

**Agenda for the 42<sup>nd</sup> meeting of the Board of Approval to be held on 16<sup>th</sup> September 2010  
at 10.30 AM in the Room No. 47, Udyog Bhawan**

**Item No. 42.1: Proposals for setting up of SEZs**

| S. No | Name of the Developer                       | Location   | Sector   | Area (in ha) | Land Possession    | SGR* | Status of application |
|-------|---|--|--|--------------|--------------------|------|-----------------------|
| i.    | M/s. Poornimadevi Tech Park Private Limited | Sulikere village, Kengari Hobli, Bangalore South Taluk, Bangalore, Karnataka                       | IT/ITES  | 13.11        | Yes                | Yes  | New                   |
| ii    | M/s. Lepakshi Knowledge Hub Private Limited | Chillamaturu and Gorantla Mandal, Ananthapur District, Andhra Pradesh                              | Biotechnology  | 11.88        | Yes                | Yes  | New                   |
| iii   | M/s. Lepakshi Knowledge Hub Private Limited | Chillamaturu Mandal, Ananthapur District, Andhra Pradesh   | Aerospace & Precision Engineering                      | 115.41       | Yes                | Yes  | New                   |
| iv    | M/s. Lepakshi Knowledge Hub Private Limited | Chillamaturu Mandal, Ananthapur District, Andhra Pradesh   | FTWZ   | 40           | Yes                | Yes  | New                   |
| v     | M/s. Gopalan E-Park                         | Village Koorgalli, Itwala, Hobli, Mysore Taluk, Mysore District, Karnataka                         | Electronic Hardware and Software including ITES        | 11.35        | Yes                | Yes  | New                   |
| vi    | M/s. Suryo Infra Projects Private Limited   | Mouza - Tulasideipur, Chandaka, Bhubaneswar, Orissa  | IT/ITES  | 10.526       | Yes                | Yes  | New                   |
| vii   | M/s. Infosys Technologies Limited           | Sarjapur village & Billapur Village, Anekal Taluk, Bangalore, Karnataka                            | Information Technology (IT)                            | 24.446       | Yes                | Yes  | New                   |
| viii  | M/s. Vivimed Labs Limited                   | Boyapalem, Naruva & Chittivalasa villages, Ranasthalam Mandal, Srikakulam District, Andhra Pradesh | Chemicals & Pharmaceuticals – (Bulk/APIs/Formulations) | 131.68       | Partial (79.67 Ha) | Yes  | New                   |

*\*State Government's Recommendation*

**Item No. 42.2: Policy for setting up of units for recycling of plastics in SEZs**

In the meeting held on 9<sup>th</sup> April 2010 the Board directed that the policy for the plastic reprocessing units in SEZs should be finalized at the earliest. Accordingly, a draft policy has been prepared and placed at **Annexure – 1** for consideration by BoA.

### **Item No. 42.3: Guidelines on establishing contiguity in Special Economic Zone**

In the BoA meeting held on 8<sup>th</sup> June 2010 draft guidelines dealing with the establishing contiguity in Special Economic Zone was placed before BoA for consideration.

The Board noted that the present proposal before it has two components (a) there will be no insistence on providing contiguity if any public utility service such as roads, water supply lines, sewerage lines, drains, canals or railway lines passing through the non-processing area of the zone and (b) if the developer wants to construct a structure to provide connectivity, the same can be approved by the Unit Approval Committee as part of the zone and would be entitled for duty free material.

During the course of the discussions, representatives from Department of Revenue indicated that as far as the first portion on non-insistence of contiguity in case public utility services as indicated pass through the non-processing area is acceptable to them in principle. As regards duty free material for providing connectivity, it was decided that BOA can consider each case on merits. DOR would subsequently confirm this position before next BOA, after due approval at appropriate levels in Department of Revenue. However, Department of Revenue have not supported the proposal. The communication of Department of Revenue may kindly be seen at **Annexure - 2**

The draft guidelines (**Annexure - 3**) are once again placed before for consideration.

### **Item No. 42.4: Refund of service tax paid on taxable services provided in relation to the authorized operations in SEZs.**

Notification No. 9/2009-Service Tax dated 03.03.2009 was issued to provide refund of service tax paid on taxable services specified in Section 65 (105) of the Finance Act, 1994 which are provided in relation to authorized operations (as defined under SEZ Act, 2005) in a Special economic Zone (SEZ), and received by a developer or units of a SEZ, whether or not the said taxable services are provided inside the SEZ. Subsequently, notification No. 15/2009-Service tax dated 20.05.2009 was issued to amend the aforesaid notification No. 15/2009-Service Tax dated 03.03.2009 to provide unconditional exemption to services consumed within the SEZ without following the refund route thus dispensing with the requirement of first paying the tax by the service provider and then claiming the refund thereof by developer/unit. The exemption by way of refund was thus limited to situations only when taxable services provided to SEZ are consumed partially or wholly outside the SEZ.

In cases where refund needs to be claimed, CBEC circular No. 114/8/2009-Service Tax dated 20.05.2009 requires that the refund claim shall be accompanied by the following documents:-

1. A copy of the list of specified services required in relation to the authorized operations in the SEZ, as approved by the Approval Committee;
2. Documents evidencing payment of service tax

The CBEC circular further states that 80% of the service tax refund amount due is to be sanctioned as *ad-hoc* interim refund to developer or unit of SEZ within 15 days of filing of a refund claim, *subject to the condition that refund claim is complete and contains the requisite documents*. The circular also states that the refund claims should be finalized within

a maximum period of 30 days from the date of filing of refund claim and in any case not beyond 45 days from the date of filing of the refund.

There is a basic problem with this service tax refund arrangement for SEZs. Usually refund claims should be made by the service providers. Here, however, the refund claims are filed by the service users (SEZ Developers/Units). The CBEC instruction states that the refund claim should be supported by documents evidencing payment of service tax. These documents can be sourced only from the service provider who makes the payment. As per the current procedures, it is not possible for the service user to make direct payment of service tax. The services providers deposit the service tax collected by them into government account vide GAR-7 challan. The service tax deposited by them may include the service tax collected by the service provider from the SEZ Unit/Developer as well as other DTA service recipients.

The unit in SEZs are finding it difficult to obtain the copies of GAR-7 challan through which the service provider deposits the service tax collected by them into Government account (document evidencing payment of service tax). Without this document, the jurisdictional Customs & Central Excise authorities are not settling the service tax refund claims filed by the SEZ Units/Developers.

Hence, it is suggested that Department of Revenue may consider introducing a procedure wherein the SEZ Units/Developers as service users/receivers can directly deposit the service tax into Government account. The SEZ Unit/Developer will then give a copy of the challan to the service provider, instead of paying service tax to the service provider. This procedure will safeguard the interests of the Government as well as facilitate speedy service tax refund to SEZ Units/Developers.

**Item No. 42.5: Request for relaxation of the Rule 41 of SEZ Rules, 2006**

The facility of sub contracting is permissible under rule 41 of the SEZ rules 2006. However, as per rule 41(a), the goods which are sent for sub-contracting are required to be brought back to the SEZ premises within 120 days or such period as may be extended by the Specified Officer. This provision is incapable of being complied with in some cases, as goods after assembly cannot be brought back to the SEZ unit. As a result thereof, the delivery has necessarily to be made from the premises of sub-contractor.

Requests have been received for relaxation in the requirement of bringing back the goods to the SEZ and to allow delivery from the premises of sub-contractor both for export as well as for DTA clearance. Such relaxation is provided in Rule 42 of the SEZ Rules, 2006 for the purpose of export only and not for DTA clearance. Requests have been received for relaxation of this condition to allow DTA clearance also.

The matter is placed before BoA for consideration.

