

No. F.2/7/2018-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)

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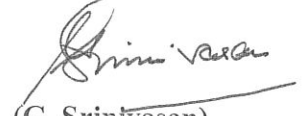
Udyog Bhawan, New Delhi
Dated the 12th December, 2018

OFFICE MEMORANDUM

Subject: Agenda for the (87th) Meeting of the Board of Approval on Special Economic Zones (SEZs) scheduled to be held on 19th December, 2018 at 11.00 A.M in Room No. 108 Udyog Bhawan, New Delhi – regarding.

In continuation of this Department's O.M of even number dated 30th November, 2018 the undersigned is directed to forward herewith the **Agenda** for the 87th meeting of the Board of Approval for SEZs scheduled to be held on 19th December, 2018, for information and necessary action. Copy of the Agenda has also been hosted on the website: www.sezindia.nic.in. The addressees located outside Delhi are requested to download the Agenda from the above mentioned website.

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



(G. Srinivasan)

Under Secretary to the Government of India
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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, 7th 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. Department of Legal Affairs (Shri Hemant Kumar, Assistant Legal Adviser), M/o Law & Justice, Shastri Bhawan, New Delhi.
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, 8th 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, 4th 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, 9th 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 (4th 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, 2nd Floor, Pandri, Raipur, Chhattisgarh (Fax: 0771-2583651).

Copy to: PPS to CS / PPS to AS (BBS) / PA to DS (SNS).

**Agenda for the 87th meeting of the Board of Approval to be held on 19th December, 2018
in Room No. 108, Udyog Bhawan, New Delhi.**

Item No. 87.1: Confirmation of minutes of the meeting of the 86th BoA held on 22.11.2018.

Item No. 87.2: Requests for extension of validity of formal approvals (three proposals)

BoA in its meeting held on 14th September, 2012, examining similar cases observed as under: -

“The Board advised the Development Commissioners to recommend the requests for extension of formal approval beyond 5th year and onwards only after satisfying that the developer has taken sufficient steps towards operationalisation of the project and further extension is based on justifiable reasons. Board also observed that extensions may not be granted as a matter of routine unless some progress has been made on ground by the developers. The Board, therefore, after deliberations, extended the validity of the formal approval to the requests for extensions beyond fifth years for a period of one year and those beyond sixth year for a period of 6 months from the date of expiry of last extension”.

87.2(i) Request of M/s. Golden Tower Infratech Pvt. Ltd. for further extension of the validity of formal approval granted for setting up of IT/ITES SEZ at Plot No. 8, Sector-144, Noida (U.P.) beyond 17.12.2018.

Name of the developer	: M/s. Golden Tower Infratech Pvt. Ltd.
Sector	: IT/ITES
Location	: Plot No. 8, Sector-144, Noida (U.P.)
Extension	: Formal approval to the developer was granted on 03.09.2008. SEZ was notified vide Notification dated 18.12.2008. The developer has been granted 08 extensions, last extension was granted vide DOC letter dated 04.10.2018 which was upto 17.12.2018. The developer has requested for further extension upto 16.12.2019. The SEZ stands notified as on date.

Present Progress:

(a) Details of business plan:-

S. No.	Type of Cost	Proposed Investment (Rs. in Crore)
1	Land Cost	74.55
2	Construction Cost	350.00
3	Plant & Machinery	100.00
4	Other Overheads	50.00
	Total:	574.55

(b) Investment made so far & incremental investment since last extension:-

S. No.	Type of Cost	Total Investment made so far (Rs. in Crore)	Incremental investment since last extension (Rs. in Crore)
1	Land Cost	88.17	0.00
2	Material Procurement	54.61	1.72
3	Service Cost	28.67	0.01
4	Other Overheads	21.49	2.15
	Total:	192.94	3.88

(c) Details of Physical progress till date :-

(A) First Building – Complete

(B) Second Building – Excavation of approximate 2 lakh sq. ft. area is complete for construction of second building having a built up area of appx. 9 lakh sq ft. As on date 2% construction work is complete and no work took place in the last one year. However, the estimated deadline for completion of balance work as provided by the developer is November, 2019.

Reasons for seeking extension:

The developer has mentioned following reasons:-

- Impact of drastic changes in global financial market.
- Recession in IT/ITES Industry.
- Difficulties in financing by the banks in reality sector resulting into financial crises.
- They have already made an investment of Rs.192.94 Crore and first building is ready for leasing and operations.

