

Supplementary Agenda for the 60th meeting of the Board of Approval to be held on 8th November, 2013, in the Room No. 47, Udyog Bhawan

Item No. 60.13: Requests for de-notification

(i) Request from M/s. Parsvnath Infra Ltd. (formerly Parsvnath SEZ Limited), a sector specific SEZ for IT/ITES at Sahastra Dhara Road, Dehradun, Uttarakhand, for de-notification of its SEZ notified over an area of 13.5426 hectares.

The above mentioned SEZ stands notified on 28th September, 2007 over an area of 13.5426 hectares.

Now, the developer has requested for de-notification of the SEZ as inspite of the best efforts, Government of Uttarakhand has not yet come out with their SEZ Policy due to which the lay out plan of the SEZ, even though submitted as early as March 2008, cannot be approved.

DC, NSEZ has recommended the request for de-notification as no activity has been carried out by the developer and validity of formal LoA has already expired. DC NSEZ has informed that the developer has furnished “No Objection Certificate” from the State Government of Uttarakhand.

The request of the developer for de-notification of SEZ is placed before the BoA for consideration.

(ii) Request from M/s. Mayar Infrastructure Development Pvt. Ltd., developer of a sector specific SEZ for Biotechnology at Village Rakha & Rani-ka-Singola, Tehsil Sohna Dist. Gurgaon, Haryana for de-notification of its SEZ notified over an area of 25.7177 hectares.

M/s Mayar Infrastructure Development Pvt. Ltd had been granted formal approval dated 26.07.2007 for setting up of Biotech SEZ over an area of 41.57 Ha. Since the land was not contiguous, the BoA in its meeting held on 04.06.2008 granted for splitting the proposal for setting up of the Biotech SEZ into two separate SEZs. Accordingly, two formal approvals dated 14.07.2008 were issued by D/o Commerce. Both the SEZs have been notified as under:

- (i) Notification dated 8th September, 2008 over 25.7177 hectares; and
- (ii) Notification dated 9th September, 2008 over 12.4928 hectares

Subsequently, the developer submitted proposal for merger of both the SEZs by maintaining contiguity through construction of Overhead Bridge on the existing 3.5 mtr. wide Chack Rasta between two notified area of SEZ. The proposal was placed before 57th BoA in its meeting held on 15th March, 2013 wherein the Board decided to approve the proposal, subject to the condition that the developer will first establish contiguity by construction of overbridge/underpass.

The developer has now requested to de-notify complete 25.7177 hectares of his SEZ for the reason that the project is not viable considering the huge cost and expenses.

DC, NSEZ has recommended the request for de-notification. DC NSEZ has informed that the developer has furnished “No Objection Certificate” from the State Government of Haryana. However, ‘NOC’ from the Commissioner of Service Tax Gurgaon is awaited.

The request is placed before BoA for its consideration.

Item No. 60.14: Requests for extension of validity of formal approvals

(i) Request for further extension of LoA from M/s Ganesh Infrastructure Pvt. Ltd., for setting up an IT/ITES SEZ at Village Ognaj, Taluka Dascroi, District Ahmedabad, Gujarat, beyond 19th December 2013 (beyond 7th year)

Formal approval to the developer was granted on 20th December, 2006. The SEZ stands notified as on date. The developer has been granted four extensions of the formal approval, the validity of which is up to 19th December, 2013.

The developer vide his letter dated 21st October, 2013 has sought for further extension of his LoA beyond 19th December, 2013 due to the delay in getting approval for the final plot from the Ahmedabad Urban Development Authority (AUDA) in approving town planning scheme. It has informed that Government of Gujarat has approved the TP scheme recently and hence there is a delay of one more year in starting construction. At present boundary wall surrounding the SEZ area and boundary wall separating processing and non-processing zone is under construction which will be completed by December, 2013.

The total investment done by the developer till date is Rs. 50 crores in acquisition of land and other charges. They have incurred a total of Rs. 1.23 crores towards site cleaning, site survey and levelling and boundary wall construction work.

DC KASEZ has recommended the proposal for further extension by one year.

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

Item No. 60.15: Requests for extension of LoP beyond 3rd Year onwards

(i) Request of M/s Sun Pharmaceutical Industries Ltd., a unit in Dahej SEZ, Bharuch, Gujarat for extension of validity period of its LoP beyond 15th December, 2013

The above mentioned unit was granted LoP on 16th December, 2008 for manufacture and export of “1) various Pharmaceutical formulations viz. tablets, capsules; and 2) various Pharmaceutical Bulk Drugs.

