

Udyog Bhawan, New Delhi  
Dated the 27<sup>th</sup> September, 2019

**OFFICE MEMORANDUM**

**Subject:** Supplementary Agenda for the (92<sup>nd</sup>) Meeting of the Board of Approval (BoA) for Special Economic Zones (SEZs) scheduled to be held on 4<sup>th</sup> October, 2019 - forwarding thereof - Reg.

In continuation to this Department's O.M. of even number dated 19<sup>th</sup> September, 2019 on the above mentioned subject, the undersigned is directed to enclose herewith the Supplementary Agenda for the 92<sup>nd</sup> meeting of the BoA for SEZs scheduled to be held on 4<sup>th</sup> October, 2019 at 11:30 A.M. in Room No. 108 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 agenda from the above mentioned website.

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



**(Darshan Kumar Solanki)**  
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To

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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)
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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)
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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, Bhubaneswar – 751001 (Fax: 0671-536819/2406299).
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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 / PPS to AS (BBS) / PPS to DS (SNS).**



**Supplementary Agenda for the 92<sup>nd</sup> meeting of the Board of Approval to be held on 4<sup>th</sup> October, 2019 at 11.30 A.M. in Room No. 108 ,Udyog Bhawan, New Delhi**

**Item No. 92.9: Requests for extension of validity of formal approval (two proposals)**

**Item No. 92.9(i) Request of M/s. Electronics Corporation of Tamil Nadu Ltd. (ELCOT Ltd.) for further extension of the validity period of formal approval, granted for setting up of sector specific IT/ITES SEZ at Vadapalanji, Madurai for a further period of one year beyond 07.05.2019 up to 07.05.2020.**

**Name of the developer :** M/s. Electronics Corporation of Tamil Nadu Ltd.

**Sector :** IT/ITES

**Location :** Vadapalanji, Madurai

**Extension :** Formal approval to the developer was granted on 26.07.2007 and the SEZ. The developer has been granted nine extensions and last extension of validity period of LoA was up to 07.05.2019. The developer had requested for further extension upto 7.05.2020.

As informed by DC, MEPZ in the proposal submitted for consideration of BoA in its 91<sup>st</sup> meeting held on 06.08.2019, the developer had created common infrastructure facilities for 100 acres of land and construction of 50000 sq.ft. IT building was completed. The details of progress were as follows:-

**(a) Details of business Plan:-**

Sr. No.	Type of cost	Proposed Investment (Rs. In crores)
1	Land Cost	9.40
2	Construction Cost	42.66
	<b>Total</b>	<b>52.06</b>

**(b) Incremental investment since last extension:-**

Sr. No.	Type of Cost	Total Investment made so far (Rs. In crores)	Incremental investment since last extension (Rs. in crores)
1	Land cost	9.40	--
3	Construction	62.66	20.00
	<b>Total</b>	<b>72.06</b>	<b>20.00</b>

**(c) Details of physical progress till date:-**

Sr. No.	Authorised activity	% completion as on date	% completion during last one year
1.	Creation of common infrastructure facilities were completed at the cost of Rs. 14.50 crores	100%	100%
2.	Construction of Road Over Bridge work by the Highways Department and the work pertaining to Southern Railway are completed	100%	100%
3.	Construction of 50,000 sq.ft. IT-cum-Administrative block is	100%	25%

completed and shall commence its operations by Sep, 2019 after the prospective allottee unit holder obtaining necessary permission from the DC, MEPZ, Chennai. M/s. ELCOT further informed that M/s. Chain-sys Software Exports Pvt. Ltd. have obtained the co-developer status and expected to start their construction activities. M/s. HCL Limited is also applying for co-developer status.		
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The details of construction as provided by DC for consideration of BoA was as follows:

Details of built up area constructed	Area in sq.ft.	Area in sq.mtr.
Built up area constructed so far by developer ELCOT SEZ	50,000	4,647

**Detailed roadmap submitted by the Developer:**

ELCOT established an IT/ITES SEZ in Tier II location at Vadapalanji village, Madurai South Taluk, Madurai at an extent of 213 acres of land at an investment of Rs. 66.51 Crores.

