

**Supplementary Agenda for the 74<sup>th</sup> meeting of the Board of Approval to be held on 6<sup>th</sup> January, 2017, at 11.00 A.M. in Room No. 47, Udyog Bhawan, New Delhi**

**Item No. 74.8: Requests for extension of validity of formal approvals (One proposal)**

(i) **Request of M/s. Gopalan Enterprises (India) Private Limited for further extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Mahadevapura & Kaggadapura, K.R. Puram, Whitefield, Bangalore, Karnataka, beyond 2<sup>nd</sup> July, 2016.**

**Name of the developer:** M/s. Gopalan Enterprises (India) Private Limited

**Sector :** IT/ITES

**Location :** Mahadevapura & Kaggadapura, K.R. Puram, Whitefield, Bangalore, Karnataka

**Extension:** Formal approval to the developer was granted on 3<sup>rd</sup> July, 2007. The SEZ stands notified as on date. The developer has been granted six extensions, validity period of which was upto 2<sup>nd</sup> July, 2017.

**Basic facts:** Formal approval to the developer was granted on 3<sup>rd</sup> July, 2007. The SEZ stands notified as on date.

The developer has requested for further extension so as to implement the project.

The developer has made following investments/plans.

- (i) The developer has stated that one of its Directors has purchased the land and given it on lease to the company for 30 years in 2008.
- (ii) The land was purchased on outright basis by paying the market rate to the land owners; and, issues like market rat compensation to owners or rehabilitation of displaced persons etc do not apply in this case and the land is earmarked for industrial purpose only.
- (iii) The total projected project investment in the SEZ is stated to be Rs. 2136 crore which includes construction cost of Rs. 2000 crore.
- (iv) The developer has already invested Rs. 9.08 crores up to last extension i.e. up to 2.7.2015 whereas the total investment made as on 31.03.2016 is Rs. 14.40 crores.

**Reason for delay:** The developer has stated that they have applied for various approvals from Government of Karnataka and obtained most of them. The delay in getting the approvals from State Government was submitted before the BoA and based on the submission, the validity of LoA was extended three times beyond the original validity period of three years. The present extension is on the grounds as detailed under:-

- (a) Revision of reservation of land for park and open spaces policy by the Government of Karnataka:

Consequent to revision in the SEZ Guidelines on reservation of park and open space area from 20% to 10% the developer had to revise their lay out plan incorporating additional area of 4 acres of land. The revised layout plan was submitted to Bangalore Development Authority (BDA) on 05.11.2014 and the approval is still awaited.

(b) (i) Other pending approvals:

Certain more approvals are yet to be received from the concerned Departments of Government of Karnataka and is expected to be received shortly. They are pursuing with Government of Karnataka for their early decision so that they can get BBMP sanction as per the revised land area for development of the SEZ.

(ii) Obstruction to start development work for want of SLEIAA NoC and CFE from KSPCB:

As per Government of India Policy on Environment, to carry out any construction activity the following approvals are required: (i) Certification from State Level Environmental Impact Assessment Authority (SLEIAA) and (ii) consent for Establishment (CFE) issued by Karnataka State Pollution Control Board (KSPCB). SLEIAA has given their in principle clearance subject to the outcome of Final Order of National Green Tribunal (NGT). However, KSPCB approval is still awaited.

DC, CSEZ has recommended the proposal for a period of one year.

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

#### **Item No. 74.9 : Requests for extension of LoP beyond 3<sup>rd</sup> Year onwards (One proposal)**

**(i) Request of M/s. Hangers Plus (India) Pvt. Ltd., a unit in Mahindra World City – Apparel and Fashion Accessories SEZ, Kancheepuram Distt, Tamil Nadu for extension of LoP beyond 30<sup>th</sup> September, 2016.**

- **LoP issued:** 28<sup>th</sup> March, 2007 for manufacture of ‘Cloth Hangers’.
- **Extensions:** 9 (nine) up to 30<sup>th</sup> September, 2016 by six months beyond 30.09.2016
- **Request:** For further extension.

The unit has requested for further extension so as to implement the project.

The unit has made the following investment/plans:-

- (i) The unit has invested Rs. 13.75 crores.
- (ii) **Incremental Investment since last extension:** The unit has stated that they brought in amount towards molds, cooler, outside chiller, civil and electrical works for a value of Rs. 1.25 crores and Rs. 1.00 crore for purchase of crane, DG and balance work of civil and electrical.
- (iii) **Details of physical progress till date in quantifiable terms:** The unit is in the process of applying for Electricity Board and machinery installation.
- (iv) **Physical progress since last extension:** Additional machinery value Rs. 1.50 crores have been imported and water and electrical works for machines have been laid out.