In support of its proposal, the developer has stated that:-

- (i). M/s. Intelligrape Software Pvt. Ltd. have already booked space of 50000 Sqft. for setting up a new SEZ unit in their SEZ and the unit has been approved in the meeting of the Approval Committee held on 01.11.2018.
- (ii). M/s. Intelligrape Software Pvt. Ltd. have also booked space of 12850 Sqft. for shifting of their existing unit from NOIDA SEZ to their SEZ.
- (iii). M/s. Intelligrape Software Pvt. Ltd. is also planning to book one more floor comprising space of approximate 62850 Sqft.
- (iv). They are in discussion with many more prospective clients who are keenly interested in booking of space in SEZ for setting up of new unit.

Developer has further stated that under Rule 6 of SEZ Rules, 2006, there is no limitation on BoA for providing extension in LOA. Rule 6 is independent of requirement of area under Rule 5. The request for extension of LOA is under Rule 6 of SEZ Rules and is not for relaxation under Rule 5(7) of SEZ Rules. Developer has further stated that in a similar case the Board of

Approval in the 85th meeting held on 02.11.2018 extended the validity of formal approval of M/s. Mayar Infrastructure Development Pvt. Ltd. for one year under similar circumstances.

It may be mentioned here that the proposal for extension of M/s Golden Tower Infratech Pvt. Ltd. was placed before the BoA in its 84th meeting and it was decided after deliberations that the matter may be considered on file. Later, the extension of validity period of formal approval in case of M/s. Golden Tower Infratech Pvt. Ltd. was granted upto 17.12.2018 by the Competent Authority.

In this regard as per rule 6(2) (a) *“The letter of approval of a Developer granted under clause (a) of sub-rule (1) shall be valid for a period of three years within which time at least one unit has commenced production and the Special Economic Zone become operational from the date of commencement of such production:*

Provided that the Board may, on an application by the developer or the co-developer, as the case may be, for reasons to be recorded in writing extend the validity period.”

It may be mentioned here that as per Rule 5(7) of SEZ Rules, 2006, *“The Developer or ;Co-developer shall have to construct the minimum built up area (100000 Sqmt. in case of IT/ITES SEZ) within a period of ten years from the date of notification of the Special Economic Zone in which at least fifty percent of such area to be constructed within a period of five years from the date of such notification.”* In the instant case, 10 years of SEZ notification is going to complete on 17.12.2018. However, the developer has informed that first Building having approximate 8 lakhs Sqft. (74322 Sqmt.) built up area is complete and ready for leasing. Developer has further mentioned that construction activity for the 2nd Building will start shortly and they will complete the construction for approx. 25678 Sqmt. of 2nd Tower by August, 2019 to comply with the requirement of constructing built up area of 100000 Sqmt. as per Rule 5(7) of SEZ Rules, 2006. Besides, during last extension period 26% physical progress in the building construction have been shown. The incremental investment during last extension period has been given as Rs.3.88 Crore.

Recommendation by DC:

Under Rule 6, there is no limitation on BOA for providing extension in LOA. Rule 6 is independent of requirement of area under Rule 5. The request is for extension of LOA under Rule 6 of SEZ Rules and is not for relaxation under Rule 5(7) of SEZ Rules. Since SEZ developer has already created infrastructure, one unit is already approved and developer has stated that they are in discussion with many more prospective clients who are keenly interested in booking of space in SEZ for setting up of new unit, the DC office recommends extension of LOA for one year.

In respect of completion of minimum built up area within a period of 5 years & 10 years, this office has already sent a detailed reference, along with cases of this nature under this zone, for suitable provision in Rule 5(7) of SEZ Rules and then accordingly consideration of cases by BoA. On this issue a view may be taken separately by DOC.

DC, NSEZ recommends for the extension of formal approval for a period of one year i.e. upto 17.12.2019 under Rule 6(2)(a) of SEZ Rules, 2006.

The request is placed before BOA for its consideration.

87.2(ii) Request of M/s. G.P. Realtors Pvt. Ltd. for further extension of the validity of formal approval granted for setting up of Electronic Hardware & IT/ITES SEZ at Village Behrampur, Balola & Bandhwari, Distt. Gurgaon (Haryana) beyond 25.01.2019.

Name of the developer : M/s. G.P. Realtors Pvt. Ltd.
Sector : Electronic Hardware & IT/ITES
Location : Village Behrampur, Balola & Bandhwari, Distt-Gurgaon (Haryana)
Extension : Formal approval to the developer was granted on 26.07.2007. SEZ was notified vide Notification dated 24.12.2010. The developer has been granted 08 extensions, last extension was given vide DOC's letter dated 15.02.2018, upto 25.01.2019. The developer has requested for further extension upto 25.01.2020. The SEZ stands notified as on date.