In this SEZ, ELCOT has made allotment of 142 acres of land in SEZ area to 6 IT/ITES companies as detailed below:-

S.No.	Name of the IT/ITES Company	Land allotted in SEZ area (in acres)
1.	HCL	60
2.	Satyam	50
3.	Chain-Sys Software Exports Pvt. Ltd.	20
4.	Sutherland Global Services Ltd.	5
5.	Caliber Point	5
6.	Health Plan System (India) Pvt. Ltd.	2
	<b>TOTAL</b>	<b>142</b>

ELCOT also constructed a 70,139 Sq.ft IT building with an investment of Rs. 23 Crores and was inaugurated on 05.03.2019 by the Hon'ble Chief Minister of Tamil Nadu.

M/s. HCL is planning to develop the 60 acres of land allotted in Vadapalanji IT SEZ by constructing 10 Lakh Sq.ft. IT building in the next 3 to 5 years period since their other facility created in Madurai-Ilandhaikulam at an extent of 5.20 lakh Sq.ft in the allotted area of 6.75 acres of land is fully occupied and is in operation with 3,500 employees.

M/s. Chain-Sys. Software Exports Pvt. Ltd., have obtained their Co-Developer status and going to construct 1 Lakh Sq.ft IT building in the next 3 to 5 years period in this SEZ.

The proposed status of constructed area as per Rule 5(7) is given below:

SEZ	Category of SEZ	Minimum Built up area — SQM	Minimum Built up area — SFT	Built up space constructed —SFT	% Built up space completed 13%	Proposed construction in next 3-5 years — SFT	% Proposed construction
ELCOT — Vadapalanji — Madurai	Category B	50,000	538,196	70,139	13%	11,00,000	204%

A delegation headed by the Hon'ble Chief Minister of Tamil Nadu visited New York, San Francisco, Los Angeles, Buffalo, Dubai during August – September, 2019 and signed MoU with international IT companies to invest in Tamil Nadu and to promote the IT SEZs developed in Tamil Nadu.

Further, during October' 2019 it is proposed to conduct international Road Shows at London, Paris, Munich and Estonia under the leadership of Hon'ble Minister for Information Technology to promote the IT SEZs and to attract IT investment in Tamil Nadu.

Government of Tamil Nadu and ELCOT are aggressively taking steps for speedy operation of the above IT SEZs.

**Observations of this Department:**

The ELCOT SEZ at Vadapalanji, Madurai is covered under Category 'B' city as per Rule 5(2)(b)(ii) of SEZ Rules, 2006 and was notified on 30.04.2008. In terms of Rule 5(7) of SEZ Rules, 2006, the developer was supposed to construct the minimum built up area of 50,000 sq. mtrs within a period of ten years from the date of notification out of which only 4,647 sq.mt. area has been constructed.

The proposal was deliberated in the BoA, in its 91<sup>st</sup> meeting dated 06.08.2019 wherein it was observed that despite substantive investment, the developer has constructed a very small portion of the built up area. The Board decided that a well defined roadmap from the developer for meeting the necessary requirements of built up area laid down in Rule 5(7) of the SEZ Rules, 2006 be obtained through DC, MEPZ, and put up in the BoA. The detailed roadmap as submitted by the developer as above.

It may be noted that this department is already in process for amendment in Rule 5 of the SEZ Rules, 2006 by amending the minimum area requirement and empowering the BoA to grant an extension based on the written request from the developer. The proposal for amendment has been referred to the Department of Revenue for further deliberations.

**Recommendations by DC:**

DC, MEPZ has made no observations on the proposed roadmap submitted by the developer while forwarding the same and has requested to the place the request of M/s. Electronics Corporation of Tamil Nadu Ltd. (ELCOT Ltd.) for further extension of the validity period of formal approval, granted for setting up of sector specific IT/ITES SEZ at Vadapalanji, Madurai for a further period of one year beyond 07.05.2019 up to 07.05.2020 before the BoA for consideration.

