

Minutes of the 34th meeting of the SEZ Board of Approval held on 19th June 2009 to consider proposals for setting up of Special Economic Zones

The thirty fourth meeting of the SEZ Board of Approval was held on 19.06.2009 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 (**Appendix**).

2. Addressing the Board of Approval members, the Chairman informed that so far 568 formal approvals have been granted for setting up of SEZs out of which 315 have been notified. He further informed that over Rs. 1, 08,903 crores have been invested in the Special Economic Zones during this short span of time and direct employment of the order of 3, 87,439 persons has been generated in the Special Economic Zones. Total export of Rs. 99,689 crores have been made from SEZs during the financial year 2008-09 registering a growth of about 50% over the exports made during the year 2007-08.

Item No. 34.1: Proposals for setting up of SEZs

(A) Decisions for Formal Approvals:

1. **Request for setting up of a sector specific Special Economic Zone for IT Electronic Hardware and Software including ITES at Barasat, West Bengal by M/s. Shyam Steel Industries Ltd. - 11.35 hectares (Item No. 34.1 -Sl. No. i):**

The Board noted that the Developer was in possession of land. The State Government also recommended the proposal. Accordingly, the Board decided to grant **formal approval** for setting up of a sector specific Special Economic Zone for IT Electronic Hardware and Software including ITES at Barasat, West Bengal by M/s. Shyam Steel Industries Ltd. over an area of **11.35 hectares**.

2. **Request for setting up of a sector specific Special Economic Zone for Biotech at Shameerpet Mandal, Ranga Reddy District, Andhra Pradesh by Andhra Pradesh Industrial Infrastructure Corporation Ltd. - 20.44 hectares**

The Board noted that the Developer was in possession of land. The State Government also recommended the proposal. Accordingly, the Board decided to grant **formal approval** for setting up of a sector specific Special Economic Zone for Biotech at Shameerpet Mandal, Ranga Reddy District, Andhra Pradesh by Andhra Pradesh Industrial Infrastructure Corporation Ltd. over an area of **20.44 hectares**.

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(B) Decisions for in-principle approvals:

1. **Request for setting up of a sector specific Special Economic Zone for Multi Services at Tuticorin District, Tamil Nadu by M/s. Limitless Properties Limited - 592 hectares (Item No. 34.1 -Sl. No. ii):**

The Board noted that the Developer was not in possession of land and that the State Government had recommended the proposal for grant of in principle approval. After deliberations, the Board decided to grant **in-principle approval** for setting up of a sector specific Special Economic Zone for Multi services at Tuticorin District, Tamil Nadu by **M/s. Limitless Properties Limited** over an area of **592 hectares**.

Item No. 33.4: 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 mentioned below:-

(i) Request of M/s. Karle O&M Services for co-developer in the IT/ ITES SEZ at North Bangalore Taluk, Karnataka developed by M/s. Karle Infra Projects.

It was noted by the Board that the proposal of M/s Karle O&M Services was a deferred in the BOA meeting held on 23.2.2009 as it was noted that the proposal was not for developing infrastructure but for providing O&M services. Accordingly, it was felt that the applicant should come as a unit. Subsequently, the developer has submitted an addendum to the co-developer agreement for creating and developing certain infrastructure. After deliberations, the Board decided to **defer** the request of M/s. Karle O&M Services indicating that the applicant must provide a comprehensive revised co-developer agreement only in respect of the infrastructure which can be subsequently considered by the BOA.

(ii) Request of M/s. Combine Realty Pvt. Ltd. for co-developer in the IT/ ITES SEZ at Village Ognaj, Taluka Dascroi, District Ahmedabad, Gujarat developed by M/s. Calica Construction and Impex Pvt. Ltd.

After deliberations, the Board decided to grant **approval** to request of M/s. Combine Realty Pvt. Ltd. for co-developer in the said SEZ for development of IT infrastructure over an area of 6187 sq. meters in the IT/ITES SEZ at Village Ognaj, Taluka Dascroi, District Ahmedabad, Gujarat proposed to be developed by M/s. Calica Construction and Impex Pvt. Ltd.

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(iii) Request of M/s. A.S. Cargo Movers Pvt. Limited for co-developer in the multi product SEZ at TADA, Andhra Pradesh developed by M/s. Sri City Pvt. Ltd.