Present Progress:

(a) Details of business plan:-

S. No.	Type of Cost	Proposed Investment (Rs. in Crore)
1	Land Cost	300.00
2	Construction Cost	2850.00
3	Plant & Machinery	--
4	Other Overheads	850.00
	Total:	4000.00

(b) Investment made so far & incremental investment since last extension:-

S. No.	Type of Cost	Total Investment made so far (Rs. in Crore)	Incremental investment since last extension (Rs. in Crore)
1	Land Cost	187.00	-
2	Material Procurement	59.08	-
3	Service Cost	105.54	46.23
4	Other Overheads	41.93	7.36
	Total:	393.55	53.59

• **Details of Other Overheads:**

S. No.	Type of Cost	Total Investment made so far (Rs. in Crore)	Incremental investment since last extension (Rs. in Crore)
1.	Interest on Bank Loan	23.70	6.83
2.	Salaries allocation	8.45.	-
3.	Salaries and bonus	4.43	0.44
4.	Overhear allocation	2.91	-
5.	Traveling and Conveyance	0.42	0.03
6.	Architect and Technical fees	0.34	-
7.	Site Maintenance Expenses	0.32	0.03
8.	Miscellaneous Expenses	0.23	0.02
9.	Project Insurance	0.22	-
10.	Contribution to Provident Fund	0.21	0.01
11.	Rent including lease rent	0.21	-
12.	Rates and Taxes	0.14	-
13.	Legal & Professional Expenses	0.10	-
14.	Gratuity expense	0.09	-
15.	Compensated Absences	0.07	-
16.	Contractual Payments	0.09	-
	Total:	41.93	7.36

(c) Details of Physical progress till date :-

S. No.	Authorised activity	% completion as on date	% completion during last one year	Deadline for completion of balance work
1	Structure	90%	42%	Feb 2019
2	Civil Finishes	21%	18%	Feb 2019
3	Electrical	22%	22%	Mar 2019
4	Plumbing & Fire Fighting	17%	17%	Mar 2019
5	HVAC	54%	54%	Apr 2019
6	External Development	9%	8%	May 2019
7	Infrastructure	34%	23%	June 2019

Detailed Reasons for delay:

The developer has informed that M/s. G.P. Realtors Pvt. Ltd. is associated with IREO Group. IREO is a leading developer & PE Investor in Indian real estate managing investment of USD 1.7 Bn. Diversified portfolio of 4500+ acres of owned land across India and global blue chip investors base like renowned global financial institutions, university endowment funds, sovereign wealth funds etc. The developer has further informed that out of total notified area of 27.3521 hectares (demarcated as 100% Processing Area), initially they are planning to develop 3.94850 hectares. The developer has mentioned that following development work in progress:-

- Plumbing, Fire Fighting and WTP work
- Low side & High side electrical works and fire alarm system

- Basement Ventilation work
- Sewage Treatment Plant (STP) works- 425 KLD Capacity
- Building Management System
- Electrical Low Voltage (ELV) work
- Finishing work
- Internal Road Development & Street lighting work
- Deck Slab water proofing work
- Facade work
- Painting work
- Roof water proofing work
- Rain water Harvesting work
- Softscape & Hardscape work
- Elevator/ Escalator work
- Landscaping /Horticulture work
- Fencing work

As regards compliance with Rule 5(7) of the SEZ Rules, 2006 the developer has assured that construction of total area of 1115250.99 Sqft. (103610 Sqmt.) shall be completed by May, 2019. i.e. within 10 year from the date of Notification i.e. 24.12.2010.

Recommendation by DC:

DC, NSEZ has recommended the request of extension of LoA for a period of one year upto 25.01.2020.

The request is placed before BOA for its consideration.

87.2(iii) Request of M/s. Wipro Limited, IT/ITES SEZ at Resapuvanipalem, Visakhapatnam for extension of validity of Formal Approval for one year till 20.12.2019.

Name of the developer	: M/s. Wipro Limited
Sector	: IT/ITES
Location	: Survey No. 39P, Old TB Hospital, Rama Talkies Road, Resapuvanipalem, Visakhapatnam, Andhra Pradesh.
Extension	: Formal approval to the developer was granted on 21.12.2015. SEZ was notified vide Notification dated 07.07.2017.

The developer has informed that the SEZ is having the pre-existing structures for allotment to the units in the SEZ and informed that one unit M/s. Wipro Limited was granted Letter of Approval on 11.08.2017 for setting up of unit in the SEZ for rendering IT/IT Enabled Services. The unit has installed the systems and other equipments and started the activity and

rendering services to their Internal units and the unit has requested to take on record the date of operations from 02.07.2018.

Whereas it is observed that the SEZ unit has stated that it is rendering services to their internal units and not provided any documents to that affect, as such the date of commencement of operations of SEZ unit was not taken on record and the Letter of Approval granted to the SEZ unit was extended for a further period of one year i.e. upto 10.08.2019.