**Item No. 92.9 (ii) Request of M/s. Electronics Corporation of Tamil Nadu Ltd. (ELCOT Ltd.) for further extension of the validity period of formal approval, granted for setting up of sector specific IT/ITES SEZ at Viswanathapuram, Hosur, Tamil Nadu for a further period of six months beyond 7.5.2019 up to 7.11.2019.**

**Name of the developer :** M/s. Electronics Corporation of Tamil Nadu Ltd.

**Sector :** IT/ITES

**Location :** Viswanathapuram, Hosur

**Extension :** Formal approval to the developer was granted on 26.7.2007. The developer has been granted nine extensions and last extension of validity period of LoA was up to 7.5.2019. The developer has requested for further extension of six months upto 7.11.2019.

As informed by DC, MEPZ, in the proposal submitted for consideration of BoA in its 91<sup>st</sup> meeting held on 06.08.2019, the developer has created common infrastructure facilities such as road, compound wall, administrative block, STP, Water pipeline etc. and construction of 50000 sq.ft. IT building and administrative block has been completed.

**Present Progress:**

**(a) Details of business Plan:-**

Sr. No.	Type of cost	Proposed Investment (Rs. In crores)
1	Land Cost	1.75
2	Construction Cost	40.00
	<b>Total</b>	<b>41.75</b>

**(b) Incremental investment since last extension:-**

Sr. No.	Type of Cost	Total Investment made so far (Rs. In crores)	Incremental investment since last extension (Rs. in crores)
1	Land cost	1.75	--
2	Construction	44.70	4.70
	<b>Total</b>	<b>46.45</b>	<b>4.70</b>

**(c) Details of physical progress till date:-**

Sr. No.	Authorised activity	% completion as on date	% completion during last one year
1.	Creation of common infrastructure facilities	100 %	--
2.	Construction of 50,000 sq.ft. IT building	100 %	15%

The details of construction as provided by DC for consideration of BoA was as follows:

Details of built up area constructed	Area in sq.ft.	Area in sq.mtr.
Built up area constructed so far by developer ELCOT SEZ	50,000	4,647



**Detailed roadmap submitted by the Developer:**

ELCOT established an IT/ITES SEZ in the Tier III location at Viswanathapuram village, Hosur Taluk, Krishnagiri District at an extent of 174.47 acres of land at an investment of 41.75 Crores and for improving the facilities in this SEZ, additional infrastructure works at a cost of Rs. 2.56 Crores are under progress.

In this SEZ ELCOT has made allotment of 15 acres of land on lease basis viz. M/s. Okaya Infocom Pvt. Ltd. - 10 acres, M/s.CRM IT Solutions pvt. Ltd., - 3 acres and M/s. CRM Infotech India Pvt. Ltd., - 2 acres.

ELCOT also constructed a 62,100 Sq.ft IT space and 21,000 Sq.ft constructed for Parking and Food Court in this SEZ and allotted 44,461 Sq.ft to the IT/ITES companies on rental basis viz. M/s. Msteel Detailing Services — 3461 Sqft, M/s. Chandusoft Technologies Pvt. Ltd. - 6961 Sq.ft, M/s. Vision Plus Security Control Pvt. Ltd. - 14139 Sq.ft and M/s. US Technology International Private limited — 19900 Sq.ft.

One of the major IT Companies i.e. M/s. Tata Consultancy Services evinced interest to take a large area in this SEZ. In this process, they made four rounds of site inspections and discussions are completed. Now they are in the process of finalization of the proposed project in this SEZ and expected to build 10 Lakh Sq.ft IT Building in the next 5 years period.

The proposed status of the developer for constructed area as per Rule 5(7) is as below:

SEZ	Category of SEZ	Minimum Built up area — Sqm.	Minimum Built up area — Sft	Built up space constructed — Sft	% Built up space completed	Proposed Construction in next 3-5 years — Sft	% Proposed construction
ELCOT — Viswanathapuram Hosur	category C	25,000	269,098	83,100	30%	10,00,000	372%

A delegation headed by the Hon'ble Chief Minister of Tamil Nadu visited New York, San Francisco, Los Angles, Buffalo, Dubai during August – September, 2019 and signed MoU with international IT companies to invest in Tamil Nadu and to promote the IT SEZs developed in Tamil Nadu.

Further, during October' 2019 it is proposed to conduct International Road Shows at London, Paris, Munich and Estonia under the leadership of Hon'ble Minister for Information Technology to promote the IT SEZs and to attract IT investment in Tamil Nadu.