- (v) **Timeline for completion of the project and making it operational:** The unit stated that they need another 6-8 months time to complete the balance civil works/installation of machinery/trial run/electrical works/pre-production etc.

DC MEPZ has recommended the proposal of extension for six months. However, the 70<sup>th</sup> BoA meeting held on 28<sup>th</sup> April, 2016 had extended LoP up to 30<sup>th</sup> September, (six months) 2016, **subject to the condition that this was the final extension.**

The request is placed before BoA for its consideration.

**Item No. 74.10 : Requests for co-developer (2 proposals)**

- (i) **Request of M/s. Pesh Infra Builders LLP for co-developer in the sector specific SEZ for IT/ITES at Rajiv Gandhi Infotech Park, Phase-III, Hinjewadi, Pune, Maharashtra, being developed by M/s. Maharashtra Industrial Development Corporation (MIDC)**

The above mentioned SEZ stands notified over an area 223.56 hectares.

M/s. Pesh Infra Builders LLP has submitted a proposal for becoming a co-developer in the aforesaid SEZ for construction of buildings and related infrastructure for IT/ITES Units, development of space for IT/ITES unit and all default authorized operations, over an area of 14000 sq. mtrs. The project including land & land development cost, building infrastructure and infrastructure development cost is Rs. 50.08 crores. The co-developer also stated that the project will generate employment of 1800 within 5 years.

Co-developer agreement dated 8<sup>th</sup> July, 2015 entered with the developer has been provided. Draft Lease Deed has been provided. Lease period is 95 years. The payment to the corporation by the Lessee/s of the sum of Rs. 2,80,00,000 and by way of differential premium paid of Rs. 6,58,000/-

The co-developer has stated that a similar request of M/s. J.K. Builders for co-developer in the sector specific SEZ for IT/ITES at Rajiv Gandhi Infotech Park, Phase – III, Hinjewadi, Pune, Maharashtra being developed by M/s. Maharashtra Industrial Development Corporation had been approved by the BOA in its 72<sup>nd</sup> meeting held on 12<sup>th</sup> August, 2016.

DC SEEPZ has not recommended the proposal.

The request of the co-developer is submitted for consideration of BoA.

- (ii) **Request of M/s. Embassy Services Pvt. Ltd. for co-developer in the sector specific SEZ for IT/ITES at Outer Ring Road, Nagavara Village, Bangalore, Karnataka, being developed by M/s. Saltire Developers Private Limited**

The above mentioned SEZ stands notified over an area 4.05 hectares.

M/s. Embassy Services Pvt. Ltd. has submitted a proposal for becoming a co-developer in the aforesaid SEZ for making operation and maintenance of buildings and other infrastructure/facilities to be undertaken in the entire area of the SEZ. The total proposed amount of investment is Rs. 6.00 crores.

Co-developer agreement dated 9<sup>th</sup> December, 2016 entered into with the developer has been provided.

DC CSEZ has recommended the proposal.

The request of the co-developer is submitted for consideration of BoA.

**Item No. 74.11 : Proposals for setting up of SEZs (One proposal)**

**(i) Request of M/s. L&T Construction Equipment Limited (Reality Division) for setting up of a sector specific SEZ for IT/ITES at L&T Park SEZ Plot 2, L&T Campus, Bellary Road, Byatarayanapura, Next to GKVK, Bangalore, Karnataka over an area of 2.34 Hectares.**

| <b>S. No</b> | <b>Name of the Developer</b>            | <b>Location</b>  | <b>Sector</b> | <b>Area (in ha)</b> | <b>Land Possession</b> | <b>State Govt. Recommendation</b> | <b>Status of application</b> |
|--------------|---|--|---------------|---------------------|------------------------|-----------------------------------|------------------------------|
| (i)          | M/s. L&T Construction Equipment Limited | L&T Park SEZ Plot 2, L&T Campus, Bellary Road, Byatarayanapura, Next to GKVK, Bangalore, Karnataka | IT/ITES       | 4.95                | Yes                    | No                                | New                          |

DC CSEZ has recommended the proposal.

The proposal of the developer is submitted for consideration of BoA.

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**Corrigendum**

In item No. 74.4 (iii) the sector in Column 4 of the proposal may be read as IT/ITES instead of Engineering.