The developer has informed further that they have signed a Letter of Intent with another unit for setting up of unit in SEZ who will be starting the activity and expected to commence operations by 31.03.2019. The developer has constructed 2.12 lakh sqft. having B+G+6 structure and invested an amount of Rs. 49.00 crores and employed nearly 220 people. Keeping in view of the above the developer has requested to extend the validity of the Letter of Approval for a further period of one year i.e. upto 20.12.2019.

As per the guidelines, the developer has to seek extension of validity of Formal Approval six months in advance of expiry of validity of Formal Approval. In the instant case, the developer has submitted the application for extension of the validity of the Formal Approval on 26.11.2018 which is in advance of less than one month.

Recommendation by DC:

The request of the Developer is recommended for consideration for extension of the validity of Letter of Approval for SEZ for a period of one year upto 20.12.2019 so that the implementation of the project is not hampered.

The request is placed before BOA for its consideration.

Item No. 87.3 Requests for extension of LoP beyond 3rd Year onward (four proposals)

- As per Rule 18(1) of the SEZ Rules, the approval Committee may approve or reject a proposal for setting up of Unit in a Special Economic Zone.
- Cases for consideration of extension of Letter of Permission (LoP)s i.r.o units in SEZs are governed by Rule 19(4) of SEZ Rules.
- Rule 19(4) states that an LoP shall be valid for one year. First Proviso grants power to DCs for extending the LoP not exceeding 2 years. Second Proviso grants further power to DCs for extending the LoP for one more year but subject to the condition that two-thirds of activities including construction, relating to the setting up of the Unit is complete and a Chartered Engineer's certificate to this effect is submitted by the entrepreneur.
- Extensions beyond 3rd year (in cases where two-third activities are not complete) and 4th year are granted by BoA.
- BoA can extend the validity for a period of one year at a time.
- There is no time limit up to which the Board can extend the validity.

87.3(i) Request of M/s. Reliance AIF Management Company Limited in the GIFT – multi-services - SEZ, Ratanpur, Gandhinagar, Gujarat for extension in validity of Letter of Approval (LOA) dated 24.09.2015 beyond 23.09.2018 for further period of one year upto 23.09.2019.

- LoA issued on: 24-09-2015
- Nature of business of the unit: Financial services regulated by SEBI
- Number of extensions: 01 (one) by Approval Committee for GIFT-SEZ
- LoA valid upto: 23-09-2018 (second extension granted by UAC).
- Request: For further extension in validity for 01 (one) year upto 23-09-2019.

(a) Details of Business plan:- (Already undertaken in SEZ): Not applicable in this case.

(b) Incremental investment made so far and incremental investment since last extension:-

In this case there is no incremental investment being the approval is into financial service industry.

(c) Details of physical progress till date:-

There is no physical progress in this case, as the approval holder is waiting for the Regulatory approvals/operating guidelines from the Regulator i.e. Securities and Exchange Board of India (SEBI).

The basic reason for delay in not going into commercial operations in SEZ is due to pending Regulatory approval from SEBI. The Regulator – SEBI had come out with the operating guidelines for the approved segment of AIF (Alternative Investment Funds) in IFSC (International Financial Services Centre) only on 26.11.2018.

Recommendation by DC:

In view of the above and to the fact that the approval holder require respective Regulatory approvals from SEBI for conducting effective operations from the notified International Financial Services Centre (IFSC) in GIFT-multi-services-SEZ, Gandhinagar, DC, Kandla-SEZ recommend the request of approval holder M/s. Reliance AIF Management Company Limited, for extension in validity of LOA for a further period of 01 (one) year upto 23-09-2019.

The request is placed before BOA for its consideration.

87.3(ii) Request dated 28.11.2018 received from M/s. IDFC Bank Limited in the GIFT – multi-services - SEZ, Ratanpur, Gandhinagar, Gujarat for extension in validity of Letter of Approval (LoA) dated 09.11.2015 beyond 08.11.2018 for further period of one year upto 08.11.2019.

- LoA issued on: 09-11-2015
- Nature of business of the unit: Banking
- Number of extensions: 02 (two) by DC, Kandla-SEZ
- LoA valid upto: 09-11-2018 (second extension granted by DC).
- Request: For further extension in validity for 01 (one) year upto 08-11-2019.

(a) Details of Business plan:- (Already undertaken in SEZ)

Sr. No.	Type of Cost (Investment already made in SEZ)	Actual investment made (Rs. in crores)
1)	Real Estate & facilities cost	1.00
2)	Other investment – Equity	150.00
	Total investment made till date	151.00

(b) Incremental investment made so far and incremental investment since last extension:-

In this case there is no incremental investment being the approval is into banking service industry.

(c) Details of physical progress till date:-

There is no physical progress in this case, as the approval holder is awaiting for the Regulatory approvals from the Regulator i.e. Reserve Bank of India (RBI).