Government of Tamil Nadu and ELCOT are aggressively taking steps for speedy operation of the above IT SEZs.

**Observations of this Department:**

The ELCOT SEZ at Hosur is covered under Category 'C' city as per Rule 5(2)(b)(ii) of SEZ Rules, 2006 and was notified on 04.5.2009. As per Rule 5(7) of SEZ Rules, 2006, the

developer was supposed to construct a minimum built up area of 25000 sq.mt. within a period of ten years from the date of notification, however, the developer has constructed 4,647 sq.mt. built up area so far.

The Board, in its 91<sup>st</sup> meeting dated 06.08.2019 observed that despite substantive investment, the developer has constructed a very small portion of the built up area. The Board, after deliberations, decided that a well defined roadmap from the developer for meeting the necessary requirements of built up area laid down in Rule 5(7) of the SEZ Rules, 2006 be obtained through DC, MEPZ, and put up in the BoA.

It may be noted that this department is already in process for amendment in Rule 5 of the SEZ Rules, 2006 by amending the minimum area requirement and empowering the BoA to grant an extension based on the written request from the developer. The proposal for amendment has been referred to the Department of Revenue for further deliberations.

#### **Recommendations by DC:**

DC, MEPZ has made no observations on the proposed roadmap submitted by the developer while forwarding the same and has requested to place the proposal of M/s. Electronics Corporation of Tamil Nadu Ltd. (ELCOT Ltd.) for further extension of the validity period of formal approval, granted for setting up of sector specific IT/ITES SEZ at Viswanathapuram, Hosur, Tamil Nadu for a further period of six months beyond 7.5.2019 up to 7.11.2019 for consideration of the BoA.

#### **Item No.92.10 Requests for extension of LoA beyond 4<sup>th</sup> Year onward (2 proposals)**

**92.10(i) Request of M/s. P. Mittal manufacturing Pvt. Ltd. in the Noida SEZ for extension of Letter of Permission (LOP) beyond 11.09.2019 upto 11.09.2020.**

- **LoP issued on:** 12.09.2014
- **Nature of business of the Unit:** Manufacturing of Oil Drilling Equipments, Machines, Tools, Parts & Accessories
- **No. of Extensions:** 4 (3 by DC, NSEZ, 1 by BOA).
- **LOP valid upto:** 11.09.2019
- **Request:** For further extension for one year, upto 11.09.2020

#### **Present Progress:**

##### **(a) Details of Business plan**

S. No.	Type of Cost	Proposed Investment (Rs. in Crore)
1	Factory Building	4.50
2	Plant & Machinery	3.75
3	Working Capital	2.90
	<b>Total:</b>	<b>11.15</b>

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

S. No.	Type of Cost	Total Investment made so far (in cr)	Incremental investment since last extension (in cr)
1	Factory Building	3.90	0.96
2	Plant & Machinery	0.89	--
3	Working Capital	--	--
	<b>Total:</b>	<b>4.79</b>	<b>0.96</b>

**(c) Details of Physical progress till date & implementation schedule:-**

S. No.	Type of cost	% completion as on date	% completion during last one year	Deadline proposed by unit
1	Factory Building	90%	5%	March 2020
2	Plant & Machinery	--	--	June 2020
3	Validation of trial production	-	-	July 2020
4	Commencement of production	-	-	August 2020

**Detailed reasons for delay:-**

The unit has submitted following reasons for delay in implementation of project:

1. That they could not complete construction work of building due to delayed approval from Noida Authority and pollution department and some difficulties in getting the loan from Financial Institution.
2. That the estimated cost of building has increased from Rs. 3.50 Crores to Rs. 4.50 Crores and no Bank/Financial Institutions is ready to finance the incomplete building and hence they could not make much progress during last extension however now they are trying their best to complete it by or before March 2020 from their own funds.
3. That they have completed construction upto 90% and remaining 10% is expected to be completed by March 2020. Unit has produced a Chartered Engineer's certificate to the effect that 90% of the building has been completed and only flooring work and external development work is remaining at site.