The Board noted that approval for building RBFs over an area of 50,000 sqm has already been granted by BoA to the developer in its meeting dt. 23-02-09. The present proposal is for induction of a co-developer for building RBFs. After deliberations, the Board decided to grant **approval** to request of M/s. A.S. Cargo Movers Pvt. Limited for co-developer for developing infrastructure by constructing "Ready Built Factories" (RBF) over an area of 50 acres in the multi product SEZ at TADA, Andhra Pradesh proposed to be developed by M/s. Sri City Pvt. Ltd.

(iv) Request of GIDC for co-developer in the multi product SEZ at Bharuch, Gujarat developed by M/s. Dahej SEZ Limited.

It was noted by the Board that instead of a co-developer agreement, the applicant has submitted a MoU. Further, even in the MoU vide Clause 9 it has been specified that a detailed agreement outlining the rights and obligations of each party and also the commercial terms shall be agreed to and executed between the parties as early as possible. After deliberations, the Board decided to **defer** request of M/s. GIDC indicating that they must submit a detailed co-developer agreement for the consideration of BOA.

Item No. 33.6: Request for 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 the authorized operations are in line with the guidelines.

(i) Request of M/s. CCCL Infrastructure Limited for authorized operations in the Food Processing Sector at Tuticorin District, Tamil Nadu.

The Developer made a detailed presentation on the requirement of authorized activities. After deliberations, the Board decided to approve the authorized activities in the **non-processing** area, as given in the table:

S.No	Authorized Operations	Quantum sought (in sq mtrs)	Quantum Approved (in sq mtrs)
1.	Administrative/Estate Office	2,000	2,000
2.	Commercial Complex	30,000	30,000
3.	Multiplex	2,000	Not approved
4.	Business Centre/Convention Centre	25,00	25,00
5.	Community Hall	1,000	1,000

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6.	Recreation Centre	500	500
7.	School	2,000	2,000
8.	Golf Course	20,000	Not approved
9.	Residential/Housing Complex/Guest Houses/Service Apartments	90,000	720X125 sqm. – Dwelling units which will be used as residences/guest houses/service apartments
10.	Health Club/ Medical Centre/Clinic	3,000	50 Bed Hospital
11.	DG Set	600	600

(ii) Request of M/s. GP Realtors Private Limited for authorized operations in the IT/ITES SEZ at village Behrampur District-Gurgaon Haryana.

The Board decided to **defer** the proposal as there has been a advocate's notice received challenging the land acquired by the applicant.

(iii) Request of M/s. DLF Cyber City Developers Limited for authorized operations in the IT/ITES SEZ at Cyber City, Gurgaon, Haryana.

The Developer made a detailed presentation on the requirement of authorized activities. After deliberations, the Board decided to approve the authorized activities in the **non-processing** area, as given in the table:

S. No	Authorized Operations	Quantum sought (in sq mtrs)	Quantum Approved (in sq mtrs)
1.	Commercial Complex/Office space	12,000	12,000
2.	Service Apartments	15,000	15,000

(iv) Request of M/s. DLF Commercial Developers Limited for authorized operations in the IT/ITES SEZ at Gachibowli, Hyderabad

The Developer made a detailed presentation on the requirement of authorized activities. After deliberations, the Board decided to approve the authorized activities in the **non-processing** area, as given in the table:

S. No	Authorized Operations	Quantum sought (in sq mtrs)	Quantum Approved (in sq mtrs)
1.	Commercial	17,000	17,000

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	Complex/Office space		
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(v) Request of M/s. DLF Limited for authorized operations in the IT/ITES SEZ at Sector 30, village Silokhera, Gurgaon

The Developer made a detailed presentation on the requirement of authorized activities. After deliberations, the Board decided to approve the authorized activities in the **non-processing** area, after taking into account that the housing sought is in respect of appurtenant SEZs of DLF Limited as a common service. Hence, the quantum of housing appeared justified and BOA approved the quantum as given in the table:

S. No	Authorized Operations	Quantum sought (in sq mtrs)	Quantum Approved (in sq mtrs)
1.	Commercial Complex/Office space	38,000	38,000
2.	Housing for employees	1,07,000	375 units X115 sqm.

