

No. F.2/1/2018-SEZ  
Government of India  
Ministry of Commerce and Industry  
Department of Commerce  
(SEZ Section)

Udyog Bhawan, New Delhi  
Dated the 27<sup>th</sup> March, 2018

**OFFICE MEMORANDUM**

**Subject:** Supplementary Agenda for the (82<sup>nd</sup>) Meeting of the Board of Approval on Special Economic Zones (SEZs) scheduled to be held on 4<sup>th</sup> April, 2018 at 11.30 A.M in Room No. 47 Udyog Bhawan, New Delhi – Forwarding supplementary agenda thereof.

In continuation of this Department's O.M of even number dated 23<sup>rd</sup> March, 2018 the undersigned is directed to forward herewith the **Supplementary Agenda** for the 82<sup>nd</sup> meeting of the Board of Approval for SEZs scheduled to be held on 4<sup>th</sup> April, 2018, for information and necessary action. Soft copy of the supplementary agenda has also been hosted on the website: [www.sezindia.gov.in](http://www.sezindia.gov.in). The addressees located outside Delhi are requested to download the supplementary agenda from the above mentioned website.

2. The addressees are requested to make it convenient to attend the meeting.

T. V. Ravi  
(T.V. Ravi)  
Director  
Tel: 2306 3960  
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27/3/18

To

1. Central Board of Excise and Customs, Member (Customs), Department of Revenue, North Block, New Delhi. (Fax: 23092628).
2. Central Board of Direct Taxes, Member (IT), Department of Revenue, North Block, New Delhi. (Telefax: 23092107).
3. Joint Secretary, Ministry of Finance, Department of Financial Services, Banking Division, Jeevan Deep Building, New Delhi (Fax: 23344462/23366797).
4. Joint Secretary, Department of Industrial Policy and Promotion, Udyog Bhawan, New Delhi.
5. Joint Secretary, Ministry of Shipping, Transport Bhawan, New Delhi.
6. Joint Secretary (E), Ministry of Petroleum and Natural Gas, Shastri Bhawan, New Delhi
7. Joint Secretary, Ministry of Agriculture, Plant Protection, Krishi Bhawan, New Delhi.
8. Ministry of Science and Technology, Sc 'G' & Head (TDT), Technology Bhavan, Mehrauli Road, New Delhi. (Telefax: 26862512)
9. Joint Secretary, Department of Biotechnology, Ministry of Science and Technology, 7<sup>th</sup> Floor, Block 2, CGO Complex, Lodhi Road, New Delhi - 110 003.