**Item No.42.6: Requests for co-developers**

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

Sector specific SEZ for Aviation sector at Mamidipalli village, Hyderabad, Andhra Pradesh by M/s. GMR Hyderabad International Airport Limited was notified on 20<sup>th</sup> October 2009 over an area of 101.92 hectares. M/s. MAS GMR Aerospace Engineering Company Limited has submitted a proposal for becoming a co-developer for development, construction and maintenance of MRO infrastructure over an area of 10 hectares. The proposal was deferred by BoA in the meeting held on 13<sup>th</sup> July 2010. The BoA also directed *DC to submit his report after discussions with the developer and the report must also include nature of business model.*

As per the directions of the BoA the DC VSEZ has submitted his report wherein the DC has recommended the proposal stating that the request of M/s. MAS GMR Aerospace Engineering Company Limited (MASGMR) for co-developer status is in the line with the SEZ Act, 2005, where in the co-developer is expected to provide infrastructure facilities to the Units. DC has further stated that on examination of the clarification provided by MASGMR, it is observed that the hanger and equipment proposed are intrinsic to the infrastructure required for an MRO facility. Further, while the co-developer proposes to invest Rs. 250 crores, the prospective MRO operator (Unit) will have to make an investment of about Rs. 100 crores to make the facility operational.

As regards the business model, the DC has informed M/s. GMR Hyderabad Aviation SEZ Limited has leased 10 hectares of the notified land in the processing area to MASGMR for which the developer will collect land lease rentals. MASGMR will create infrastructure for the MRO facility on the leased land and collect facility lease rentals for allotment of the MRO facility to a prospective MRO operator. Once approved, the unit will collect service fees from Airline customers in conformity with the provisions of the SEZ Act.

In view of the above the proposal is placed before BoA for consideration.

**(ii) Request of M/s. Gujarat State Petronet Limited for co-developer in the sector specific SEZ for Pharmaceutical at Panoli near Ankleshwar, Bharuch District, Gujarat, being developed by M/s. J.B. SEZ Private Limited**

Sector specific SEZ for Pharmaceutical at Panoli near Ankleshwar, Bharuch District, Gujarat by M/s. J.B. SEZ Private Limited was notified on 9<sup>th</sup> January, 2009 over an area of 125.04.94 hectares. M/s. Gujarat State Petronet Limited has submitted a proposal for becoming a co-developer for setting up gas transmission and distribution network in the above mentioned SEZ. Co-developer agreement dated 1<sup>st</sup> June, 2010 between the developer and co-developer has been provided. The request of the co-developer is submitted for consideration of BoA.

**(iii) 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)**

Multi Product SEZ at Kutch, Gujarat by M/s. Mundra Port and Special Economic Zone Limited stands notified over an area of 6472.8684 hectares. M/s. Mundra International Airport Private Limited, a 100% subsidiary of the developer has submitted a proposal for becoming a co-developer in the 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. Co-developer agreement dated 28<sup>th</sup> August, 2010 between the developer and co-developer has been provided. The request of the co-developer is submitted for consideration of BoA. DC, KASEZ, has recommended the proposal. The request of the co-developer is submitted for consideration of BoA.

**(iv) Request of M/s. Mundra LNG 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)**

Multi Product SEZ at Kutch, Gujarat by M/s. Mundra Port and Special Economic Zone Limited stands notified over an area of 6472.8684 hectares. M/s. Mundra LNG Limited, a 100% subsidiary of the developer has submitted a proposal for becoming a co-developer in the SEZ for development, operation and maintenance of following infrastructure facilities i.e. LNG Terminal, storage & re-gasification facilities, gas based power generation plant (capacity upto 2000 MW) and related facilities, over an area of around 136 hectares. Co-developer agreement dated 28<sup>th</sup> August, 2010 between the developer and co-developer has been provided. DC, KASEZ, has recommended the proposal. The request of the co-developer is submitted for consideration of BoA.

**(v) Request of M/s. Worlds Window Infrastructure & Logistics Private Limited for co-developer in the Kandla Special Economic Zone (KASEZ)**

M/s. Worlds Window Infrastructure & Logistics Private Limited has submitted a proposal for becoming a co-developer in the KASEZ for setting up of Free Trade Warehousing Zone (FTWZ) over an area of 25 acres. Co-developer agreement between the developer and co-developer is awaited. The request of the co-developer is submitted for consideration of BoA subject to receipt of the co-developer agreement.

**(vi) 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**

The above multi product SEZ is notified over an area of 6472.8684 hectares. M/s. Hind Terminals (Mundra) Private Limited has requested for becoming a co-developer for developing and operating a Container Freight Station and Warehousing Facilities on an area of 16.19 hectares. The request was considered in the meeting of BoA held on 11.2.2010. the Department of Revenue is of the view that there is no justification of another CFS for the SEZ Cargo as there are already a number of CFSs in the SEZ. Later, it was brought to the notice by DC KASEZ that the 9 CFSs, operating in the SEZ have not been approved by the BoA as co-developer or by the Unit Approval Committee for functioning as units. Further,

DC KASEZ has issued Show Cause Notices as these CFSs have not been approved by the Competent Authority. The matter was once again placed before the BoA on 08.06.2010 and the Board deferred the proposal till the entire matter regarding the CFSs functioning in the SEZ without proper authorization under SEZ Act/Rules is resolved. Meanwhile, the CFSs to whom Show Cause Notices were issued have moved to Court.

The matter is once again placed before BoA.

**Item No. 42.7: Request of M/s GMR Hyderabad International Airport Limited for authorized operations in the sector specific SEZ for aviation at Mamidipalli village, Hyderabad, Andhra Pradesh**

Sector specific SEZ for Aviation sector at Mamidipalli village, Hyderabad, Andhra Pradesh by M/s. GMR Hyderabad International Airport Limited was notified on 20<sup>th</sup> October 2009 over an area of 101.92 hectares. The developer has requested for the following authorized operations in the **processing area**:-

| S. No. | Name of the authorized activity | No. of units | Area per unit (in sqm) as per FSI/FAR norms as applicable | Total area (in sqm)                        |
|--------|---------------------------------|--------------|---|--|
| (1)    | (2)                             | (3)          | (4)   | (5)  |
| 1.     | Construction of Apron           | 1            | NA  | 85280 sqm (length 533 meters & 160 meters) |

The developer has stated that the SEZ would have service activities like Airframe maintenance, Repair & overhaul (MRO), component MRO and Engine MRO. These MRO's would require an apron for manoeuvring and parking of aircrafts within the various MRO units in the SEZ. This is the mandatory requirement of Indian Directorate General of Civil Aviation (DGCA), European Aviation Safety Agency (EASA), Federal Aviation Administration, and (FAA) USA. This apron will be used as a common infrastructure by the various MRO units that are to be set up in the SEZ. DC VSEZ has recommended the proposal.

**Item No. 42.8: Requests for first extension of validity of formal approvals**

(i) Request of M/s. Omnibus Industrial Development Corporation of Daman & Diu and Dadra & Nagar Haveli Limited (OIDC) for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Gems & Jewellery at Kharadpada, Naroli, Dadra & Nagar Haveli, beyond 25<sup>th</sup> July 2010

(ii) Request of M/s. Bhartiya International SEZ Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Leather & Leather products at Tada Mandal, Nellore District, Andhra Pradesh, beyond 29<sup>th</sup> July 2010

(iii) Request of M/s. Mansarovar Industrial Development Corporation for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Handicraft at Kaparda, Jodhpur, Rajasthan, beyond 24<sup>th</sup> June 2010

(iv) Request of Andhra Pradesh Industrial Infrastructure Corporation Limited for extension of the validity period of formal approval, granted for setting up of sector specific

SEZ for IT/ITES at Putlampally village, Kadapa Mandal, Kadapa District, Andhra Pradesh, beyond 29<sup>th</sup> July 2010

(v) Request of Andhra Pradesh Industrial Infrastructure Corporation Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Madikonda village, Hanamkonda Mandal, Warangal District, Andhra Pradesh, beyond 25<sup>th</sup> June 2010

(vi) Request of M/s. V.R. Enterprises for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Ananthasagar village, Hasanparthy Mandal, Warangal District, Andhra Pradesh, beyond 29<sup>th</sup> July 2010

(vii) Request of M/s. Naya Raipur Development Authority for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Electronic Hardware, Software including IT/ITES at Naya Raipur, Chhattisgarh, beyond 29<sup>th</sup> July 2010