(vi) Request of M/s. DLF Info City Developers (Chennai) Limited for authorized operations in the IT/ITES SEZ at Chennai, Tamil Nadu

The Developer made a detailed presentation on the requirement of authorized activities. After deliberations, the Board decided to approve the authorized activities in the **non-processing** area, as given in the table:

S. No	Authorized Operations	Quantum sought (in sq mtrs)	Quantum Approved (in sq mtrs)
1.	Commercial Complex/Office space	17,000	17,000
2.	Service Apartments	22,000	22,000

(vii) Request of M/s. N.G. Realty Pvt. Ltd. for authorized operations in the sector specific SEZ for Engineering sector at Ahmedabad, Gujarat

The Developer made a detailed presentation on the requirement of authorized activities. After deliberations, the Board decided to approve the authorized activities, as given in the table:

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Non-processing area:-

S. No	Authorized Operations	Quantum sought (in sq mtrs)	Quantum Approved (in sq mtrs)
1.	Security office, entrance gate, watch tower with security system within and along boundary of SEZ	1000	1000
2.	Administrative office, fountain	1000	1000
3.	Recreation facility including club house, outdoor and indoor games & gymnasium	10000	10000
4.	Employee facility like ATMs	100	100
5.	Primary health centre	1000	1000
6.	Executive food court	1000	1000
7.	Parking for Guest, visitors and truck parking with rest room, Service station, weigh bridge, bus bay/stop	10000	10000
8.	Nursery for plantation in the green area	10000	10000
9.	Use of recycled waste water facility		
10.	Recharging of rain water by deep tube well and percolation wells		
11.	Shopping arcade/retail services	1000	1000
12.	Residential		
A	Service Apartment	3000	3000
B	1 ^{1/2} BHK	100x60	100 units x 60
C	1 ^{1/2} BHK	100 x 120	100 units x 120
D	3 BHK	50 x 150	50 units x 150
E	4 BHK	20 x 200	20 units x 200
13.	Educational		
A	Industrial Training Institute	8000	8000
B	Primary School, College	5000	5000
14.	Fire station with fire fighters	200	200
15.	Air-conditioning		
16.	Swimming pool		
17.	Power & Power back up system (DG sets of required capacity)		
18.	Petrol Pump	3000	3000
19.	Primary health centre	1000	1000

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In respect of authorized operations in processing area, the developer may approach the concerned DC.

(viii) Request of M/s. Biocon Limited for authorized operations in the sector specific SEZ for Biotechnology at Anekal Taluk, Bangalore District, Karnataka

The Developer made a detailed presentation on the requirement of authorized activities. After deliberations, the Board decided to approve the authorized activities in the **processing** area, as given in the table:

S. No	Authorized Operations	Quantum sought (in sq mtrs)	Quantum Approved (in sq mtrs)
1.	Creche	240.00	240.00
2.	Occupational Health Centre	178.43	178.43
3.	Gymnasium/Health Club	58.20	58.20

Item No. 34.4: Amendment in authorized operations approved in respect of M/s. Eon Hinjewadi Infrastructure Private Limited for co-developer in the multi product SEZ at Mundra village & Taluka, Kutch - District, Gujarat, set up by M/s. Mundra Port and Special Economic Zone Limited

The status of the Co-developer to **M/s. Eon Hinjewadi Infrastructure Private Limited** was approved in the meeting of BoA held on 23rd February 2009. They have been approved as co-developer in the non-processing area. However, the firm's application did not mention whether the authorized operations will be carried out in the non-processing area or the processing area. The BoA approved the authorized operations in the processing area. The firm has now submitted that as they have been approved as co-developer in the non-processing area, their request for authorized activities may be approved in the non-processing area.