The unit has been granted two extensions by DC, Dahej SEZ under first proviso to Rule 19(4) and further third extension up to 15th December, 2012 under second proviso to Rule 19(4). The unit has requested for further extension of the validity of the LoP beyond 15th December, 2012 for one more year. The BoA in its 57th meeting held on 15th March, 2013 extended the validity of LoP up to 15th December, 2013.

The unit has applied for further extension of its validity period by one year.

The unit has invested Rs. 211.76 crores for the project and employed 193%.

The unit has completed the infrastructure facilities and obtained various mandatory/statutory regulatory approval for the project. Further, to effect supplies to the US, they have started the R&D activities which shall be completed by June-July, 2014.

DC Dahej SEZ has recommended the request of extension for one year till 15th December, 2014.

The request is placed before BoA for its consideration.

(ii) Request of M/s. Torrent Pharmaceuticals (Dahej), a unit in M/s. Dahej SEZ Limited, Gujarat for extension of LoP beyond 2nd December, 2013 (beyond 5th year)

M/s. Torrent Pharmaceuticals (Dahej) was granted LoP for setting up a unit in the above mentioned SEZ, vide LoP dated 3rd December, 2008. Subsequently, on request of the unit, DC had extended LoP of the unit up to 2nd December, 2012 in respect of manufacturing activity. BoA in its 56th meeting held on 18th January, 2013 had approved extension of LoP up to 2nd December, 2013. Now the unit has requested for further extension of the LoP for a period of one year.

The unit has completed the construction of factory building, installation of required plant and machinery, obtained mandatory/statutory regulatory approval for the project. The unit has invested Rs. 495.93 crores on the project. They have started manufacturing of validation (Pilot) batches for EU & US Regulatory approvals.

DC Dahej SEZ has recommended the request of the unit extension of LoP for one year.

The request is placed before the BoA for consideration.

Item No. 60.16: LoP extension of units dealing in recycling of plastics

(i) Request from DC KASEZ for extension of LoPs i.r.o M/s. Renew Plastics in KASEZ in the business of plastic recycling in the SEZ.

DC KASEZ has informed that there are 20 units of recycling of plastic scrap or waste in its zone. Out of these, 19 units have already been included in the main agenda.

Now, DC KASEZ has recommended the name of 20th unit i.e. M/s. Renew Plastics for renewal of their LoP.

The request is placed before BoA for its consideration.

Item No. 60.17: Appeals before BoA

(i) Appeal of M/s. Biomedical Life Sciences Pvt. Ltd., a unit in pharmaceutical SEZ developed by M/s. Zydus Infrastructure Pvt. Ltd. at Ahmedabad, Gujarat against order of DC KASEZ

The appeal of the unit in the prescribed form has been received on 31.10.2013.

M/s. Biomedical Life Sciences Pvt. Ltd., a unit in the M/s Zydus Infrastructure Pvt. Ltd. SEZ was granted LoP on 6th June, 2008 for manufacture of intra ocular lenses kits, which was subsequently extended upto 31.03.2011 by the DC. The unit did not commenced commercial production within the stipulated period as well as the extended validity period of 31.03.2011. The unit did not obtain any extension in the validity of LoP from the DC. Accordingly, KASEZ vide order dated 02.04.2012 intimated cancellation of the LoP w.e.f. 31.03.2011. The unit has alleged that LoA was cancelled without reasonable opportunity of being heard.

Aggrieved by the above, the unit filed a SLA before the Hon'ble High Court of Gujarat on 28.01.2013. The same was dismissed on 03.07.2013. While rejecting the appeal the Court observed the following:-

“We are not satisfied with the conduct of the petitioner. Sympathy or sentiment by itself should not be a ground for passing an order in favour of a litigant who has failed to comply with the statutory obligations, and more particularly, when such non-compliance has resulted in frustrating the very object with which a piece of land of legislation is enacted”

The unit has now requested for personal hearing (**Annexure -1**) before the BoA against the order of DC cancelling their LoA without the opportunity of being heard. DC KASEZ was requested to furnish their comments on the request of the unit. The comments of the DC KASEZ are as under:-

“For the request made by the said party in para 7 of their letter to consider their letter as a petition before the Board of Approval under Section 16 (4) of the SEZ Act, 2005 for an extension of their LoA for further period of one more year, it is cannot be contemplated or recommended at this juncture. Considering the developments, the only option available with the said party is to apply for a fresh LoA if the said party secures an In-Principle approval of availability and allotment of land by the developer.”

The appeal is placed before the BoA for consideration.