(viii) Request of M/s. Sterling SEZ and Infrastructure Limited for extension of the validity period of formal approval, granted for setting up of multi product SEZ at Jambusar, District Bharuch, Gujarat, beyond 30<sup>th</sup> September 2010

(ix) Request of M/s. Wipro Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Gopanapally and Vattungulapally villages, Serilingampally Mandal, Ranga Reddy District, Andhra Pradesh, beyond 24<sup>th</sup> June 2010

(x) Request of Electronic Corporation of Tamil Nadu Limited (ELCOT) for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Gangaikondan village, Tirunelveli Taluk, Tirunelveli District, Tamil Nadu, beyond 25<sup>th</sup> July 2010

(xi) Request of AMRL International Tech City Limited for extension of the validity period of formal approval, granted for setting up of multi product SEZ at Nanguneri Taluk, Tirunelveli District, Tamil Nadu, beyond 22<sup>nd</sup> May 2010

(xii) Request of Gujarat Industrial Development Corporation (GIDC) for extension of validity of the formal approval granted to its SPV viz Gujarat Growth Centres Development Corporation Limited (GGCDCL) for setting up of sector of sector specific SEZ for Handicraft and Artisan at village Moti Chirai, District Kutch, Gujarat, beyond 24<sup>th</sup> June 2010. The request of GIDC for transfer of formal approval in its name as well as change in area and the sector of the SEZ is also under consideration in this agenda (item no. 42.16).

(xiii) Request of M/s. Haaciendaa for 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, Tamilnadu beyond 24<sup>th</sup> October, 2009. **The developer has made a delayed request for grant of first extension of the validity of the formal approval. The BoA may also consider condoning the delay.**

**Item No. 42.9: Requests for second extension of validity of formal approvals**

**(i) Request of M/s. Mahindra & Mahindra Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Biotechnology at village Owale, Ghodbunder Road, District Thane, Maharashtra, beyond 20<sup>th</sup> August 2010**

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 28 hectares, vide LoA dated 21<sup>st</sup> August 2006. The SEZ was notified on 2<sup>nd</sup> July 2008 over an area of 22.32.7 hectares. The developer has been granted first extension of the formal approval, the validity of which is up to 20<sup>th</sup> August 2010. The developer has given the details of steps taken to implement the project and has stated that it is keen in developing the project and is putting best efforts to commence development work as soon possible. The developer needs more time to complete the project and has, therefore, requested for grant of further extension of validity of the formal approval.

**(ii) Request of M/s. Whitefield Paper Mills Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Writing and Printing Paper Mill at Tadipudi village, near Kovvur, Tallapudi Mandal, West Godavari District, Andhra Pradesh, beyond 20<sup>th</sup> August 2010**

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 121.4 hectares, vide LoA dated 21<sup>st</sup> August 2006. The SEZ was notified on 22<sup>nd</sup> December 2006 over an area of 109.81 hectares. The developer has been granted first extension of the formal approval, the validity of which is up to 20<sup>th</sup> August 2010. The developer has given the details of steps taken for implementation of the project and has stated that this is a project involving and leading to setting up Mega Units such as Large Paper Mill of 210,000 M.T. per annum and Power plant of 80 MW whose gestation period is about 2 years, and as the developer is required to arrange and provide required infrastructural facilities specially required by them, more time is required to complete the project. The developer has, therefore, requested for grant of second extension of the validity of formal approval.

**(iii) Request of M/s. Sanghi SEZ Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Ranga Reddy District, Hyderabad, Andhra Pradesh, beyond 25<sup>th</sup> June 2010**

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 202.4 hectares, vide LoA dated 26<sup>th</sup> June 2006. The SEZ was notified on 12<sup>th</sup> December 2006 over an area of 202.40 hectares. The developer has been granted first extension of the formal approval, the validity of which is up to 25<sup>th</sup> June 2010. The developer has stated that due to global financial recession during last 2 to 3 years, projects in IT/ITES sector have been deferred as the sector growth was uncertain. Now, the situation showing signs of recovery, therefore, the company would like to take up the development of the SEZ. The developer has, therefore, requested for grant of second extension of the validity of formal approval.



**(iv) Request of M/s. Unitech Kochi SEZ Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Village Kunnathundau, Taluk Morkala Desam, Ernakulam, Kerala beyond 22<sup>nd</sup> August 2010.**

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 10 hectares, vide LoA dated 23<sup>rd</sup> August 2006. The SEZ is yet to be notified. The developer has been granted first extension of the formal approval, the validity of which is up to 22<sup>nd</sup> August 2010. The developer has requested for further extension of the validity of the formal approval. The DC, CSEZ has recommended the request of the developer.

**(v) Request of Karnataka Industrial Areas Development Board (KIADB) for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Pharmaceuticals at Hassan, Karnataka, beyond 25<sup>th</sup> October 2010**

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 281.21 hectares, vide LoA dated 26<sup>th</sup> October 2006. The SEZ was notified on 18<sup>th</sup> December 2007 over an area of 109.295 hectares. The developer has been granted first extension of the formal approval, the validity of which is up to 25<sup>th</sup> October 2010. The developer has given the details of steps taken to implement the project and has stated that so far an amount of Rs. 27.03 crores has been spent up to the end of June 2010 for developmental works. The developer has further informed that expression of interest has been invited for the balance development of the SEZ on PPP model and action is being taken to select the co-developer for balance development of the said SEZ. The developer needs more time to complete the project and has, therefore, requested for grant of further extension of validity of the formal approval.

**(vi) Request of M/s. Enfield Exports Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Non-conventional energy including Solar Energy Equipment (formerly IT/ITES) at Kanksa, Panagarh Bazar, District Burdwan, West Bengal, beyond 22<sup>nd</sup> August 2010**

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 26 hectares, vide LoA dated 23<sup>rd</sup> August 2006. The SEZ was notified on 24<sup>th</sup> August 2007 over an area of 28.972 hectares. The developer has been granted first extension of the formal approval, the validity of which is up to 22<sup>nd</sup> August 2010. The developer has given the details of the steps taken, consequent upon grant of approval for change of sector of the SEZ from IT/ITES to Non-conventional energy including Solar Energy Equipment by the BoA. The developer needs more time to complete the project and has, therefore, requested for grant of further extension of validity of the formal approval.

**(vii) Request of Karnataka Biotechnology and Information Technology Services (KBITS) for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Biotechnology at Electronics City Phase III, Bangalore, Karnataka, beyond 23<sup>rd</sup> August 2010**

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 37 hectares, vide LoA dated 26<sup>th</sup> October 2006. The SEZ was notified on 22<sup>nd</sup> June 2007 over an area of 37.49 hectares. The developer has been granted first extension of the formal approval, the validity of which is up to 23<sup>rd</sup> August 2010. The developer has given the details of steps taken to implement the project and has stated that during the year

2006 expression of interest for selection of the project co-developer was invited and the process could not be materialized due to non-signing of the agreement between the selected bidder and the consortium partner. In the second instance, the Global Tenders were invited on 23.1.2009. Now, one tender of M/s. ARE Mauritius No. 5 Limited is received and evaluation process is in final stages. The developer has, therefore, sought further extension of validity of the formal approval. DC, CSEZ, has recommended the request of the developer.

**(viii) Request of M/s. Ansal SEZ Projects Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Village Badshapur, Gurgaon, Haryana, beyond 5<sup>th</sup> November 2010**

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 10.93 hectares, vide LoA dated 6<sup>th</sup> November 2006. The SEZ was notified on 15<sup>th</sup> May 2008 over an area of 10.9915 hectares. The developer has been granted first extension of the formal approval, the validity of which is up to 5<sup>th</sup> November 2010. The developer has stated that the process of preparation of master plan and seeking environment clearance has already been initiated. Further after approval of the master plan the construction activity would commence. The developer has also stated that earlier due to the economic slowdown in the IT sector the company was unable to start construction at the site. The developer has, therefore, sought further extension of validity of the formal approval.