10. Additional Secretary and Development Commissioner (Micro, Small and Medium Enterprises Scale Industry), Room No. 701, Nirman Bhavan, New Delhi (Fax: 23062315).
11. Secretary, Department of Electronics & Information Technology, Electronics Niketan, 6, CGO Complex, New Delhi. (Fax: 24363101)
12. Joint Secretary (IS-I), Ministry of Home Affairs, North Block, New Delhi (Fax: 23092569)
13. Joint Secretary (C&W), Ministry of Defence, Fax: 23015444, South Block, New Delhi.
14. Joint Secretary, Ministry of Environment and Forests, Pariyavaran Bhavan, CGO Complex, New Delhi - 110003 (Fax: 24363577)
15. Joint Secretary & Legislative Counsel, Legislative Department, M/o Law & Justice, A-Wing, Shastri Bhavan, New Delhi. (Tel: 23387095).
16. Joint Secretary, (Justice-I), Department of Legal Affairs, M/o Law & Justice, New Delhi (Tel: 2338 3037).
17. Secretary, Department of Chemicals & Petrochemicals, Shastri Bhawan, New Delhi
18. Joint Secretary, Ministry of Overseas Indian Affairs, Akbar Bhawan, Chanakyapuri, New Delhi. (Fax: 24674140)
19. Chief Planner, Department of Urban Affairs, Town Country Planning Organisation, Vikas Bhavan (E-Block), I.P. Estate, New Delhi. (Fax: 23073678/23379197)
20. Director General, Director General of Foreign Trade, Department of Commerce, Udyog Bhavan, New Delhi.
21. Director General, Export Promotion Council for EOUs/SEZs, 8G, 8<sup>th</sup> Floor, Hansalaya Building, 15, Barakhamba Road, New Delhi - 110 001 (Fax: 223329770)
22. Dr. Rupa Chanda, Professor, Indian Institute of Management, Bangalore, Bennerghata Road, Bangalore, Karnataka
23. Development Commissioner, Noida Special Economic Zone, Noida.
24. Development Commissioner, Kandla Special Economic Zone, Gandhidham.
25. Development Commissioner, Falta Special Economic Zone, Kolkata.
26. Development Commissioner, SEEPZ Special Economic Zone, Mumbai.
27. Development Commissioner, Madras Special Economic Zone, Chennai
28. Development Commissioner, Visakhapatnam Special Economic Zone, Visakhapatnam
29. Development Commissioner, Cochin Special Economic Zone, Cochin.
30. Development Commissioner, Indore Special Economic Zone, Indore.
31. Development Commissioner, Mundra Special Economic Zone, 4<sup>th</sup> Floor, C Wing, Port Users Building, Mundra (Kutch) Gujarat.
32. Development Commissioner, Dahej Special Economic Zone, Fadia Chambers, Ashram Road, Ahmedabad, Gujarat
33. Development Commissioner, Navi Mumbai Special Economic Zone, SEEPZ Service Center, Central Road, Andheri (East), Mumbai - 400 096
34. Development Commissioner, Sterling Special Economic Zone, Sandesara Estate, Atladra Padra Road, Vadodara - 390012
35. Development Commissioner, Andhra Pradesh Special Economic Zone, Udyog Bhawan, 9<sup>th</sup> Floor, Siripuram, Visakhapatnam - 3
36. Development Commissioner, Reliance Jamnagar Special Economic Zone, Jamnagar, Gujarat
37. Development Commissioner, Surat Special Economic Zone, Surat, Gujarat
38. Development Commissioner, Mihan Special Economic Zone, Nagpur, Maharashtra
39. Development Commissioner, Sricity Special Economic Zone, Andhra Pradesh.
40. Development Commissioner, Mangalore Special Economic Zone, Mangalore.

41. Government of Andhra Pradesh, Principal Secretary and CIP, Industries and Commerce Department, A.P. Secretariat, Hyderabad – 500022. (Fax: 040-23452895).
42. Government of Telangana, Special Chief Secretary, Industries and Commerce Department, Telangana Secretariat Khairatabad, Hyderabad, Telangana.
43. Government of Karnataka, Principal Secretary, Commerce and Industry Department, Vikas Saudha, Bangalore – 560001. (Fax: 080-22259870)
44. Government of Maharashtra, Principal Secretary (Industries), Energy and Labour Department, Mumbai – 400 032.
45. Government of Gujarat, Principal Secretary, Industries and Mines Department Sardar Patel Bhawan, Block No. 5, 3rd Floor, Gandhinagar – 382010 (Fax: 079-23250844).
46. Government of West Bengal, Principal Secretary, (Commerce and Industry), IP Branch (4<sup>th</sup> Floor), SEZ Section, 4, Abanindranath Tagore Sarani (Camac Street) Kolkata – 700 016
47. Government of Tamil Nadu, Principal Secretary (Industries), Fort St. George, Chennai – 600009 (Fax: 044-25370822).
48. Government of Kerala, Principal Secretary (Industries), Government Secretariat, Trivandrum – 695001 (Fax: 0471-2333017).
49. Government of Haryana, Financial Commissioner and Principal Secretary), Department of Industries, Haryana Civil Secretariat, Chandigarh (Fax: 0172-2740526).
50. Government of Rajasthan, Principal Secretary (Industries), Secretariat Campus, Bhagwan Das Road, Jaipur – 302005 (0141-2227788).
51. Government of Uttar Pradesh, Principal Secretary, (Industries), Lal Bahadur Shastri Bhawan, Lucknow – 226001 (Fax: 0522-2238255).
52. Government of Punjab, Principal Secretary Department of Industry & Commerce Udyog Bhawan), Sector -17, Chandigarh- 160017.
53. Government of Puducherry, Secretary, Department of Industries, Chief Secretariat, Puducherry.
54. Government of Odisha, Principal Secretary (Industries), Odisha Secretariat, Bhubaneshwar – 751001 (Fax: 0671-536819/2406299).
55. Government of Madhya Pradesh, Chief Secretary, (Commerce and Industry), Vallabh Bhavan, Bhopal (Fax: 0755-2559974)
56. Government of Uttarakhand, Principal Secretary, (Industries), No. 4, Subhash Road, Secretariat, Dehradun, Uttarakhand
57. Government of Jharkhand (Secretary), Department of Industries Nepal House, Doranda, Ranchi – 834002.
58. Union Territory of Daman and Diu and Dadra Nagar Haveli, Secretary (Industries), Department of Industries, Secretariat, Moti Daman – 396220 (Fax: 0260-2230775).
59. Government of Nagaland, Principal Secretary, Department of Industries and Commerce), Kohima, Nagaland.
60. Government of Chattishgarh, Commissioner-cum-Secretary Industries, Directorate of Industries, LIC Building Campus, 2<sup>nd</sup> Floor, Pandri, Raipur, Chhattisgarh (Fax: 0771-2583651).