**Recommendation by DC:**

DC, Noida SEZ has recommended the request of extension of LOP for a period of one year beyond 11.09.2019 up to 11.09.2020.

The request is placed before BOA for its consideration.

**92.10(ii) Request of M/s. Vintage Linen in the Noida SEZ for extension of Letter of Permission (LOP) beyond 23.07.2019 upto 23.07.2020.**

- **LoP issued on:** 24.07.2015
- **Nature of business of the Unit:** Manufacturing of Home Furnishing, Textile made-ups such as Cushion Covers, Curtains, Bed Linen, Table Linen & Accessories
- **No of Extensions:** 3 by DC, Noida SEZ
- **LOP valid upto:** 23.07.2019
- **Request:** For further extension upto 23.07.2020

**Present Progress:**

**(a) Details of Business plan:**

S. No.	Type of Cost	Proposed Investment(Rs. in Crore)
1	Building Purchased via E-Auction	1.30
2	Construction (Repair & Renovation Cost)	0.10
3	Plant & Machinery	0.20
4	Other Overheads	
	(i) Preliminary Expenses	0.02
	(ii) Installation & Erection of Machines	0.02
	(iii) Initial Setup	0.02
	(iv) Marketing Expenses	0.10
	<b>Total:</b>	<b>1.76</b>

**(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	Building	1.40	0.10
2	Material Procurement	0.02	0.02
3	Service Cost	0.10	0.10
4	Other Overheads	0.02	0.02
	<b>Total:</b>	<b>1.54</b>	<b>0.24</b>

**(c) Details of Physical progress till date & implementation schedule:-**

S. No.	Activity	% completion as on date	% completion during last one year	Deadline for completion of balance work
1.	Activities including construction related to setting up of unit	95	95	30.11.2019

The unit proposes to install machinery by 30.11.2019 and begin exports by 15.12.2019.

**Detailed reasons for delay:-**

The unit has submitted following reasons for delay in implementation of project:

1. That they have purchased the building at Plot no. J.C. 4, 5 & 6, NSEZ via e-auction through MSTC on 30.06.2016 and the sale was confirmed in their favour by Allahabad High Court since they were highest bidder.
2. That they could get the transfer/registration of the property in August 2018.
3. That after receiving possession and completing transfer formalities, they have done major renovation and repairs in the unit.
4. That they have received trial orders from two foreign buyers which need to be shipped by November and December 2019. For these reasons they are going forward as follows:-
  - (i) They have completed repair and renovation work in the unit and it is now ready to start manufacturing activities.
  - (ii) They have obtained Electricity Connection of 20KW from the Electricity Department which will suffice their planned machine requirements.
  - (iii) They have installed complete fire safety and fire-fighting apparatus and obtained NOC from the Fire Department. They have hired 3-4 people for initial setup and preliminary preparations.
  - (iv) They have purchased fabric (raw material) to enable them to immediately start production.
  - (v) Once they receive the LOA extension, unit plan to immediately purchase cutting, stitching, overlocking, button holing & button stitching etc. machines.
  - (vi) They plan to purchase and install Cutting, Finishing & Checking/Packing Tables.
  - (vii) They expect to produce and dispatch the 2 trial orders as soon as possible so that they start getting regular orders from these buyers.
  - (viii) They are also trying to revive the 100% buy back arrangement with the Company they had initially planned to start with and they are hopeful that they will be able to renew the buyer's interest.

**Recommendation by DC:**

DC, Noida SEZ has recommended the request of extension of LOA for a period of one year beyond 23.07.2019 up to 23.07.2020.

The request is placed before BoA for its consideration.

**92.11 Proposal for change of shareholding pattern (two proposals)**

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

**92.11(i) Proposal of M/s. Arshiya Northern Projects Pvt. Ltd., co-developer of M/s. Arshiya Northern FTWZ Ltd., Khurja (Uttar Pradesh) for change in shareholding pattern of the company.**

M/s. Arshiya Northern Projects Pvt. Ltd. was granted co-developer status of M/s. Arshiya Northern FTWZ Ltd, developer of FTWZ at Khurja (Uttar Pradesh) on 29.11.2018. The co-developer had executed Bond-Cum-Legal Undertaking which had been accepted by the Competent Authority on 15.03.2019.