The basic reason for delay in not going into commercial operations in SEZ is to due to pending Regulatory approval from RBI. The approval holder M/s. IDFC Bank Ltd., had submitted an application to RBI in the month of December, 2015, however are yet to receive appropriate approval from the Regulator – RBI inspite of several rounds of meeting with concerned officials.

Recommendation by DC:

In view of the above and to the fact that the approval holder require respective Regulatory approvals from RBI for conducting effective operations from the notified International Financial Services Centre (IFSC) in GIFT-multi-services-SEZ, Gandhinagar, DC, Kandla-SEZ recommend the request of approval holder M/s. IDFC Bank Limited, for extension in validity of LOA for a further period of 01 (one) year upto 08.11.2019.

The request is placed before BOA for its consideration.

87.3(iii) Request of M/s Wockhardt Limited Unit 3 at Shendre, Aurangabad, Maharashtra for extension of the validity period of LoA for a period of one year upto 24.10.2019.

LoA issued on : 25.10.2013
Nature of business : Oral solid dosage for human usage
Number of extensions : Four extensions till date by DC, SEEPZ SEZ
Last extension valid upto : 24.10.2018

Present progress of the unit as declared by the unit is as follows:

Construction progress:-

S. No.	Activity	Total area
1.	Approved area	22382 sq. mtr.
2.	Constructed area so far	22382 sq. mtr.
3.	Incremental construction since last extension	Nil (Construction already complete)

Investment details:

S. No.	Type of cost	Total Investment made so far (Rs. In crores)	Incremental Investment since last extension (Rs. In cr.)
1.	Construction cost including material procurement	8.41	0.01
2.	Plant & Machinery	72.37	
	Total	80.78	

Detailed reasons for delay:

- (i) As informed by the unit, all the civil work related to the project is complete and only validations and trial batches are in progress.
- (ii) Site inspection of their plant may happen before 31.12.2018 and it is mandatory for them to obtain certain statutory licenses, approvals before commencing the production.
- (iii) They are exploring some new emerging markets and the timeframe for obtaining licenses is different for every country and hence they will be able to commence production only after 2019.

Recommendation by DC:

DC, SEEPZ SEZ has recommended the proposal for approval of the BoA as per Rule 19(4) of the SEZ Rules, 2006.

The request is placed before BOA for its consideration.

87.3(iv) Request of M/s. Container Corporation of India Ltd., a unit in SIPCOT Hi Tech SEZ, Sriperumbudur, Tamilnadu for extension of LoA beyond 30.11.2015.

LoA issued on : 30.11.2010

Nature of business : Freight & Customs clearance services, warehousing service, Transportation, Handling, Value added Services-Packaging, labeling, consolidating etc. Supply Chain Management.

As per the proposal of the unit, it is fully equipped with 2000 sq.mtr. warehouse, paved area of 7508.16 sq. mtr., Truck parking area of 4500 sq. mtr., gate complex, administrative building and fully secured with chain link/barbed wire fencing was ready in Feb 2015 itself. However, due to the presence of lesser number of functional units and lack of business opportunities in the said SEZ, no activities were carried out in the said facility and the same is idling till now.

DC MEPZ has informed that a meeting was held by their office with officials of SIPCOT and M/s. CONCOR on 30.01.2018 and that it was decided in the meeting that SIPCOT, the developer would submit a proposal to their office for de-notification of the area occupied by M/s. CONCOR. However, SIPCOT has not filed application for de-notification of the area so far, as there are contiguity issues involved. In the meantime, M/s. CONCOR has sought further extension of LoA with effect from 30.11.2015, since one of the unit in the same zone is interested in availing the facility of CONCOR for warehousing services from January 2019 onwards.

Recommendation by DC:

The unit's request for extension of validity of LoA from 30.11.2015 to 29.11.2019 is placed before the BoA for consideration in terms of 3rd proviso of Rule 19(4) of SEZ Rules, 2006.

The request is placed before BOA for its consideration.

Item No. 87.4 : Change of Shareholding Pattern (two proposals)

87.4(i) Consequent to demerger of M/s. The Manjri Stud Farm Pvt. Ltd. to M/s. Manjri Developers Pvt. Ltd., Pune, request for prior approval for change in shareholding pattern of the company.

The above mentioned SEZ was notified on 11th April, 2007.

M/s. The Manjri Stud Farm Pvt. Ltd. SEZ has obtained the approval of BoA dated 2.11.2018 for demerger of the SEZ forming part of the IT/ITES SEZ being developed by The Manjri Stud Farm Pvt. Ltd. (TMSFPL) in Pune to Manjri Developers Pvt. Ltd.