**(ix) Request of M/s. Wockhardt Infrastructure Development Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Pharmaceutical at MIDC Industrial Area, Shendre, Aurangabad, Maharashtra, beyond 2<sup>nd</sup> November 2010**

The developer was granted formal approval for setting up the above mentioned SEZ, over an area of 107 hectares, vide LoA dated 3<sup>rd</sup> November 2006. The SEZ was notified on 17<sup>th</sup> April 2007 over an area of 107.06 hectares. The developer has been granted first extension of the formal approval, the validity of which is up to 2<sup>nd</sup> November 2010. The developer has given the details of steps taken to implement the project and has stated that the work is in progress and the SEZ is likely to be operationalised very soon. The developer need some more time to operationalise the SEZ and has, therefore, sought further extension of validity of the formal approval.

**Item No. 42.10: Requests for grant of second extension of in-principle approval.**

| S. No. | Name of the Developer           | Sector and area              | Location of the SEZ                                    | Percentage of land in possession of developer as on expiry of validity of in-principle approval  |
|--------|---------------------------------|------------------------------|--|--|
| 1.     | M/s. Reliable Smartcity Limited | Multi Product, 1010 hectares | Pachama (Abdullah Pur) District Sehore, Madhya Pradesh | In-principle approval was granted vide LoA dated 10 <sup>th</sup> September 2008. The developer has already been granted first extension, the validity of which is up to 9 <sup>th</sup> September 2010. The developer has now requested for further extension of validity stating that the company has already acquired 800 acres (323.76 hectares) of land and is in the process of acquiring balance land. Further, some more time is required to complete the aggregation of minimum area required for a multi product |

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  | SEZ. The developer has also stated that the State Government is about to allot 59.633 hectares (147 acres), after allotment of which the company will apply for formal approval of the sector specific SEZ for agriculture and food processing consisting 300-400 acres and gradually scaling up into a multi product SEZ. |
|--|--|--|--|--|

**Item No. 42.11: Requests for grant of third extension of in-principle approval.**

| S. No. | Name of the Developer            | Sector and area              | Location of the SEZ                       | Percentage of land in possession of developer as on expiry of validity of in-principle approval  |
|--------|----------------------------------|------------------------------|---|--|
| 1.     | M/s. Amira Foods (India) Limited | Agro Based, 101.981 hectares | between Karnal & Ambala District, Haryana | In-principle approval was granted vide LoA dated 26 <sup>th</sup> July 2007. The developer has already been granted two extensions. The validity of last extension was upto 25 <sup>th</sup> July 2010. The developer has now requested for further extension of validity stating that the company has already acquired 180 acres (72.846 hectares) of land out of total requirement of 252 acres (101.981 hectares). The remaining land would be tied up and registered in the name of the company at the earliest. |

**Item No. 42.12: Requests for de-notification**

**(i) Request of M/s. Base Realty Private Limited for de-notification of the notified sector specific SEZ for IT/ITES at Village Hinjewadi, Taluka Mulshi, Pune, Maharashtra**

Sector specific SEZ for IT/ITES at Village Hinjewadi, Taluka Mulshi, Pune, Maharashtra to be developed by M/s. Base Realty Private Limited was notified on 15<sup>th</sup> May 2008 over an area of 10.56.15 hectares. Now, the developer has requested for de-notification of the SEZ due to economic slowdown and poor demand for space in the industry and also due to uncertainty regarding continuity of fiscal concessions under the Direct Taxes Code regime. It has also been stated by the developer that there are no operational units in the SEZ. The developer has also given an undertaking that it has not availed any benefit under SEZ Act and Rules.

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

**(ii) Request of M/s. Raheja Universal Limited for de-notification of the notified sector specific SEZ for IT/ITES at Raheja Infocity – 1, Plot No. 2/1/B, Block –D, Trans – Thane, Maharashtra**

The above mentioned SEZ was notified on 13<sup>th</sup> June 2007 over an area of 20.654 hectares. Subsequently, on request of the developer, an area of 10.13 hectares was de-notified on 6<sup>th</sup> January 2010 making area of the SEZ as 10.524 hectares. Now, the developer has requested for de-notification of the SEZ stating that the shareholders as well as Board of

Directors of the developer have revaluated the plan for the development of SEZ and feel that it will not be financially feasible to develop the SEZ project due to the ongoing uncertainty in IT/ITES sector. Further, the uncertainty regarding the availability of the tax holiday to units set up in the SEZ under the proposed Direct tax Code regime has also adversely impacted the demand for space in IT/ITES SEZs. The developer has also stated that it has not availed any benefit under SEZ Act and Rules.

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

**Item No. 42.13: Requests for withdrawal of formal approval**

**(i) Withdrawal of formal approval granted to Uttar Pradesh State Industrial Development Corporation Limited for setting up of sector specific SEZ for IT/ITES at Tronica City, Ghaziabad, Uttar Pradesh**

M/s. Uttar Pradesh State Industrial Development Corporation Limited was granted formal approval for setting up of sector specific SEZ for IT/ITES at Tronica City, Ghaziabad, Uttar Pradesh, over an area of 10.975 hectares, vide LoA dated 25<sup>th</sup> June 2008. Now, the developer has submitted that due to lack of sufficient demand it has not been able to set up the project. The developer has, therefore, requested for withdrawal of formal approval granted for setting up of the above mentioned SEZ.

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

**(ii) Withdrawal of approval granted to M/s. Mahindra Holidays & Resorts India Limited for co-developer in the sector specific SEZ for IT , Hardware and bio-informatics at Chennai developed by M/s. Mahindra World City Developers Limited**

M/s. Mahindra Holidays & Resorts India Limited was granted approval for co-developer for developing total infrastructure in approximately 3 acres of land in the non-processing area in the above mentioned SEZ, vide LoA dated 14<sup>th</sup> February, 2007. Now, the developer has submitted that it could not implement its hotel infrastructure plan in view of the change in its business plans and consequently has decided to surrender the plot back to developer on getting necessary approvals from the BoA. The co-developer has, therefore, requested for withdrawal of approval granted for becoming a co-developer in the above mentioned SEZ. The co-developer has stated that it has not taken any steps for commencement of construction on the PLOT and, therefore, has not availed any duty/tax, benefits under the SEZ Act/Rules. The developer has also conveyed its no objection to the request of the co-developer for withdrawal of approval.

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

**(iii) Withdrawal of formal approval granted to M/s. Glenmark Pharmaceuticals Limited for setting up of sector specific SEZ for Biotechnology at Shendra Five Star Industrial Area, Maharashtra**

M/s. Glenmark Pharmaceuticals Limited was granted formal approval for setting up of sector specific SEZ for Biotechnology at Shendra Five Star Industrial Area, Maharashtra, over an area of 11.89 hectares, vide LoA dated 27<sup>th</sup> May 2009. Now, the developer has stated that the company's SEZ business plan has become less relevant due to passage of time.

Therefore, it has been decided not to pursue the proposed SEZ. The developer has, therefore, requested for withdrawal of formal approval granted for setting up of the above mentioned SEZ. DC, SEEPZ has also recommended the request of the developer.

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

**(iv) Withdrawal of formal approval granted to Maharashtra Industrial Development Corporation Limited (MIDC) for setting up of sector specific SEZ for Biotech (originally IT/ITES) at Ambernath, District Thane, Maharashtra**

Maharashtra Industrial Development Corporation Limited (MIDC) was granted formal approval for setting up of sector specific SEZ, over an area of 16.5 hectares, vide LoA dated 25<sup>th</sup> October 2006. Now, the developer has requested for withdrawal of formal approval granted for setting up of the above mentioned SEZ. The Government of Maharashtra has recommended the requested the request of the developer. DC, SEEPZ has also recommended the request of the developer.

