting of the Board of Approval for Special Economic Zones held on 18th November, 2010 under the Chairmanship of Commerce Secretary, Department of Commerce

1. Shri Rahul Khullar, Chairman BOA & Secretary, Department of Commerce.
2. Smt. Praveen Mahajan, Director General (DG), Department of Revenue, Ministry of Finance
3. Shri Raman Chopra, Director (ITA), CBDT, Department of Revenue, Ministry of Finance
4. Shri Vivek Ranjan, Additional Director, Department of Revenue, Ministry of Finance
5. Dr. L. B. Singhal, Joint DGFT, Director General of Foreign Trade
6. Shri Rajeev Ranjan, Principal Secretary, Industries, Government of Tamil Nadu
7. Shri Ravi Inder Singh, Director, Ministry of Home Affairs.
8. Shyamal Misra, Director, Department of Industry and Policy Promotion
9. Shri Manjunath Gonda, Resident Director, Karnataka Udyog Mitra Karnataka Bhavan – 3, Khelgaon Marg, New Delhi
10. Shri Manoj Daxini Gas, Joint Commissioner, Industries, Government of Gujarat
11. Shri Virendra Singh, Deputy Director, Department of Industries & Commerce, Haryana
12. Shri O. P. Sharma, Additional Director, Department of Information Technology
13. Shir O.P. Kapoor, Deputy Director General. Export Promotion Council of EOUs and SEZs.
14. Smt. Reeta Vasisth, Additional Legislative Counsel, Ministry of Law and Justice
15. Smt. Sunita Anand, Assistant Legislative Counsel, Ministry of Law and Justice.
16. Ms. Nilima Verma, SRO, TCPO, E-Block, Vikas Bhavan, New Delhi
17. Shri Dinesh Pahadia, Deputy GM, RIICO, Government of Rajasthan, Jaipur, Rajasthan.
18. Shri Manas Mohanty, Joint Manager (PMU), IDCO, Government of Orissa
19. Shri A.K. Dham, Liaison Officer, Government of Orissa

LIST OF DEVELOPMENT COMMISSIONERS

20. Shri M.S. Rao, Development Commissioner, VSEZ, Visakhapatnam, Andhra Pradesh.
21. Smt. Anita Agnihotri, Development Commissioner, SEEPZ SEZ, Mumbai.
22. Shri Suresh Chandra Panda, Development Commissioner, Noida SEZ, Uttar Pradesh
23. Shri Mahendra Jain, Development Commissioner, Navi Mumbai SEZ, Mumbai
24. Shri Vijay N. Shewale, Development Commissioner, Surat SEZ, Surat
25. Shri C. J. Mathew, Development Commissioner, CSEZ, Kochi.
26. Shri S. Kishore, Development Commissioner, AP SEZ
27. Shri K.L. Sharma, Development Commissioner, Sterling SEZ, Gujarat
28. Shri Upendra Vasishth, Development Commissioner, Reliance SEZ, Jamnagar, Gujarat
29. Shri Pravir Kumar, Development Commissioner, Dahej & Mundra SEZ
30. Shri A.K. Rathore, Joint Development Commissioner, ISEZ, Indore, Madhra Pradesh.

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31. Shri Sai Kumar, Development Commissioner, Incharge, Mihan SEZ
32. Shri C.V.D. Ramprasad, Director, STPI (IT/ITES), SEZ, Noida
33. Shri Ajay Sharma, Development Commissioner (IT/ITES), SEZ, Gujarat
34. Shri Ramesh Kumar, Development Commissioner (IT/ITES), SEZ, Kerala.
35. Shri Manjet Nayak, Joint Director, IT/ITES SEZ, Kolkata

LIST OF PARTICIPANTS OF DEPARTMENT OF COMMERCE

36. Shri D.K. Mittal, Additional Secretary, Department of Commerce.
37. Shri Anil Mukim, Joint Secretary, Department of Commerce.
38. Shri T. Srinidhi, Joint Secretary, Department of Commerce
39. Shri Navin Talwar, Director, Department of Commerce
40. Shri R. K. Pandey, Under Secretary, Department of Commerce
41. Shri G. Muthuraja, Under Secretary, Department of Commerce
42. Shri Achint Kumar, Section Officer, Department of Commerce