The details of shareholding pattern of the company are given below:-

S. No.	Present Shareholding Pattern		Proposed Shareholding Pattern	
	Name of Shareholders	Shareholding %	Name of Shareholders	Shareholding %
1.	Strand Developers Mauritius Limited	99.99940	1. SPREF II PTE LTD.	99.99990
2.	Strand Developers Mauritius Limited Jointly with Chandra Gujadhur	0.00010		
3.	Strand Developers Mauritius Limited Jointly with Mahesh Doorgakant	0.00010		
4.	Strand Developers Mauritius Limited jointly with Chandra Gujadhur & Mahesh Doorgakant	0.00010		
5.	Strand Developers Mauritius Limited jointly with Vasudev Appadoo	0.00010	2. SPIRE Investment Manager Pte. Ltd. (Nominee of SPREF II PTE. LTD)	0.00010
6.	Strand Developers Mauritius Limited jointly with Chandra Gujadhur & Vasudev Appadoo	0.00010		
7.	Strand Developers Mauritius Limited jointly with Mahesh Doorgakant & Vasudev Appadoo	0.00010		

In terms of DoC's Instruction No. 89 dated 17.05.2018, re-organization including change in shareholding pattern in case of developer/co-developer is to be undertaken by the Board of Approval.

Recommendation by DC:

DC, SEEPZ SEZ has recommended the proposal

The request is placed before BOA for its consideration.

87.4 (ii) Request of M/s. DLF Assets Private Limited, co-developer in IT/ITES SEZ at DLF Home Developers Limited at Ramapuram, Chennai for change in shareholding pattern.

M/s. DLF Assets Private Ltd., 100% subsidiary of M/s. Caraf Builders & Constructions Pvt. Ltd. (CARAF) was granted co-developer status on 14.02.2007.

The proposal is for approval for change in their 100% shareholding pattern with a Merger Order dated 27.09.2018 granted by Hon'ble NCLT, Chandigarh Bench, Chandigarh, for merger/amalgamation of M/s. Caraf Builders & Constructions Pvt. Ltd. (CARAF) with its Holding Company viz. M/s. DLF Cyber City Developers Ltd. (DCCDL)

Details of shareholding pattern of the company both prior to merger and post merger is given below:-

S. No.	Shareholder's name	% of holding	Post Merger/Amalgamation
1.	Caraf Builders & Constructions Pvt. Ltd. (Along with 6 Nominees)	100%	DLF Cyber City Developers Ltd. (Along with 6 Nominee)

In terms of DoC's Instruction No. 89 dated 17.05.2018, re-organization including change in shareholding pattern, court approved mergers and de-mergers in case of developer/co-developer are to be undertaken by the Board of Approval.

Recommendation by DC:

DC, MEPZ SEZ has recommended the proposal.

The request is placed before BOA for its consideration.

Item No. 87.5 Miscellaneous Cases (four proposals)**87.5(i) Request of Meghmani Industries Limited for permission for procurement of Steam through pipeline from DTA unit adjacent to their SEZ Unit.**

M/s Meghmani Industries Limited (MIL) was issued Letter of Approval dated 03.03.2008 to manufacture S.O. Dyes, Intermediates & Other chemicals, Optical Brightening Agents, Agrochemical – Technical & its formulations. M/s MIL started commercial production w.e.f.

26.05.2011. The cumulative Net Foreign Exchange Earning upto March, 2018 is Rs.50877.80 lacs.

Now M/s MIL requested for permission for procurement of steam through pipeline from DTA unit adjacent of their unit in Dahej SEZ. They will use steam for heating purpose to complete their manufacturing process, which is being generated by using Coal/Gas or and means of fuels, as may be available and cost effective.

The proposed supply of steam through pipe line does not involve lying of any underground pipeline or digging in Dahej SEZ area, as it can be carried on fabricated structure or boundary line of SEZ. The steam supplied by MIL DTA unit to MIL Dahej SEZ unit will be measured through Vortex Flow meter and would be billed to their unit on monthly basis for the quantity supplied.

M/s Dahej SEZ Limited, Developer of Dahej SEZ vide their letter No.DSL/MEGHMANI/NOC/2018/1372 dated 26/11/2018 issued No Objection Certificate for procurement of steam through pipeline from DTA unit adjacent of their unit in Dahej SEZ.

This proposal was placed before the 83rd Approval Committee of Dahej SEZ and the committee decided that Development Commissioner may refer the proposal to the Board of Approval as procurement of steam through pipeline from DTA unit to SEZ unit.

Recommendation by DC:

The case is recommended to the Board of Approval for consideration of request of M/s Meghmani Industries Limited for permission for procurement of steam through pipeline from DTA unit adjacent of their unit in Dahej SEZ.

The request is placed before BOA for its consideration.