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

**(v) Withdrawal of formal approval granted to M/s. Strength Real Estate Private Limited for setting up of sector specific SEZ for IT/ITES at Vemali District, Vadodara, Gujarat**

M/s. Strength Real Estate Private Limited was granted formal approval for setting up of sector specific SEZ for IT/ITES at Vemali District, Vadodara, Gujarat, over an area of 13.74 hectares, vide LoA dated 3<sup>rd</sup> September 2008. Now, the developer has requested for withdrawal of formal approval for the following reasons (i) Global recession (ii) unsuitability of land allotted by Government of Gujarat for setting up of the IT/ITES SEZ and (iii) discontinuation of benefits to SEZ units operating after 31/03/2011 as envisaged in the proposed Direct Tax Code. The developer has further informed that the land for proposed SEZ has been surrendered to the Government of Gujarat and the same accepted by them.

The request of the developer for withdrawal of formal approval granted for setting up of the above mentioned SEZ is placed before BoA for consideration.

**Item No. 42.14: Requests for increase/decrease in area**

**(i) Request of M/s Arshiya Northern FTWZ Limited for addition of area in the FTWZ at village Ibrahimpur, Junaidpur Urf, Moujpur, Bulandshar, Uttar Pradesh**

The developer was granted formal approval for setting up of the above mentioned FTWZ, over an area of 40.076 hectares, vide LoA dated 27<sup>th</sup> February 2009. The FTWZ is yet to be notified. The developer has now requested for addition of an area of 11.363 hectares to the proposed FTWZ, thereby making the total area of the FTWZ as 51.439 hectares. The developer has informed that the land proposed to be added is in its possession. The developer has also informed that the land is vacant, contiguous and free from encumbrance.

The request of the developer for increase in area is submitted for consideration of the Board of Approval.

**(ii) Request of M/s. Bagmane Developers Private Limited for decrease in area in the notified sector specific SEZ for IT/ITES at Raman Nagar, K.R. Puram, Bangalore Karnataka**

The developer was granted formal approval for setting up of the sector specific SEZ for IT/ITES at Raman Nagar, K.R. Puram, Bangalore, Karnataka, over an area of 15.5 hectares vide LoA dated 26.10.2006. The formal approval was subsequently extended and is valid upto 25.10.2011. The SEZ is yet to be notified. The developer has sought approval for decreasing the area of the SEZ by 5.08 hectares, thereby, making the area of the proposed SEZ as 10.42 hectares.

The developer has stated that the land on which it had proposed to set up an IT/ITES SEZ has an access road in between because of which the total said land area was divided into two parts each of 17 acres and 22 acres. Therefore, in order to ensure contiguity, the developer has decided to develop the SEZ on 17 acres of land by adding additional land of 8 acres 7 guntas which is contiguous to existing land and is in possession of the developer. Thus the resultant area of the proposed SEZ comes to 10.42 hectares from 15.5 hectares.

The request of the developer for decrease in area is submitted for consideration of the Board of Approval.

**Item No. 42.15: Request of M/s. Enfield Realtors Limited for restoration of formal approval granted for setting up of sector specific SEZ for Biotechnology at Kanksa, Pangarh, District Burdwan, West Bengal and for changing of the sector of the SEZ to Non-conventional Energy including Solar Energy Equipment/cell**

M/s. Enfield Realtors Limited was granted formal approval for setting up of the sector specific SEZ for Biotechnology sector, over an area of 10.12 hectares, at Kanksa, Panagarh, District Burdwan, West Bengal, vide LoA 23<sup>rd</sup> May 2007. Subsequently, M/s. Enfield Realtors Limited made a request for withdrawal of formal approval which was considered and approved in the BoA meeting held on 5<sup>th</sup> November 2009. LoA was issued on 13<sup>th</sup> November, 2009. The developer has sought withdrawal of formal approval to enable M/s. Enfield Energy Limited which is its holding company and which is also developer of the sector specific SEZ for non-conventional energy including solar energy equipment/cell at Burdwan District, West Bengal, increase its area. However, at the time of notification of the additional area in respect of M/s. Enfield Energy Limited, it was noticed that the land is still in the name of M/s. Enfield Realtors Limited. Therefore, the notification of the additional area in respect of M/s. Enfield Energy Limited, as also approved by the BoA on 5<sup>th</sup> November 2009, has not yet been issued.

The developer has now requested for restoration of the formal approval which was withdrawn by the BoA stating that since the merger of the M/s. Enfield Realtors Limited and M/s. Enfield Energy Limited may take time it desires to get the SEZ notified in the name of M/s. Enfield Realtors Limited. The developer has also requested for changing the sector of the SEZ from “**Biotechnology**” to “**Non-conventional including Solar Energy Equipment/cell**”.

The approval to the request of M/s. Enfield Realtors Limited would also entail withdrawal of approval of the BoA, granted in the meeting held on 5<sup>th</sup> November 2009, to M/s. Enfield Energy Limited for increasing the area of the SEZ by 11.42 hectares.

The request of the developer is submitted for consideration of the Board of Approval.

**Item No. 42.16: Request of Gujarat Growth Centres Development Corporation Limited (GGCDCL) for transfer of formal approval, decrease in area and change of sector of the sector specific SEZ for Handicraft and Artisan at village Moti Chirai, District Kutch, Gujarat**

Formal approval was granted to GGCDCL for setting up of sector specific SEZ for Handicraft at village Moti Chirai, District Kutch, Gujarat, over an area of 131-59-62 hectares, vide LoA dated 25<sup>th</sup> June 2007. The SEZ is yet to be notified. It has been informed that the activities of GGCDCL had been transferred to Gujarat Industrial Development Corporation (GIDC). Further, GGCDCL was essentially an SPV of GIDC set up to establish Growth Centre in the State of Gujarat. In view of the above it has now been decided that GIDC would be the developer of the above mentioned SEZ. GIDC has, therefore, requested for transfer of formal approval in its name. GIDC has also stated that a SEZ of 131-59-62 hectares would not be viable for artisan/handicraft sector, therefore, it has now been decided to develop the proposed SEZ on an area of 15 hectares instead of 131-59-62 hectares at the same location for “Handicraft” sector. GIDC has, therefore, also requested for decreasing the area of the SEZ from “131-59-62 hectares” to “15 hectares” and changing the sector of the SEZ from “Handicraft and Artisan” to “Handicraft”.

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

**Item No. 42.17: 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**

Multi Product SEZ at Nasik, Maharashtra, being developed by M/s. Indiabulls Industrial Infrastructure Limited was notified on 27th October 2009, over an area of 1006.96 hectares. M/s. Indiabulls Realtech Limited has been granted approval for becoming a co-developer in the aforesaid SEZ, for setting up a 1350 MW Power Plant. In the BoA meeting held on 8th June 2010, the co-developer was inter-alia granted approval for Ash Utilisation and beneficiation such as brick and block making plant over an area of 2.5 acres as an authorized operation subject to condition that the co-developer will not trade the bricks and blocks made out of thermal ash in the DTA.

The co-developer has now requested for waiver of condition prohibiting trading bricks and blocks made out of thermal ash in the DTA area. The detail justification furnished by the co-developer is at **Annexure - 4**. The request of the developer is submitted for consideration of the BoA.

**Item No. 42.18: 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 other services in telecommunication SEZ at Sriperumbudur, Tamil Nadu developed by M/s. Nokia India Private Limited**

Sector specific SEZ for manufacture and assembling of electronics, telecommunication and IT hardware and development of software, R&D services and other services in telecommunication at Kancheepuram, Tamil Nadu by M/s. Nokia India Private Limited was notified on 17<sup>th</sup> August 2005 over an area of 85.375 Ha. The said SEZ was re-

notified on 19<sup>th</sup> July 2006. M/s. Apollo Hospitals Enterprise Limited has been approved as a co-developer in the aforesaid SEZ vide, LoA dated 21<sup>st</sup> August, 2009. In the 37<sup>th</sup> BoA meeting held on 15<sup>th</sup> December 2009 the co-developer was granted approval for setting up of 60 bedded hospital (having an area of 4,010 sqm.) as an authorized operation in the **non-processing area** of the SEZ, subject to the following:

- (a) The hospital will provide coverage only to the zone, adjoining SEZ zones and trauma cases arising out of accidents on the highway;
- (b) No outside patients will be entertained other than the category specified above; and
- (c) Nokia SEZ, the developer must be informed of the decision of the BoA in this regard so that the spirit of the approval is maintained

The developer has requested for waiver of the above conditions stating that it interferes with their professional medical ethics, is not commercially viable and can cause serious operational ineffectiveness leading to loss of lives. The request was considered in the BoA meeting held on 9<sup>th</sup> April 2010. BoA, decided to **defer** the request of M/s. Apollo Hospitals Enterprise Limited and directed that the detailed justification be obtained from the co-developer for relaxing the conditions which should also include the reasons why a large SEZ like Nokia and other adjacent SEZs are not adequate to provide sufficient patient load. The developer has since furnished justification for waiver of the conditions (**Annexure - 5**). The request of the developer is submitted for consideration of the BoA.