Details of existing & proposed shareholding pattern of the company are given below:

Existing Shareholding Pattern		Proposed Shareholding Pattern	
Name of the shareholder	% share	Name of the shareholder	% share
Arshiya Limited	99.80%	Ascendas Property Fund (India) Pte Ltd.	99.80%
Navnit Jugal Kishore Choudhary (Nominee of Arshiya Limited)	0.20%	Nominee shareholder of Ascendas Property Fund (India) Pte Ltd.	0.20%
Total	100.00%	Total	100.00%

**Reason for change in shareholding:**

As per the proposal, M/s. Ascendas Property Fund (India) Pte Ltd. (purchaser) is a part of the CapitalLand Group which is a diversified real estate group, engaged inter-alia in the business of development, maintenance and marketing of IT parks, Industrial parks (manufacturing, logistics and distribution centres), FTWZ, business parks, science parks, hi-tech facilities and office space urban development; as well as lodging and residential in various countries, including India. The purchaser has taken into consideration the potential of logistics sector in India and has given due consideration into the Government of India's initiatives, such as 'Digital India' and 'Promoting Entrepreneurship'. The purchaser wishes to capitalize on these opportunities which will strengthen CapitalLand Group's presence in the logistics sector in India. Further, the purchaser is a financially stable company and has the ability to operate, maintain and develop the Khurja FTWZ.

**Recommendation of DC:**

DC, NSEZ has recommended the proposal.

The request is placed before BoA for its consideration.

**92.11(ii) Request of M/s. DLF Info City Developers (Chennai) Ltd. SEZ at Shivaji Gardens, Moonlight Stop, Nandampakkam Post, Ramapuram, Chennai for change in shareholding pattern of the company.**

The above mentioned SEZ was granted LoA on 22.06.2006. Subsequently, the name of the developer was changed to M/s. DLF Home Developers Ltd. based on the Court orders passed by Hon'ble High Court of Punjab and Haryana and Hon'ble High Court of Delhi in the matter of "Scheme of amalgamation" and the same was approved by BoA in its meeting held on 08.03.2017.

Again pursuant to the Scheme of De-Merger, based on the orders passed by the Hon'ble NCLT, Principal Bench Delhi vide orders dated 04.01.2019 sanctioning the Scheme of Arrangement involving De-merger of SEZ undertaking viz. M/s. DLF Home Developers Ltd. into M/s. DLF Info City Chennai Limited, the Developer's LoA was transferred from M/s. DLF Home Developers Ltd. to M/s. DLF Info City Chennai Limited.

The details of the shareholding pattern of the company both present and proposed are given below:-

S. No.	Present Shareholding pattern		Proposed Shareholding pattern	
	Shareholder's name	% of shareholding	Shareholder's name	% of shareholding
1.	DLF Limited along with its four nominees	99.6036%	DLF Cyber City Developers Ltd. (along with 6 nominees)	100%
2.	DLF Phase-IV Commercial Developers Limited	0.3963%		
3.	Lodhi Property Company Ltd.	0.0001%		

**Recommendation by DC:-**

DC, MEPZ SEZ has recommended the proposal.

The request is placed before BoA for its consideration.

**Item No. 92.12 Requests for co-developer (2 proposals)**

**92.12(i) Request of M/s. Arshiya Infrastructure Developers Private Limited for Co-developer status in the Free Trade and Warehousing Zone of M/s. Arshiya Northern FTWZ Ltd. at Village Ibrahimpur, Junaidpur urf Maujpur, Tehsil Khurja, Distt. Bulandshahr (U.P.) for Operation, Maintenance and leasing of existing Warehouse No. 54 constructed on land admeasuring 1.18 Hectare.**

The above mentioned Free Trade and Warehousing Zone of M/s. Arshiya Northern FTWZ Ltd. at Village Ibrahimpur, Junaidpur urf Maujpur, Tehsil Khurja, Distt. Bulandshahr (U.P.) stands notified on 16.11.2010 over an area of 51.4394 hectares.