87.5(ii) Request of Rudradev Properties Pvt. Ltd., co-developer cancellation of LoA in FTWZ of M/s. Arshiya Northern FTWZ Ltd. at Village Ibrahimpur, Junaidpur urf Maujpur, Tehsil Khurja, Distt. Bulandshahr (U.P.).

M/s. Rudradev Properties Pvt. Ltd. has been granted co-developer status on 31.03.2017 for operation and maintenance of three nos. of existing warehouses (warehouse No. 52, 53 & 54) over an area of 31104 sqmt. in the processing area. of FTWZ of M/s. Arshiya Northern FTWZ Ltd. The co-developer had executed Bond-Cum-Legal Undertaking which had been accepted by the Competent Authority.

The co-developer has stated that due to change in business plan of the company, they have decided not to go ahead with their plan of co-developer business. The co-developer has further mentioned that they have not commenced any activity and have not availed any benefit or incentive as co-developer.

The co-developer has submitted following documents:-

- (i) 'No Objection' certificate dated 30.10.2018 of M/s. Arshiya Northern FTWZ Ltd., developer for surrender of LoA and cancellation of co-developer status of M/s. Rudradev Properties Pvt. Ltd. confirming that they had not entered into any lease agreement with M/s. Rudradev Properties Pvt. Ltd. as the co-developer has not yet commenced any activities in the FTWZ.
- (ii) 'No. Dues/No Objection' certificate issued by Specified Office vide his letter dated 14.11.2018. Specified Officer has informed that as on date no demand of Customs Duty, interest or penalty is pending for realization against the co-developer and the co-developer has not commenced its operation till date and as such no benefit/incentive etc. has been availed by them till date.
- (iii) Copy of Board Resolution dated 11.10.2018 deciding surrender of the co-developer license and applying for cancellation thereof and authority in favour of authorized signatories of the company.

Recommendation by DC:

DC, NSEZ has recommended the proposal

The request is placed before BOA for its consideration.

87.5(iii) Request of M/s. Brigade (Gujarat) Projects Private Limited for additional Built-up area of 401 sq. ft. Co-Developer in Sector Specific Special Economic Zone at Village Ratanpur, District Gandhinagar, Gujarat, being developed by M/s. GIFT SEZ Ltd.

M/s. Brigade (Gujarat) Projects Private Limited, was approved as a Co-Developer by the DOC, vide Formal Approval dated 17.05.2016 over an area of 2,60,000 sq. ft., for providing infrastructure facilities to develop – maintain and operate SEZ building to undertake export of services, in the sector Specific SEZ for Multi Services at Ratanpur, District Gandhinagar, Gujarat, being developed by M/s. Gift SEZ Ltd.

Further, M/s. Brigade (Gujarat) Projects Private Limited (Co-Developer), vide application dated 27.07.2016 sought approval of additional Built up area 7,456.71 sq. ft. This request for approval of additional built-up area was due to increase in the final approved plans by the GIFT Development Committee (of Developer – M/s. GIFT SEZ Ltd.) the approval for the same was granted by the DoC on 05.12.2016.

Now the Co-Developer M/s. Brigade (Gujarat) Projects Private Limited vide letter dated 04.07.2018 has mentioned that on completion of the construction of the building there is an increase of 401 sq. ft in the final built up area for which they have submitted an application in Form A1 under Rule 3(a) of SEZ Rules, 2006. Vide their letter dated 28.08.2018 they have submitted the factors which led to the increase in the area.(Copy enclosed). In this regard a Committee of SEZ Officers and technical officials of Developer and Co-developer were ordered to verify the fact. The Committee vide its Verification Report dated 28-11-2018 (copy enclosed) has confirmed the increase of 401 sq. ft built-up area.

- Original built up area of 2,60,000 sq. ft was approved by DOC's approval letter No. F.1/145/2007-SEZ, dated 17-05-2016
- Additional built up area of 7,456.71 sq. ft was approved by DOC's approval letter No. F.1/145/2007-SEZ, dated 05-12-2016
- Current increase in Built up area - 401 sq. ft. sought for approval by the Co-developer
- Total Built up area after approval shall be – 267857.71 sq. ft.

Recommendation by DC:

The proposal of M/s Brigade (Gujarat) Projects Pvt. Ltd., GIFT CITY, Gandhinagar, for approval of additional Built up area of 401 sq. ft. is recommended to the Board of Approval.

The request is placed before BOA for its consideration.

87.5 (iv) Requests for approval for dual use in respect of Offer-Cum-Allotment of completed infrastructure developed in non-processing area of SEZ by the Developer, M/s Gujarat Industrial Development Corporation (GIDC) Ahmedabad to Indian Institute of Packaging under the Department of Commerce for the establishment of a new centre.