After deliberations the Board decided to amend the **approval** granted to M/s Eon Hinjewadi Infrastructure Private Limited for co-developer in the multi product SEZ at Mundra village & Taluka, Kutch - District, Gujarat, set up by M/s. Mundra Port and Special Economic Zone Limited by allowing to carry out the earlier approved authorized activities in the **processing area**, as listed below:-

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S. No	Authorized Operations	Quantum sought (in sq mtrs)	Approved quantum (in sq mtrs)
1.	Service apartment/hotel	15000 (150 rooms with an average built up space of 100 sq. meters)	15000 (150 rooms with an average built up space of 100 sq. meters)
	The service apartment will have the following support facilities :-		
a.	Swimming pool	150	150
b.	Recreation club	500	500
c.	Gym	150	150
d.	Convention hall	500	500
e.	Executive Business Center	500	500
f.	Food court	300	300

Item No. 34.5: Request of M/s. Mansarovar Industrial Development Corporation for splitting of notified SEZ and to include 'furniture items' in 'handicraft' sector

The said SEZ was notified over an area of 131 Hectares. Now, the developer has made a request for taking out 10 Hectares out of the notified SEZ for IT Related services. Since even after excluding 10 hectares, the developer will still be left with 121 hectares, which is far more than the minimum area of 10 Hectares required for Handicrafts sector. Secondly, the applicant has also requested for including furniture items in the Handicraft sector. The BOA, after deliberations, approved excluding 10 Hectares for IT related services for which purpose the developer will approach BOA for a fresh notification. Secondly, the developer may be permitted to include only may made furniture in the Handicrafts SEZ.

Item No. 34.6: Request for extension of validity of formal approvals

(i) Request of M/s. J. T. Holdings Private Limited for extension of the validity period of formal approval beyond 26th October 2009 for IT/ITES SEZ at Maheshwaram Mandal, Dist. Ranga Reddy, Andhra Pradesh. Extension granted for one year up to 25th October 2010.

(ii) Request of M/s. Bentex Towers Pvt. Limited for extension of the validity period of formal approval beyond 15th November 2009 for multi services SEZ at Roje Ka Gujjar, District Gurgaon, Haryana. Extension granted for one year up to 14th November 2010.

(iii) Request of M/s. Shyamaraju & Company (India) Pvt. Ltd. for extension of the validity period of formal approval beyond 9th June 2009 for IT/ITES SEZ at

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Krishnaraj Puram, Hobli, Whitefield, Bangalore East, Karnataka. Extension granted for one year up to 8th June 2010.

(iv) Request of M/s. Divyasree NSL Infrastructure Pvt. Ltd. for extension of the validity period of formal approval beyond 22nd August 2009 for IT/ITES SEZ at Serilingampally Mandal, Ranga Reddy District, Andhra Pradesh. Extension granted for one year up to 21st August 2010.

(v) Request of M/s. L&T Phoenix Infoparks Pvt. Ltd. for extension of the validity period of formal approval beyond 16th June 2009 for IT/ITES SEZ at Serilingampally Mandal, Ranga Reddy District, Andhra Pradesh. Extension granted for one year up to 15th June 2010.

(vi) Request of M/s. NSL SEZ (Chennai) Private Limited for extension of the validity period of formal approval beyond 22nd August 2009 for IT/ITES SEZ at Shollinganallur, Tambaram Taluk, Kanchipuram District, Tamil Nadu. Extension granted for one year up to 21st August 2010.

(vii) Request of M/s. Stargaze Properties Private Limited for extension of the validity period of formal approval beyond 26th October 2009 for IT/ITES SEZ at Raviriyal Village, Ranga Reddy District, Andhra Pradesh. Extension granted for one year up to 25th October 2010.

(viii) Request of M/s. Suncity Haryana SEZ Developers Pvt. Ltd. for extension of the validity period of formal approval beyond 14th November 2009 for IT SEZ at Jhund Sarai Viran & Bhangrola, Pataudi Road, Gurgaon. Extension granted for one year up to 13th November 2010.

(ix) Request of M/s. Ascendant Estates Pvt. Ltd. for extension of the validity period of formal approval beyond 6th November 2009 for IT/ITES SEZ at Bondsia, Tehsil, Sohna, District Gurgaon, Haryana. Extension granted for one year up to 5th November 2010.

(x) Request of M/s. Hyderabad Gems SEZ Limited for extension of the validity period of formal approval beyond 9th June 2009 for Gems & Jewellery at Ranga Reddy District, Andhra Pradesh. Extension granted for one year up to 8th November 2010.