M/s. Arshiya Infrastructure Developers Private Limited has submitted a proposal for becoming a co-developer in the aforesaid FTWZ for "Operation, Maintenance and Leasing of existing Warehouse No. 54 constructed on land admeasuring 1.18 Hectare".

The proposed Warehouse No.54 is presently approved in favour of another Co-developer, M/s. Arshiya Northern Projects Pvt. Ltd. vide Co-developer approval dated 29.11.2018, who has proposed to sub-lease the Warehouse No. 54 to M/s. Arshiya Infrastructure Developers Private Limited.

Co-developer Agreement dated 11.09.2019 entered into with the FTWZ Developer has been provided. The proposed amount of investment by the Co-developer in the FTWZ is Rs.330 lakhs.

**Recommendation of DC:**

DC, NSEZ has recommended the proposal.

The request is placed before BoA for its consideration.

**92.12(ii) Request of M/s. Artha Business Park LLP for Co-developer status in the IT/ITES SEZ of M/s. Artha Infratech Pvt. Ltd. located at Plot No. 21, Sector-Techzone IV, Greater Noida (Uttar Pradesh)**

The above mentioned IT/ITES SEZ stands notified on 11.05.2011 & 11.09.2019 over an area of 05.006754 hectares.

M/s. Artha Business Park LLP has submitted a proposal for becoming a co-developer in the aforesaid FTWZ for “Conversion from warm shell to total ready to move in infrastructure to be leased out to various SEZ units for Exports [Total 2 Floors (Floor No. 11 & 12) of Tower No.1 of approximately 64820 Sqft. Super area in the processing area of IT/ITES SEZ]”.

Co-developer Agreement dated 10.09.2019 entered amongst M/s. Artha Infratech Pvt. Ltd. (Developer), M/s. Trustone Wegmans Developers Pvt. Ltd. (Existing Co-developer) & M/s. Artha Business Park LLP (Proposed Co-developer) has been provided. The proposed amount of investment by the Co-developer in the SEZ is Rs.26.5762 Crore.

**Recommendation of DC:**

Development Commissioner, NSEZ has recommended the proposal.

The request is placed before BOA for its consideration.

**Item No. 92.13 Setting up of new SEZs (one proposal)**

**Item No. 92.13 (i) Request of M/s. TATA Consultancy Services Limited seeking formal approval for setting up a new Sector Specific SEZ for IT/ITES at Plot Nos: H-11/1B & H-11/2 in SIPCOT IT Park, Siruseri, Kancheepuram District, Tamil Nadu over an area of 7.39 Ha (18.27 Acers).**

Documents required for setting up of new SEZ for consideration of the BoA and grant of LoA:-



S. N.	Conditions/Documents required	Status
<b>A.</b>	<b>Documents required for setting up of SEZ in terms of Rule 3 of SEZ Rules, 2006:</b>	
(i)	Completed Form A (with enclosures) a) Total Proposed Investment : ₹ 900 (Crores) b) FDI (in US \$) : Nil c) Source of FDI : Not Applicable d) Proposed Exports : ₹ 6,000 (Crores) e) Employment (in Nos.) : 12,000 (Dir.) & 3,000 (InDir.)	Yes, provided
(ii)	DC's Inspection Report	Yes, provided
(iii)	State Government's recommendation	Yes, provided
(iv)	Recommendation for National Security Clearance (NSC) from Ministry of Home Affairs as per Rule 3 of SEZ Rules, 2006	DC has stated that based on the Self Declaration provided by the Developer, NSC may not be required.
<b>B.</b>	<b>Minimum area requirements in terms of Rule 5 of SEZ Rules, 2006:</b>	<b>Yes, Condition met</b>
	Fulfillment of minimum land area requirement in terms of the Rule 5 of the SEZ Rules, 2006 (No minimum land area requirement for IT/ITES sector. However, minimum Built-up processing area of 25,000 sq.mt. is required for Category "C" cities)	DC has stated that the Developer proposed to construct 3 million sq.ft. (2.79 million sq.mt.) built-up area.
<b>C.</b>	<b>Details to be furnished for issue of notification for declaration of an area as SEZ in terms of Rule 7 of SEZ Rules, 2006:</b>	
	Certificate from the concerned State Government or its authorized agency stating that the Developer(s) have;	
(i)	Legal possession	Yes, provided
(ii)	Irrevocable rights to develop the said area as SEZ	Yes, provided
(iii)	that the said area is free from all encumbrances	Yes, provided
(iv)	Where the Developer has leasehold right over the identified area, the lease shall be for a period not less than twenty years	Yes, Lease deed provided on lease of 99 years
(v)	The identified area shall be Contiguous, Vacant and No public thoroughfare	DC has stated that the Piece and a Parcel of Land is vacant and <u>not contiguous</u> .