M/s. Gujarat Industrial Development Corporation (GIDC) was granted LoA on 12.07.2006 for setting up a Sector Specific Special Economic Zone for "Apparel Sector" at Ahmedabad and was notified over an area of 38.0413 Ha on 10.04.2007. As per the request of GIDC, the demarcation of an area of 19.7350 Hectares as "Processing Area" and an area of 0.6799 Hectares as "Non-Processing Area" was also approved and taken on record by the Development Commissioner, KASEZ vide order dated 14.06.2007.

The DC has informed that the GIDC developed the infrastructure in 20.41 Hectares (being Phase-I development) in the said SEZ. During the said course of development, GIDC has also developed/constructed a CFC building (Common Facility Centre) of about 6774 Sq. Mtr. built up area in the said Non-Processing area of 0.6799 Hectares. In respect of the rest of the area of 17.62 Hectares of land, the request made by GIDC at later stage for partial de-notification was also approved by the Ministry vide letter dated 28.09.2015. Moreover, the proposal for change in sector specific nature of the SEZ from "Apparel" to "Textiles & Articles of Textiles" was also approved by the Department of Commerce vide letter dated 02.09.2016.

The Developer M/s GIDC had issued an Offer-cum-Allotment letter to M/s. Indian Institute of Packaging on 18.06.2018 in respect of the Plot No. 1 (CFC) having an area of 6855.26 Sq. Mtrs. with built-up area of 6106.99 Sq.Mtrs. [at Ground floor-2311.57 sq.mtr, First floor-2094.57 sq.mtr. and Second floor-1700.85 sq.mtr] at Apparel Park SEZ, Ahmedabad. Regional Manager, GIDC again vide letter dated 28.08.2018 also submitted that said M/s. Indian Institute of Packaging has been issued said Offer-cum-allotment letter for the purpose of Testing, Certificate and Study Institute and also requested to give due consent/Approval for the said allotment. DC, KASEZ has stated that this Offer-cum-Allotment was not in consonance with the provisions of Rule 11 of SEZ Rules, 2006.

Indian Institute of Packaging (IIP) is an autonomous body under the aegis of Ministry of Commerce & Industry, GoI, established as a society under the Societies Registration Act, 1860. The main objective of the Institute is to promote the export market by way of innovative package design and development and also to upgrade the packaging standards at National level having its head office at Mumbai and branches at Delhi, Kolkatta, Chennai & Hyderabad.

As informed by the DC, KASEZ, Director, Indian Institute of Packaging has requested GIDC for possession of CFC Building at AAP-SEZ for Establishment of new Centre of IIP as the Central Government intends to ensure that the Common Facility Centre becomes fully functional by the mid of January, 2019.

Rule Position:-

As per Rule 11 (10) of the SEZ Rules, 2006, No vacant land in the non-processing area shall be leased for business and social purposes such as educational institutions, hospitals, hotels, recreation and entertainment facilities, residential and business complexes, to any person except a co-developer approved by the Board: PROVIDED that the developer or co-developer may lease the completed infrastructure alongwith the vacant land annexed thereto for the purposes:..”

Further, Rule 11A stipulates that :

“(1) Where the social or commercial infrastructure and other facilities are permitted to be used by both the SEZ and DTA entities:... The Customs duty, Central Excise duty, Service Tax, and such other Central levies and tax benefits already availed for creation of such infrastructure shall be refunded by the Developer in full, without interest.....(a) the land is to be put to only such use which is as per the regulations of the concerned State Government or local bodies; (b) if any exemption or refund has been taken from State or local taxes like stamp duty, change of land uses, etc... the same shall be refunded back to State Government or local authorities and a certificate to this effect shall be produced from the concerned authorities (c) No Objection Certificate (NOC) from the concerned State Government shall be produced before the consideration of the request by the Board of Approval (BoA). State Government.....

(2)

(3).....(a)....(b)....(c) The area restrictions for duty paid dual use non processing area in the SEZ shall be as follows:.....”

Recommendations of DC:

The DC, KASEZ has recommended the proposal subject to the following conditions :

- (i) The Developer i.e. M/s GIDC produce a certificate to the effect that the area proposed to be allotted to the IIP is put to only such use which is as per the regulations of the Gujarat State Government and the local body in terms of Rule 11 A(1) (a) of SEZ Rules, 2006.

- (ii) The tax benefits availed, if any, for creation of the infrastructure shall be refunded by M/s GIDC- the Developer in terms of Rule 11 A(1) of SEZ Rules, 2006.
- (iii) The Developer i.e. M/s GIDC produces a certificate to the effect that the area restrictions for duty paid dual use non-processing area as mentioned in Rule 11A(3)(c) of the SEZ Rules, 2006 have been followed.

87.6 Presentation on amendment dated 19.09.2018 in the SEZ Rules, 2006.