**Item No. 42.19: Request of M/s. Tata Consultancy Services Limited, a unit in Siruseri SEZ, Chennai for setting up disastrous recovery site in case of a disaster in SEZ location like terrorist attack and natural calamities**

M/s. Tata Consultancy Services Limited (TCSL) is a unit holder as well as a developer of the sector specific SEZ for IT/ITES at Siruseri, Chennai. M/s. TCS e-Serve International Limited, a subsidiary of TCSL is a unit in the DLF SEZ, Chennai.

M/s. Tata Consultancy Services Limited has requested permission for approval for disastrous recovery site in case of a disaster in SEZ location like the terrorist attacks and natural calamities stating that in case of an emergency, the operations which are being carried out from the Siruseri SEZ may have to be temporarily shifted to TCS e-Serve International Limited a DLF SEZ.

They have also submitted that the operation will be done through sitcom connections from SEZ. There would not be any specific network connection exclusively for the same. There is no duplication of any infrastructure and the manpower mobilization during the disaster period on the circumstances. Further, the movement would be only on temporary basis and only manpower would be shifted and not capital goods and in case of such a movement they would inform the Development Commissioner office.

DC, IT/ITES, Tamil Nadu to which the unit has made the above request has referred to the instruction no. 59 issued by this department and has requested for consideration of the request of the unit by the BoA. DC has also requested for clarification as to whether such requests are to be placed before BoA.



#### **Item No. 42.20: 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**

M/s. Navi Mumbai SEZ Private Limited was granted formal approval for setting up of multi product SEZ at Dronagiri, Navi Mumbai, Maharashtra vide LoA dated 30.07.2007. The said SEZ was notified on 21.11.2007 over an area of 1233.6767 hectares. In the BoA meeting held on 5<sup>th</sup> November 2009 the following request of the developer was considered:-

- (a) Relaxation of condition originally imposed for ensuring contiguity;
- (b) Relaxation of the condition of construction of under passes, for which they have suggested secured connectivity on the ground, and
- (c) Approval for construction of seven multi entry/exit points in their Multi Product SEZ at Dronagiri, Navi Mumbai, Maharashtra **(in view of relaxation sought vide (b) above)**;
- (d) Approve two numbers of sky walks in place of flyovers for establishing contiguity between processing areas.

The request was last considered in the BoA meeting held on 11<sup>th</sup> February 2010 and was deferred on the request of Department of Revenue. Department of Revenue have since submitted the report and have not supported the revised proposal of Navi Mumbai SEZ. Their detailed comments may kindly be seen at **Annexure – 6**.

#### **Item No. 42.21: Requests for transfer of units from one SEZ to another**

##### **(i) Request of M/s Tech Mahindra Limited, a unit in Mahindra World City SEZ, Chennai (MWC SEZ) for transfer of the unit to Shriram Properties & Infrastructure Private Limited, Chennai (Shriram Gateway SEZ)**

M/s Tech Mahindra is holding LoA for IT/ITES. The unit has requested for shifting its location to the IT/ITES SEZ being developed by M/s. Shriram Properties & Infrastructure Private Limited at Perungalathur village, Chennai. The request was considered in the BoA meeting held on 13<sup>th</sup> July 2010 and was deferred as it was decided that DC MEPZ will further discuss the issue with the unit and once the unit clearly indicates that it is ready to shift after appreciating all the nuances, the proposal can be brought back before BoA.

As per the directions of the BoA, DC MEPZ, has discussed the issue with M/s Tech Mahindra Limited and has intimated that the unit has understood that the unit is seized of the nuances of the proposal, including the tax angle and have taken a conscious decision to request for the shifting of their unit from MWC SEZ to Shriram Gateway SEZ, and therefore requested that the matter be placed before the BoA for consideration of the request. The report of the DC is at **Annexure - 7**.

##### **(ii) Request of M/s Gujarat Textiles, a unit in FALTA SEZ for transfer of the unit to Kandla SEZ**

M/s Gujarat Textiles is holding LoA for manufacture of processed garments/all kind of rags etc. The unit has requested for shifting its location to Kandla SEZ stating that due to the increase in transactional cost they are unable to operate the unit at full capacity. The

detailed justification given by the unit for the proposed transfer is at **Annexure - 8**. The request of the unit is placed before the BoA for consideration.

**Item No. 42.22: Requests for additional entry/exit gate**

**(i) Requests for additional entry/exit point in respect of multi product SEZ at Nasik, Maharashtra by M/s. Indiabulls Industrial Infrastructure Limited**

Multi Product SEZ at Nasik, Maharashtra, being developed by M/s. Indiabulls Industrial Infrastructure Limited was notified on 27th October 2009, over an area of 1006.96 hectares. The developer has now requested DC SEEPZ for approval of 2 nos entry/exit points to the processing area. The developer has stated that in view of the pattern of demand being received from the prospective units, it has been decided to develop their SEZ in phased manner to optimize on development costs and considering operational requirements of the prospective industrial units. The first phase identified for processing area construction is strategically located in the longitudinal centre of the 5 KM length of the site. Accordingly, an area of 18203 hectares has been earmarked to be developed as processing area in first phase. This has necessitated second entry/exit point. The DC has referred to rule 11 (2) of SEZ rules 2006 of the SEZ rules and has requested that the request of the developer be placed before the BoA.

**(ii) Requests for additional entry/exit point in respect of multi product SEZ at village – Kendurs, Nimgaon, Dawdi and Kanhersar, District Pune, Maharashtra by M/s. Khed Economic Infrastructure Private Limited**

The above Multi Product SEZ at District Pune, Maharashtra, being developed by M/s. Khed Economic Infrastructure Private Limited was notified on 16<sup>th</sup> June 2010, over an area of 1000 hectares. The developer has now requested DC SEEPZ for approval of 3 (three) entry/exit points to the processing area and manner of putting up of boundary wall and fencing as follows:-

**A. Entry/exit points**

- |      |  |   |       |
|------|--|---|-------|
| (i)  | Entry/exit gate for industrial traffic | - | 2 nos |
| (ii) | Additional entry/exit                  | - | 1 nos |

**B. Boundary wall/fencing**

- (i) **Boundary wall:** A boundary wall of total height of 2.4 metres, comprising of 1.80 metres high masonry wall above plinth level with 0.60 metres high barbed wire fencing to be construction in prominently viable areas from the roads/approaches and near entry & exit gates
- (ii) **Fencing:** A chain link fence of total height of 2.4 metres, comprising of 0.60 metres masonry wall with 1.80 metres high chain linked fencing on top for all other area.

The DC has referred to rule 11 (2) of SEZ rules 2006 of the SEZ rules and has requested that the request of the developer be placed before the BoA.

**Item No.42.23: Ex-post facto approval by Board of Approval**

**(i) Request of Indian Strategic Petroleum Reserves Ltd. (ISPRL) for co-developer in the sector specific SEZ for Petrochemicals and Petroleum sector at Baikampady, near Mangalore, Dakshina Kannada District, Karnataka, being developed by M/s. Mangalore SEZ Limited**

The above mentioned SEZ was notified on an area of 587.91 hectares, on 6<sup>th</sup> November 2007. The request of ISPRL for becoming a co-developer in the aforesaid SEZ for establishment of 1.50 MMT of strategic crude oil storage over an area of 100 acres of land out of the total land identified for the purpose of FTWZ by the developer was considered in the BoA meeting held on 11<sup>th</sup> February 2010. It was decided that the matter would be examined on file for a decision keeping in view that the facility is of national strategic importance. Co-developer agreement dated 18<sup>th</sup> November 2009 between the developer and co-developer has been provided. Accordingly, the matter was examined and it was decided to approve the request of ISPRL for becoming co-developer in the SEZ. The approval letter has been issued on 12<sup>th</sup> August 2010. This is placed before the BoA for information/ratification.