**Copy to:** PPS to CS / Sr. PPS to AS (BBS) / PA to Dir (TVR)

**Supplementary Agenda for the 82<sup>nd</sup> meeting of the Board of Approval to be held on  
4<sup>th</sup> April, 2018 at 11.30 A.M. in Room No. 47, Udyog Bhawan, New Delhi**

**Item No. 82.8: Change of Shareholding Pattern Cases (3 proposals)**

(i) **Proposal of M/s. Atos India Pvt. Ltd. (unit-1), a unit in IT/ITES SEZ of M/s. IG3 Infra Ltd. at Pallavaram – Thoraipakkam 200 Feet Road, Thoraipakkam, Chennai for change of implementing agency/transfer of shareholding pattern from M/s. Atos India Pvt. Ltd. – Unit-I to M/s. Atos Global IT Solutions and Services Pvt. Ltd. – Unit-I due to de-merger order passed by NCLT.**

M/s. Atos India Pvt. Ltd. (Unit-I) was granted LOA on 22.11.2006 for Software Development and IT Enabled Services. The unit has informed that they commenced their service activities with effect from 19.1.2007.

The present and proposed shareholding pattern of the unit is detailed below:

Present Shareholding pattern is as under:

Sl. No.	Name of Shareholder	% of Shareholding
1	Atos India P. Limited	99.99
2.	Mr. Surendrasinh Navalsinh Gohil as Nominee Shareholder on behalf of Atos India P Limited.	0.01
	Total No. of Equity Shares	100

Proposed Shareholding pattern is as under:

Sl. No.	Name of Shareholder	% of Shareholding
1.	Atos International B.V (Netherlands)	99.81
2.	Atos International IT Ltd Unit I	0.18
3.	Atos S.E. (France) – two shares held as a nominee of Atos International B. V (Netherlands)	0.01
	Total No. of Equity Shares	100

**DC's Recommendation:-**

The request of the unit, M/s. Atos India Pvt. Ltd. Unit I for change of name and transfer of shareholding pattern to M/s. Atos Global IT Solutions and Services Pvt., Unit I is recommended for consideration of BoA.

The proposal is submitted for consideration by BoA.

(ii) **Proposal of M/s. Atos India Pvt. Ltd. (unit-II), a unit in IT/ITES SEZ of M/s. IG3 Infra Ltd. at Pallavaram – Thoraipakkam 200 Feet Road, Thoraipakkam, Chennai for change of implementing agency/transfer of shareholding pattern from M/s. Atos India Pvt. Ltd. – Unit-II to M/s. Atos Global IT Solutions and Services Pvt. Ltd. – Unit-II due to de-merger order passed by NCLT.**

M/s. Atos India Pvt. Ltd. (Unit-II) was granted LOA on 2.9.2009 for Software Development and IT Enabled Services. The unit has informed that they commenced their service activities with effect from 18.12.2009.