(xi) Request of M/s. Magarpatta Township Development and Construction Company Ltd. for extension of the validity period of formal approval beyond 21st August 2009 for Electronic Hardware and Software including ITES SEZ at Magarpatta City, village Hadapsar, Dist. Pune, Maharashtra. Extension granted for one year up to 20th August 2010.

(xii) Request of M/s. Cognizant Technology Solutions India Private Ltd. for extension of the validity period of formal approval beyond 22nd August 2009 for IT/ITES SEZ at SIPCOT, Siruseri. Extension granted for one year up to 21st August 2010.

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(xiii) Request of M/s. Span Ventures Private Limited for extension of the validity period of formal approval beyond 25th October 2009 for IT/ITES SEZ at Coimbatore District, Tamil Nadu. Extension granted for one year up to 24th October 2010.

(xiv) Request of M/s. Satyam Computer Services Ltd. for extension of the validity period of formal approval beyond 21st June 2009 for IT/ITES SEZ at Hitec City, Hyderabad, Andhra Pradesh. Extension granted for one year up 20th June 2010.

(xv) Request of M/s. Satyam Computer Services Ltd. for extension of the validity period of formal approval beyond 16th June 2009 for IT/ITES SEZ at Thotlakonda, Visakhapatnam, Andhra Pradesh. Extension granted for one year up to 15th June 2010.

(xvi) Request of M/s. Satyam Computer Services Ltd. for extension of the validity period of formal approval beyond 20th June 2009 for IT/ITES SEZ at Bahadurpally village, Hyderabad, Andhra Pradesh. Extension granted for one year up to 19th June 2010.

(xvii) Request of Dr. Fresh Health Care Pvt Ltd. for extension of the validity period of formal approval beyond 26th June 2009 for IT/ITES SEZ at Gurgaon, Haryana. Extension granted for one year up to 25th June 2010.

(xviii) Request of M/s. Kumar Builders Township Ventures Pvt. Ltd. for extension of the validity period of formal approval beyond 28th August 2009 for IT/ITES SEZ at Hinjewadi, Tal. Mulshi, District Pune, Maharashtra. Extension granted for one year up to 27th August 2010.

(xix) Request of M/s. Hexaware Technologies Limited for extension of the validity period of formal approval beyond 9th June 2009 for IT/ITES SEZ at Siruseri, Chennai, Tamil Nadu. Extension granted for one year up to 8th June 2010.

(xx) Request of M/s. Paradigm Logistics & Distribution Pvt. Ltd. for extension of the validity period of formal approval beyond 9th June 2009 for IT/ITES SEZ at Verna Industrial Area, Goa. Extension granted for one year up to 8th June 2010.

(xxi) Request of M/s. Lahari Infrastructure Ltd. for extension of the validity period of formal approval beyond 27th November 2009 for Service Sector SEZ at Shankarpally Mandal, Ranga Reddy District, Andhra Pradesh. Extension granted for one year up to 26th November 2010.

(xxii) Request of M/s. Manjri Stud Farm Pvt. Ltd. for extension of the validity period of formal approval beyond 6th November 2009 for IT/ITES SEZ at Pune, Maharashtra. Extension granted for one year up to 5th November 2010.

(xxiii) Request of M/s. Divyasree Infrastructure for extension of the validity period of formal approval beyond 26th October 2009 for IT/ITES SEZ at Bellandur

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Amani Kane, Bangalore, Karnataka. Extension granted for one year up to 25th October 2010.

The Board decided to extend the validity of these cases by one year.

Item No. 34.7: Request for increasing/ decreasing area

(i) Request of M/s K. Raheja Universal Pvt. Ltd. for de-notification of notified IT/ITES SEZ at Navi Mumbai, Maharashtra

The Board noted that the developer has indicated that there has been enormous pressure in the IT industry with a result many IT companies are reducing their man-power and their expansion plans. In the case of the developer, there has been no development/construction activity till date and they have not availed any fiscal benefits till date. The Board then decided to consider the request of the developer subject to DC SEEPZ certifying that the developer has returned all dues – Central and State. For the present, the de-notification was approved in principle by BOA, after receipt of the DC's certificate the formal notification will be issued.