**Item No. 42.24: Appeals before BoA**

**(i) Appeal of M/s. Arshiya International Limited against the order of DC SEEPZ SEZ rejecting its request for Duty free Import/procurement of diesel for the authorized operations**

The FTWZ at Sai village, Taluka Panvel, District Raigad, Maharashtra by M/s. Arshiya International Limited was notified on 4<sup>th</sup> May 2009 over an area of 45.76 hectares. The developer had requested DC SEEPZ for Duty free Import/procurement of diesel for the authorized operations. The request was considered by the Unit Approval Committee (UAC) on 3<sup>rd</sup> June 2010 and was rejected on the grounds that generally duty-free imports/procurement of diesel is not considered by the Department of Revenue and since diesel is a consumable and the definition of the term “consumable” as per the SEZ Rules specifies for use for manufacturing. The developer has stated that the issue was earlier discussed in the meeting held in the Department of Commerce to discuss various issues regarding the FTWZ's. Thereafter, clarifications were issued on FTWZ issues vide instruction no. 49 dated 12<sup>th</sup> March 2010 wherein it was also clarified that Rule 27 of SEZ Rules permits a developer to procure all types of diesel is permitted for authorized operations in the processing area including material handling equipment. The developer has, therefore, filed an appeal against the decision of UAC.

**(ii) Appeal of M/s. Sarvan Commercial Private Limited, a unit in Manikanchan Special Economic Zone, Kolkata against the order of DC Manikanchan SEZ rejecting its request of the unit for further extension of LoP**

M/s. Sarvan Commercial Private Limited was allotted a ready built up space of 465 sqms in Manikanchan SEZ in the year 2003 by West Bengal Industrial Development Corporation (WBIDC), the developer of the SEZ. While similarly placed other units took LoP and started their manufacturing activities and the consequential export, the unit did not undertake any such activity and did not submit any application to the Development Commissioner requesting for issuance of LoP for getting due possession of ready built up area. The matter went up to High Court as WBIDC was on the verge of cancelling the

allotment of the unit for non-payment of its dues. The matter was subsequently settled by the Hon'ble High Court's order in which the writ petition was disposed of by a direction that the petitioner should pay the outstanding dues within the period of 7 days. The unit then applied for LoP, for manufacturing Gold and Jewellery, which was issued on 1<sup>st</sup> September 2008 with the direction that the unit should start its export activity within one year from the date of issue of LoP. The unit did not commence any export within one year and sought further extension due to economic slow-down. The request of the unit was considered by the UAC in its meeting on 18.09.2009 and the UAC granted an extension of 6 months i.e. upto 28<sup>th</sup> February, 2010 with the comments that the unit had to start its export activity within the period. After expiry of the last extension the unit again sought extension of LoP. This time before considering the request of the unit, the comments of WBIDC was obtained. WBIDC had sent its comments that the LoP of the unit should not be extended further and suitable action should be taken against the unit for cancellation of the LoP and vacation of space. Thereafter, the request was considered by the UAC on 26.03.2010 and was rejected. The decision of the UAC was conveyed to the unit by speaking order dated 6<sup>th</sup> May 2010.

Now aggrieved by the decision of the UAC the unit has preferred an appeal before the BoA for setting aside the order dated 6<sup>th</sup> May 2010 and extending the validity of its LoP for one year to start the unit and to implement the project.

**(iii) Appeal of M/s. Purbanchal Power Company Limited, a unit in Manikanchan Special Economic Zone, Kolkata against the order of DC Manikanchan SEZ rejecting its request of the unit for further extension of LoP**

M/s. Pritam Marketing Private Limited was allotted a ready built up space of 465 sqms in Manikanchan SEZ in the year 2003 by West Bengal Industrial Development Corporation (WBIDC), the developer of the SEZ. While similarly placed other units took LoP and started their manufacturing activities and the consequential export, the unit did not undertake any such activity and did not submit any application to the Development Commissioner requesting for issuance of LoP for getting due possession of ready built up area. The matter went up to High Court as WBIDC was on the verge of cancelling the allotment of the unit for non-payment of its dues. The matter was subsequently settled by the Hon'ble High Court's order in which the writ petition was disposed of by a direction that the petitioner should pay the outstanding dues within the period of 7 days. It is submitted that although the original allotment was made by WBIDC was in the name of M/s. Pritam Marketing Private Limited, the writ petition in the Hon'ble High Court was filed by M/s. Purbanchal Power Company Limited.

M/s. Purbanchal Power Company Limited then applied for LoP, for manufacturing Gold and Jewellery, which was issued on 1<sup>st</sup> September 2008 with the direction that the unit should start its export activity within one year from the date of issue of LoP. The unit did not commence any export within one year and sought further extension due to economic slow-down. The request of the unit was considered by the UAC in its meeting on 18.09.2009 and the UAC granted an extension of 6 months i.e. up to 28<sup>th</sup> February, 2010 with the comments that the unit had to start its export activity within the period. After expiry of the last extension the unit again sought extension of LoP. This time before considering the request of the unit, the comments of WBIDC was obtained. WBIDC had sent its comments that the LoP of the unit should not be extended further and suitable action should be taken against the unit for cancellation of the LoP and vacation of space. Thereafter, the request was considered by the UAC on 26.03.2010 and was rejected. The decision of the UAC was conveyed to the unit by speaking order dated 21.04.2010.

Now aggrieved by the decision of the UAC the unit has preferred an appeal before the BoA for setting aside the order dated 21.04.2010 and extending the validity of its LoP for one year to start the unit and to implement the project.

**(iv) Appeal of M/s. Janaki Marketing Private Limited, a unit in Manikanchan Special Economic Zone, Kolkata against the order of DC Manikanchan SEZ rejecting its request of the unit for further extension of LoP**

M/s. Janaki Marketing Private Limited was allotted a ready built up space of 465 sqms in Manikanchan SEZ in the year 2003 by West Bengal Industrial Development Corporation (WBIDC), the developer of the SEZ. While similarly placed other units took LoP and started their manufacturing activities and the consequential export, the unit did not undertake any such activity and did not submit any application to the Development Commissioner requesting for issuance of LoP for getting due possession of ready built up area. The matter went up to High Court as WBIDC was on the verge of cancelling the allotment of the unit for non-payment of its dues. The matter was subsequently settled by the Hon'ble High Court's order in which the writ petition was disposed of by a direction that the petitioner should pay the outstanding dues within the period of 7 days. M/s. Janaki Marketing Private Limited then applied for LoP, for manufacturing Gold and Jewellery, which was issued on 1<sup>st</sup> September 2008 with the direction that the unit should start its export activity within one year from the date of issue of LoP. The unit did not commence any export within one year and sought further extension due to economic slow-down. The request of the unit was considered by the UAC in its meeting on 18.09.2009 and the UAC granted an extension of 6 months i.e. upto 28<sup>th</sup> February, 2010 with the comments that the unit had to start its export activity within the period. After expiry of the last extension the unit again sought extension of LoP. This time before considering the request of the unit, the comments of WBIDC was obtained. WBIDC had sent its comments that the LoP of the unit should not be extended further and suitable action should be taken against the unit for cancellation of the LoP and vacation of space. Thereafter, the request was considered by the UAC on 26.03.2010 and was rejected. The decision of the UAC was conveyed to the unit by speaking order dated 29.04.2010.

Now aggrieved by the decision of the UAC the unit has preferred an appeal before the BoA for setting aside the order dated 29.04.2010 and extending the validity of its LoP for one year to start the unit and to implement the project.