The present and proposed shareholding pattern of the unit is detailed below:

Present Shareholding pattern is as under:

Sl. No.	Name of Shareholder	% of Shareholding
1	Atos India P. Limited	99.99
2.	Mr. Surendrasinh Navalsinh Gohil as Nominee Shareholder on behalf of Atos India P. Limited.	0.01
	Total No. of Equity Shares	100

Proposed Shareholding pattern is as under:

Sl. No.	Name of Shareholder	% of Shareholding
1.	Atos International B.V (Netherlands)	99.81
2.	Atos International IT Ltd Unit-II	0.18
3.	Atos S.E. (France) – two shares held as a nominee of Atos International B. V (Netherlands)	0.01
	Total No. of Equity Shares	100

#### **DC's Recommendation:-**

The request of the unit, M/s. Atos India Pvt. Ltd. Unit-II for change of name and transfer of shareholding pattern to M/s. Atos Global IT Solutions and Services Pvt., Unit-II is recommended for consideration of BoA.

The proposal is submitted for consideration by BoA.

(iii) Proposal of M/s. Phoenix Infocity Private Limited a subsidiary of Phoenix Infratech (India) Private Limited, are the developers of an IT/ITES SEZ at Sy. No. 30(P), 34(P), 35(P) and 38(P), Gachibowli village, Serilingampalli Mandal, Ranga Reddy District, Hyderabad – for transfer of ownership of M/s. Phoenix Infocity Private Limited by way of transfer of shares to M/s. Deccan Real Ventures Private Limited

M/s. Phoenix Infocity Private Limited was stands notified as on date.

M/s. Deccan Real Ventures Private Limited, a company owned by M/s. Ascendas Group, Singapore, is willing to acquire 100 ownership of Phoenix Infocity Private Limited by way of purchase of shares.

In this regard, the developer has furnished copy of Certificate of Incorporation pursuant to change of name to M/s. Deccan Real Ventures Private Limited, issued by ROC, Andhra Pradesh on 18.01.2017.

List of shareholders as on 24.03.2018 is given below:-

S. No.	Name of shareholder	No. of Equity shares	% of shareholding	No. of compulsorily convertible preference shares	% of shareholding	Held beneficially
1.	Phoenix Infratech (India) Private Limited	49,999,999	99.99			Yes
2.	G.V. Ramana Reddy (Nominee of Phoenix Infratech (India) Private Limited)	01	0.01			As an ostensible owner
3.	Phoenix Urban Infrastructure Private Limited			35,000,000	100	Yes
	Total	50,000,000	100	35,000,000	100	

DC VSEZ recommendation is awaited.

The proposal is submitted for consideration by BoA.

#### Item No. 82.9 : Miscellaneous Cases (2 proposals)

(i) Restoration of LoA of M/s. Sarthak Warehousing & Trading Co. (SWTC), Gandhidham

(i) M/s. SWTC was originally granted LoA dated 25.06.2010 for trading and warehousing activity under Rule 18(5) with the specific condition that they shall not be permitted to import second hand materials such as used clothes and plastic scrap. The above LoA was modified to permit import/warehouse of second hand goods