(ii) Request of M/s K. Raheja Universal Pvt. Ltd. for de-notification of a portion of land in the notified IT/ITES SEZ at Raheja Info City I, Thane Creek Industrial Area, Navi Mumbai, Maharashtra

The Board noted that in this case, the developer wants to denotify a portion of the land in the SEZ i.e. out of 20.654 Hectares, 10.13 Hectares will be de-notified. Even after reduction of this land, the developer has land for meeting the requirement under Sector specific SEZ for IT/ITES SEZ. Considering that the developer has not been able to attract any units and has also stated that no development/construction activity has taken place in the notified SEZ till date and they have not availed any fiscal benefits, the Board decided to consider the request of the developer subject to DC SEEPZ certifying that the developer has returned all dues – Central and State. For the present, the de-notification was approved by the BOA in principle, after receipt of the DC's certificate the formal notification will be issued.

(iii) Request of M/s Essar Hazira SEZ Limited for addition of area in the engineering sector SEZ at Hazira, Gujrat

The Board noted that Sector specific SEZ for Engineering sector SEZ at Hazira, Gujarat developed by M/s. Essar Hazira SEZ Limited was notified on 28-09-2006 over an area of 247.52 hectares. This area was revised to 218.4258 hectares in the meeting of BoA held on 23-02-2009. Now, the developer has requested to include 13.3283 hectares in the said SEZ. Deputy Collector and Special Land Acquisition Officer, Surat has certified that the developer has legal and encumbrance free possession of 13.3283 hectares of land. Representative of the Department of Revenue suggested that a joint survey must be conducted as the SEZ has portions which are used both by DTA and SEZ. DC KASEZ indicated that

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a survey has been conducted by DC's office and the land is contiguous and fulfills the other requirements. After deliberations, BOA approved the addition of area as requested for by the developer and notification will be issued after a joint inspection by DC's office and local Customs authorities is carried out.

(iv) Request of M/s Sunny Vista Realtors Pvt. Ltd. for addition of area in the Services SEZ at District Raigad, Maharashtra

BOA noted that the developer has a notified land of 139.83 Hectares and has requested to add 63.70 Hectares as addition. Part of the land proposed to be added is under the Mumbai-Pune Expressway and some part is scattered. It is preferable that the land is inspected again and a report filed by DC. However, at the request of DC SEEPZ, it was decided to first examine the proposal on file and subsequently consider the proposal. Accordingly, it was decided to defer consideration of the proposal.

Item No. 34.8: Request for change of sector/broad banding of sector

(i) Request of M/s. Bagmane Construction Pvt. Ltd. for change of sector by including Electronic Hardware and Software in the present sector specific SEZ for IT/ITES at Mahadevpura, KR Puram, Bangalore, Karnataka

After deliberations the Board decided to approve broad banding of sector by including Electronic Hardware and Software in the present sector specific SEZ for IT/ITES at Mahadevpura, KR Puram, Bangalore, Karnataka by M/s. Bagmane Construction Pvt. Ltd.

Item No. 34.9: Request of M/s Parsvnath SEZ Limited for changing the location of their sector specific SEZ for Biotech sector at Hyderabad

It was noted by the Board that Sector specific SEZ for Biotech by M/s. Parsvnath Developers Limited was granted formal approval on an area of 10.11 hectares at Tattianaram Village, Hayatnagar, District Ranga Reddy, Hyderabad, Andhra Pradesh, in the meeting of the Board of Approval held on 12th July 2007. The approval letter was issued on 30th July 2007. Subsequently, the formal approval was transferred in the name of M/s. Parsvnath SEZ Limited on 22nd August 2007. The developer, vide his communication of 8th April 2009 has submitted that they had committed necessary payments to APIIC to get the land transferred in their name but due to certain legal hurdles the land could not be transferred. APIIC offered to allot 10.11 hectares of land in phase 3, Biotechnology Park, Karakapatla village, Mulugu Mandal, Medak District Andhra Pradesh. The developer has further stated that since they found the new land to be suitable to the SEZ project and since it was within the Biotech Park, they applied to APIIC for allotment of land on 25-11-06. The land was allotted to them on 10-05-2007 and the possession was also given on 11-07-2007. Now, the developer is requesting for change in location after a gap of almost two years.