**(v) Appeal of M/s. Anchita Commercial Private Limited, a unit in Manikanchan Special Economic Zone, Kolkata against the order of DC Manikanchan SEZ rejecting its request of the unit for further extension of LoP**

M/s. Anchita Commercial Private Limited was allotted a ready built up space of 465 sqms in Manikanchan SEZ in the year 2003 by West Bengal Industrial Development Corporation (WBIDC), the developer of the SEZ. While similarly placed other units took LoP and started their manufacturing activities and the consequential export, the unit did not undertake any such activity and did not submit any application to the Development Commissioner requesting for issuance of LoP for getting due possession of ready built up area. The matter went up to High Court as WBIDC was on the verge of cancelling the allotment of the unit for non-payment of its dues. The matter was subsequently settled by the Hon'ble High Court's order in which the writ petition was disposed of by a direction that the petitioner should pay the outstanding dues within the period of 7 days. M/s. Anchita

Commercial Private Limited then applied for LoP, for manufacturing Gold and Jewellery, which was issued on 1<sup>st</sup> September 2008 with the direction that the unit should start its export activity within one year from the date of issue of LoP. The unit did not commence any export within one year and sought further extension due to economic slow-down. The request of the unit was considered by the UAC in its meeting on 18.09.2009 and the UAC granted an extension of 6 months i.e. up to 28<sup>th</sup> February, 2010 with the comments that the unit had to start its export activity within the period. After expiry of the last extension the unit again sought extension of LoP. This time before considering the request of the unit, the comments of WBIDC was obtained. WBIDC had sent its comments that the LoP of the unit should not be extended further and suitable action should be taken against the unit for cancellation of the LoP and vacation of space. Thereafter, the request was considered by the UAC on 26.03.2010 and was rejected. The decision of the UAC was conveyed to the unit by speaking order dated 29.04.2010.

Now aggrieved by the decision of the UAC the unit has preferred an appeal before the BoA for setting aside the order dated 29.04.2010 and extending the validity of its LoP for one year to start the unit and to implement the project.

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

M/s. Erba Diagnostics Mannheim GmbH had submitted application for setting up a unit in SEEPZ SEZ for manufacturing an export of medical instruments viz Blood Testing Analysers and Spare Parts and Accessories. The request of M/s. Erba Diagnostics Mannheim GmbH was considered by the Approval Committee in its meeting held on 26.03.2010 and was rejected as committee noted that the promoter has been penalized under FT (D&R) Act for violation. The decision of the Approval Committee was conveyed vide letter dated 12.04.2010.

Now aggrieved by the decision of the Approval Committee, M/s. Erba Diagnostics Mannheim GmbH have preferred an appeal before the BoA.

**(vii) Appeal of M/s. Meghmani Industries Limited, a unit in Dahej SEZ against cancellation of its LoP**

M/s. Meghmani Speciality Chemicals Limited (MSCL) was granted LoP on 03.03.2008 for manufacturing SO Dyes Intermediates, Optical Brightening Agent, Agrochemicals and other chemicals falling under chapter 23, 32 & 38 of ITC HS. Subsequently, the unit was granted approval for transfer of LoP to its parent company viz. M/s. Meghmani Industries Limited (MIL). The LoP of the unit was also extended up to 02.03.2011

Later it was decided to review the approval given to the unit for mis-declaration as it came to the notice of Approval Committee that the unit had not declared the details pertaining to cases of contravention of Customs Act 1962, Central Excise 1944 which was required to have been disclosed in the application Form 'F' submitted for setting up the unit in Dahej SEZ. Thereafter in the Unit Approval Committee meeting held on 25<sup>th</sup> June 2010, it was decided to cancel the LoP of the unit as per Section 16 (1) of SEZ Act, 2005. The decision of the UAC was communicated to the unit on 2<sup>nd</sup> July, 2007.

Now aggrieved by the decision of the Approval Committee, M/s. Meghmani Industries Limited have preferred an appeal before the BoA for restoration of LoA.

The matter was also examined on file and it has been decided to suspend the cancellation of LoP of M/s. Meghmani Industries Limited till a final decision on its appeal is taken by the Board of Approval.

**(viii) Appeal of M/s. Meghmani Chemtech Limited, a unit in Dahej SEZ against cancellation of its LoP**

M/s. Meghmani Organics Limited (MOL) was granted LoP on 05.05.2008 for manufacturing of Pigments, High performance pigments, its intermediates, Basic/Fine chemicals and its Derivatives, Agrochemicals-Technical & its formulation in Bulk and formulation in small falling under chapter 29,32,34 & 38 of ITC HS. Subsequently, the unit was granted approval to implement the project under a SPV viz. M/s. Meghmani Chemtech Limited (MCL). The LoP of the unit was also extended up to 31.12.2010.

Later it was decided to review the approval given to the unit for mis-declaration as it came to the notice of Approval Committee that the unit had not declared the details pertaining to cases of contravention of Customs Act 1962, Central Excise 1944 which was required to have been disclosed in the application Form 'F' submitted for setting up the unit in Dahej SEZ. Thereafter in the Unit Approval Committee meeting held on 25<sup>th</sup> June 2010, it was decided to cancel the LoP of the unit as per Section 16 (1) of SEZ Act, 2005. The decision of the UAC was communicated to the unit on 2<sup>nd</sup> July, 2007.

Now aggrieved by the decision of the Approval Committee, M/s. Meghmani Chemtech Limited have preferred an appeal before the BoA for restoration of LoA.

The matter was also examined on file and it has been decided to suspend the cancellation of LoP of M/s. Meghmani Chemtech Limited till a final decision on its appeal is taken by the Board of Approval.

**(ix) Appeal of M/s. Golkunda Diamonds and Jewellery Limited, a unit in Surat SEZ against cancellation of its LoP**

The unit was granted LoP on 22.12.2007 for manufacturing of diamonds and gems studded jewellery and plain gold jewellery and plain gold jewellery. The unit was also granted two extensions. The validity of the last extension was upto 21.12.2009. The unit failed to implement the project as per the terms and conditions of the LoP and was, therefore, issued a Show Cause notice for cancellation of LoP. Personal hearing was also granted. Thereafter, the LoP of the unit was cancelled by the DC on 11.06.2010, in terms of the provisions contained in Rule 19(5) to the effect that if no production is commenced within original or extended validity of LoA, the same is deemed to have lapsed. Later the matter was placed before the Unit Approval Committee on 15.07.2010 and the committee ratified the action taken by the DC Surat SEZ.

Now aggrieved by the cancellation of its LoP M/s. Golkunda Diamonds and Jewellery Limited have preferred an appeal before the BoA for restoration of LoP.

**(x) Appeal of M/s. Pet Plastics Limited, a unit in KASEZ SEZ against proposal for recovery of penalty on the basis of non-compliance of the order of the Appellate Committee**

M/s. Pet plastics Limited was set up in the Kandla Free Trade Zone for the manufacture of various plastics items. It was converted into an SEZ unit by Agreement dated 17<sup>th</sup> July 2001. The unit has submitted that certain materials had been procured from the DTA, without payment of duty during the period 1994-1996. The Customs Authorities confiscated the said materials in September 1999 and imposed a penalty. The Appellate proceedings in the CESTAT set aside the confiscation in 2005. During the intervening period in November, 2000, a notice was issued to the unit for imposition of penalty for non-fulfilment of the export obligation and a penalty of Rs. 1 crore was imposed in March 2004. The matter was considered by the Appellate Authority which set aside the penalty subject to export of goods within a period of 6 months at whatever value.

The unit has alleged that they have not been allowed to export during the grace period of DC by various reasons. The unit has, therefore, requested for following reliefs:-

- (a) That the supplies made in terms of Rule 53 of the SEZ Rules may be treated as complaint with the decision of the appellate committee
- (b) Release of goods
- (c) Quashing of eviction notice
- (d) Return of Bank guarantee
- (e) Allotment of a plot of 1000 sqm

The detailed appeal of the unit explaining the facts of the case and reliefs sought is at **Annexure - 9**. The appeal of the unit is placed before BoA for consideration please.

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