- with 100% export and no DTA sale condition on 22.10.2014 as per the UAC decision in its 72<sup>nd</sup> and 73<sup>rd</sup> UAC meeting held on 04.09.2014 and 21.10.2014.
- (ii) Subsequently, M/s SWTC on 25.02.2015 requested for undertaking manufacturing process on behalf of overseas client i.e. to cut the used clothes into wipers which are left over during their process of their service activity, which was after due deliberation BoA in its 65<sup>th</sup> meeting held on 19.05.2015 rejected their proposal on the ground that said activity is not permitted under Rule 18(4)(c) of the SEZ Rules.
  - (iii) Ministry vide its letter dated 27.05.2015 further sought brief of approvals granted to M/s. SWTC with reference to their original LoA and accordingly the details reply of this Administration dated 17.06.2015, Ministry vide its letter dated 12.10.2015 clarified that 100% export of second hand worn and used clothing as mentioned in case of M/s. Varsha Corporation Ltd. construes to be physical export out of country and further clarified exports as defined in section 2(m) of the SEZ Act means 100% physical exports abroad. Accordingly, this office modified the condition No. 3 of the LoA to the extent that import and warehouse of second hand goods shall be subject to 100% physical export out of the country and no intrazone supplies will be permitted with continued no DTA sale condition.
  - (iv) Further Ministry vide letter dated 14.12.2015 directed that the approval granted to M/s. SWTC for import of second hand used goods should be withdrawn immediately in terms of Rule 18(4)(d) of SEZ Rules, 2006 and further stated that as regards approval granted for carrying out warehousing of second hand goods, that such proposal can only be considered if the proposal is on the same lines of the approval given to M/s. Varsha Corporation Ltd. and that too with the approval of Board of Approval for SEZs. The Ministry further directed that the said position may be conveyed to the unit and in case the unit is agreeable to the same, a proposal for consideration of the BoA for SEZs may be sent to the Ministry.
  - (v) Accordingly, this office vide letter dated 01.01.2016 amended their LoA by withdrawing the permission of import of second hand used goods and further conveyed directions to come up with the proposal in the line with M/s. Varsha Corporation Ltd., in case they agreeable to the conditions attached therewith, to the unit as per Ministry's direction dated 14.12.2015.
  - (vi) However, the unit vide its letter dated 18.01.2016 requested to allow them to continue to import of second hand goods explaining their activities undertaken by them. As regards sending proposal in line with M/s. Varsha Corporation Ltd. they however, expressed its unawareness of working modalities & the ground on which M/s. Varsha Corporation has applied and further stated that their case shall not be considered at par with them.

Now, vide its letter dated 10.01.2018, M/s. SWTC has informed that they have accepted all the terms and conditions of their activity of worn and used clothing (Trading Activity) based on the condition laid down by the Board for M/s. Varsha Corporation Ltd., Mumbai.

The Board in the case of M/s. Varsha Corporation Ltd. in its 62<sup>nd</sup> meeting held on 24.07.2014 noted that *"the unit has proposed that they will not be engaged in DTA sales and that the proposal is covered under Rule 18(4)(c) of the SEZ Rules, 2006. The Board, after deliberations, decided to approve the proposal for trading of worn/used clothing and other worn articles with a condition that the unit will carry out 100% exports"*.

Accordingly, the above proposal of trading activity of used/worn clothing has been forwarded by DC, KASEZ for discussion in Board of Approval.

**(ii) Request for approval of co-developer status in respect of M/s. Shreekunj Hospitality Pvt. Ltd. in Dahej SEZ**

This is regarding a proposal received from the O/o DC Dahej SEZ vide letter dated 25.1.2018 in connection with the application for approval of co-developer status to M/s. Shreekunj Hospitality Pvt. Ltd. in Dahej SEZ, Bharuch, Gujarat

2. M/s. Dahej Hospitality Pvt. Ltd. was granted co-developer status in the multi product SEZ at Bharuch, Gujarat developed by M/s. Dahej SEZ Limited vide DoC letter no. F.No. F.2/9/2003-EPZ dated 26.08.2009 for hospitality project in non-processing area approved by the 35<sup>th</sup> BoA meeting held on 11.08.2009.

*"After deliberations, the Board decided to grant approval to request of M/s. Dahej Hospitality Private Limited (DHPL) for co-developer in the said SEZ for establish a hospitality project in the said SEZ and provides services in the hospitality sector to the units/residents/other establishment in the SEZ over 8 hectares of land. The co-developer will develop, operate, manage and maintain the hospitality project in the said SEZ and maintain the hospitality project in the SEZ and provide services in the hospitality sector to the units/residents/other establishments in the SEZ in the multi product SEZ at Bharuch, Gujarat developed by M/s. Dahej SEZ Limited. The Board noted that the proposal for authorized operations will be considered subsequently as and when the proposal is submitted for approval".*

3. Further, the co-developer agreement was made and entered between the developer (Dahej SEZ Ltd.) and co-developer (Dahej Hospitality Pvt. Ltd.) on 19.03.2009. The co-developer was to stay invested in the project for a period of 30 years and any change in the said status during such period was to be made with the prior approval of the developer. Further, the co-developer will have right to transfer its leasehold rights on the land to any Bank or Financial Institution, during the currency of the lease period, as security against the loan in respect of project cost subject to approval of developer.