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After deliberations the Board decided to approve the request of phase 3, Biotechnology Park, Karakapatla village, Mulugu Mandal, Medak District Andhra Pradesh Tattianaram Village, Hayatnagar, District Ranga Reddy, Hyderabad, Andhra Pradesh to phase 3, Biotechnology Park, Karakapatla village, Mulugu Mandal, Medak District Andhra Pradesh.

Item No. 34.10: Request of M/s DLF Cyber City Developers Limited for granting permission to allow passage of proposed metro corridor through Cyber City SEZ, Gurgaon

It was noted by the BOA that the said SEZ was notified on 13th April 2007 over an area of 10.73 hectares. At the time of notification, the land was contiguous and vacant as per DC's report. The metro corridor was proposed by the Haryana Urban Development Authority (HUDA) and a consortium of ITNL ENSO Rail Systems Ltd. (IERS), IL&FS Transportation Networks (India) Limited (ITNL) and DLF later on. As per the proposal, the metro corridor would be completely elevated and would pass through the SEZ. 5 to 6 piers will be laid within the SEZ area. The cost of constructing the piers would be completely borne by the consortium and no benefits under the SEZ policy would be availed. Further, since the corridor would be elevated, the land on which the piers would be constructed would continue to be in the ownership of DCCDL. During the construction process, the corridor would be barricaded. Post completion of the construction works; one would be able to move below the metro track, hence maintaining the contiguity of the land. No movement of men or material would be there through SEZ once the construction is over.

After deliberations, the BoA granted permission to M/s DLF Cyter City Developers Limited permission to allow passage of proposed metro corridor through Cyber City SEZ, Gurgaon.

Item No. 34.11: Grant of second extension of in-principle approval - the proposals of M/s Rajasthan Explosives and Chemicals Limited for extension of validity of in-principle approval beyond 3 years and the proposal of M/s Orion Infrastructure Private Limited for grant of extension beyond 7th April 2008.

The Board noted that despite three extensions, both the developers have not been able to convert "in-principle" approval to "formal" approval.

It is, therefore, preferable that both the developers are advised to apply afresh with the State Government recommendations so that they can be considered for grant of fresh approvals.

Item No. 34.13: Withdrawal of formal approval granted to M/s. Diamond Software Developers Pvt. Ltd. for setting up of IT/ITES at Plot No. 3, sector - 143A, Noida, Uttar Pradesh

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The Board took note of the withdrawal of formal approval on surrender of land by the developer to the Noida authorities.

Item No. 34.14: Request of M/s. SEZ Bio-tech Services Pvt. Ltd. co-developer in M/s. Serum Bio-pharma Park SEZ, Pune for approval for activities/utilities in relation to authorised operations

The Board noted that the co-developer has proposed to provide for the following industrial utilities and infrastructure support centrally to the units in the SEZ.

1. Generation and distribution of Raw Steam of 75 Tons/hour,
2. Generation and distribution of Pure Steam of 25 TONS/hour
3. Generation and distribution of Compressed air 2000 Cu. Feet/Min,
4. Purification and distribution of purified water 60 Cubic meter/hour
5. Storage and distribution of potable water 10,000 Cubic meter/hour
6. Generation and distribution of distilled water for Injection 36,000 litres/hr
7. Generation and distribution of Hot water 72,000 KW/hour
8. Storage and distribution of Nitrogen gas,
9. Storage and distribution of LPG gas
10. Effluent treatment facility
11. House-keeping services and sterile environment maintenance services

The representative of Department of Revenue pointed out that the proposed facilities mentioned in the proposal are such that these need to be provided by a unit in processing area only as these are required in connection with production process by units in SEZ. It also needs to be ensured that NFE obligation is achieved. In the case of M/s Ranbaxy, the developer was asked to examine the nature of authorised operations and wherever the activities related to their manufacturing unit, approval of UAC was to be sought. During the course of discussions, it emerged that for a Bio- pharma unit, the activities proposed are like common services by way of infrastructure at par with other services such as providing electricity or water. Hence, the activities proposed are more by way of co-developer activities rather than by a unit for a specific product. After deliberations, the BOA approved the proposal as the infrastructure is for a pharma SEZ which is making life saving vaccines and also specified that such a facility will be approved on a case to a case basis for other cases.