4. The co-developer, M/s. Dahej Hospitality Pvt. Ltd. (currently known as M/s. Cambay SEZ Hotels Pvt. Ltd.) had taken a loan of Rs. 13.32 crores from Small Industries Development Bank of India (SIDBI), Ahmedabad and failed/defaulted in repayment of loan. Subsequently, the Officers of SIDBI met DC Dahej SEZ on 14.12.2016 and SIDBI with the help of District Collector of Bharuch sealed the premises of co-developer on 7.10.2016 and functioning of the co-developer was stopped after the possession was taken by SIDBI. SIDBI under the provision of the Act and Security Interest Enforcement Rules 2002 had issued Sale Notice of borrower's immovable property together with movable assets at Plot no. Z/4/1 at Dahej SEZ and was published in leading news papers on 19<sup>th</sup> November, 2016 and E-auction was held on 28<sup>th</sup> December, 2016.

5. DC, Dahej SEZ has stated that the applicant took possession of the aforesaid plot of M/s. Cambay SEZ Hotels Pvt. Ltd., co-developer of Dahej SEZ from SIDBI under the Securitization and Reconstruction of Financial Assets and Enforcement Security Interest Act, 54 of 2002 (SARFAESI) by issuing the self certification in favour of promoters, directors of



proposed SPV viz. Shreekunj Hospitality Pvt. Ltd. (purchaser) the movable and immovable properties of Plot no. Z/4/1, admeasuring about 26302.61 sq.mtrs. in the non-processing area of Dahej SEZ.

6. Further, as per Rules 11(9) of SEZ Rule 2006 the developer shall not sell the land in a SEZ.

7. While processing the above proposal for the consideration of Co-developer status to M/s Shreekunj Hospitality Pvt. Ltd., the following deficiencies were observed:

- (i) Form A-1 (Application form for approval of co-developer) filled up by the co-developer has not been signed/recommended by the DC, Dahej SEZ.
- (ii) Certificate from the Specified Officer, Dahej SEZ in respect of availing duty free goods of Rs. 16,86,86,179/- from 2011-12 to 2014-15 and aggregate duties of customs Rs. 4,53,88,781/- as per material inward register. However, Specified Officer, Dahej SEZ has submitted that aggregate duties and liabilities of M/s. Cambay Sapphire, Z/4/1, Dahej, Vagra Gujarat will be reported in due course.
- (iii) The outstanding dues to Dahej SEZ Ltd. of Rs. 1,20,92,672/- paid/cleared by M/s. Shreekunj Hospitality Pvt. Ltd. vide Cheque No. 022218 dated 5.7.2017 drawn on Union Bank of India, IFB Branch, Sayajigunj, Vadodara are not enclosed.
- (iv) No clarification in r/o legal proceedings, if any.
- (v) No recommendation from DC, Dahej SEZ

8. Now vide letter dated 23.03.2018 M/s. Shreekunj Hospitality has furnished Pvt. Ltd. has furnished revised co-developer agreement inter-alia stating that the obligation of applicable duties and taxes if any enjoyed by the previous co-developer M/s. Cambay SEZ Ltd. as erstwhile co-developer in Dahej SEZ shall stand transferred to the new co-developer M/s. Shreekunj Hospitality Pvt. Ltd. and it shall be under their obligation to discharge the same as continuing obligation as per the same terms and conditions since the new co-developer has taken over the assets under SARFASEI Act.

9. It has also been certified by SIDBI vide letter dated 23.03.2018 and 24.03.2018 that the sale certificate of the relevant plot refers to sale of un-expired lease period of the lease hold removable property.

In view of the above, the co-developer has requested for the consideration of the above matter before the BoA.

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