Item No. 34.15: Request of M/s Precision Polyplast Pvt. Ltd., a unit in Falta SEZ for renewal of LoP

In terms of Rule 18(4) (a) of the SEZ Rules, the proposal for extension of the LOA of the units engaged in recycling of plastic scrap/waste is decided by the Board.

The Board noted that the proposal was in respect of a unit in FALTA SEZ which was granted LOP on 18.12.1996 for manufacture and export of plastic flour,

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reprocessed floor sweeping granules etc. It commenced production in 1998 and the LOP has been extended twice with the current extension ending on 2nd June 2009. In the last block between June 08 to March 09, the unit has made exports worth Rs. 10.41 crores. It employs 800 unskilled labourers out of which 60% workers are women labourers. The Board also noted that during the meeting of BOA held on 16th May 2008 renewal of LOPs for plastic recycling units was extended by one year due to many people depending on employment on these units. DC FALTA has recommended extension and also suggested that the production capacity of the unit be reduced from 36,000 MT to 24,000 MT. After deliberations the Board decided to grant Extension of one year.

Item No: 34.16: Submission of Co-Developer Agreement in respect of already approved proposals of Co-developer (Deferred Item No. 6 of BoA meeting dated 23-02-2009)

(i) Request of DLF Assets Private Limited for co-developer in the IT/ITES SEZ at Silokhera, Gurgaon, Haryana proposed to be developed by DLF Limited

(ii) Request of DLF Assets Private Limited for co-developer in the IT/ITES SEZ in Ramapuram, Chennai by DLF Info City Developers (Chennai) Limited.

(iii) Request of M/s DLF Assets Private Limited for co-developer in the IT/ITES SEZ in Gurgaon, Haryana by M/s DLF Cyber City Developer Limited

(iv) Request of M/s. DLF Assets Private Limited for co-developer in the IT/ITES SEZ in Hyderabad, Andhra Pradesh, by M/s. DLF Commercial Developers Ltd. (DCDL)

Deferred Item No. 5 (vi) to (ix) of BoA meeting dated 23-02-2009) - Requests for co-developers

(v) Request of M/s. Cian Builders and Developers Private Limited (CBDPL) for co-developer in the IT/ITES SEZ at Silokhera, DLF City, Gurgaon, Haryana developed by M/s. DLF Cyber City Developers Limited

(vi) Request of M/s. Cian Builders and Developers Private Limited (CBDPL) for co-developer in the IT/ITES SEZ at Hyderabad, Andhra Pradesh developed by M/s. DLF Commercial Developers Limited

(vii) Request of M/s. Cian Builders and Developers Private Limited (CBDPL) for co-developer in the IT/ITES SEZ at Sector 24 & 25-A, DLF Cyber City, DLF City, Gurgaon developed by M/s. DLF Cyber City Developers Limited

(viii) Request of M/s. Cian Builders and Developers Private Limited (CBDPL) for co-developer in the IT/ITES SEZ at Ramapuram, Chennai, Tamil Nadu developed by M/s. DLF Info City Developers (Chennai) Limited

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The Board noted that in the meeting held on 23.2.2009 it was decided to defer the 4 proposals of co-developers in respect of same Developer, i.e., M/s. DLF Limited as the representative of the DoR pointed out that the co-developer agreement refers to transfer and hand over deeds which states that co-developer shall be the owner of the SEZ buildings on payment of development consideration, which is against the spirit of SEZ Act and Rules. Following this observation, the proposals were deferred and it was decided to examine the case on file. DoC examined these proposals on file in consultation with CBDT and the agreements were revised by the co-developer. The proposals were approved subject to the condition that particular terms and conditions of lease agreement will not have any bearing on the treatment of 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.

The Board noted the above approval given on file.

The second set of proposals from M/s CIAN Builders and Developers Pvt. Limited, are identical to the earlier proposals approved. The Board accordingly approved the co-developer agreements in respect of M/s CIAN Builders with the same condition stipulated by CBDT.

Item No: 34.17: Delegation of powers to a sub-committee of BOA for considering matters such as authorised activities etc.

Department of Revenue indicated that they could not examine the proposal as the time given was very short. It was decided that this issue could be considered in a meeting to be convened by Department of Commerce. Accordingly, consideration of this item was deferred.

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