DC, MEPZ in their inspection report has stated that M/s. SIPCOT Limited have allotted two Plots i.e. Plot No: H-11/1B admeasuring 8.02 acres and H-11/2 admeasuring 10.25 acres totalling 18.27 acres (7.39 Ha). In between the two Plots there is a Nine meter private road leading to a residential colony. In that road a temple is there. When questioned about the Contiguity of the site, the representative of the Developer stated that they have proposed to consider establishing connectivity between the two plots with both Basement Level Tunnel and Sky walk that will ensure Contiguity in the Site.

#### **Observations of Department of Commerce:**

As per guidelines regarding conditions for relaxation of contiguity criteria in respect of SEZs issued by DoC as Instruction No. 27 on 18.08.2009 condition of contiguity may be relaxed by the Board in respect of SEZs subject to conditions mentioned therein.

As of now, all other required documents/details in terms of DoC's letter dated 07<sup>th</sup> January, 2019 regarding documents required for setting up of an SEZ for the consideration of the BoA have been provided.

In addition to conditions provided in Instruction no. 27, the condition of connectivity through underground tunnel and over-bridge between the two floors may be explicitly dot out by the developer in their proposal for seeking safety clearances from authorities concerned.

**Recommendations of DC:**

The proposal has been recommended by DC, MEPZ.

Submitted for consideration of the BoA.

**Item No. 92.14 Miscellaneous cases (three proposals)**

**92.14(i) Request of M/s. PI Industries Ltd., SPM-28, Sterling SEZ at & PO Sarod, TA-Jambusar, Dist-Bharuch, Gujarat for consideration of including Hazardous Waste management & disposal services and Fire tenders hiring under uniform list.**

M/s. PI Industries Limited, Plot No, SPM-28, Sterling SEZ & Infrastructure Ltd. Sarod, Tal. Jambusar, Dist Bharuch had established two manufacturing units under the SEZ, Jambusar, Dist.-Bharuch (SEZ Area) having LOA dated 02.03.2010 and 11.04.2017 respectively for manufacture of Agro Chemicals, Fine Chemicals and Intermediate Chemicals.

Further, they have submitted that as per Sec. 16(1)(b) of IGST Act, supply of goods or services or both to a SEZ developer or a SEZ unit is registered as Zero rated.

Now, they are receiving many services from vendors for their authorized operation and for that the vendors are not charging them IGST on their invoices. As per SEZ Rule, the service invoice sent back to the vendor for refund of IGST/Close Bond/LUT after endorsement of the Custom Officer but many of services/SAC Codes are not Covered under the uniform list of 66 services which is published by the Ministry of Commerce & Industry.

In this connection, the services viz. Hazardous waste management & disposal services and FIRE TENDERS HIRING are availed by the M/s. P.I. Industries for their authorized operation and these services are taxable under GST Law with SAC Code 999799 and the same SAC Code is not covered under the uniform list of 66 services which is published by the Ministry of Commerce & Industry.

The proposal was placed before the 39<sup>th</sup> Approval Committee of Sterling SEZ held on 27.08.2019 and the committee observed that since there services viz. "Hazardous waste management & disposal services and FIRE TENDERS HIRING are not covered under the uniform list of 66 services, the case would require examination and approval of the Board of Approvals.

### **Recommendation by DC**

DC, Sterling SEZ has recommended the proposal.

The request is placed before BOA for its consideration, if approved, the decision of the BoA will be applicable to all SEZs. The decision will be circulated to all SEZs accordingly.

**92.14(ii) Request of M/s. Phoenix Ventures Pvt. Ltd. a sector specific SEZ for IT/ITES at Sy. No. 35(p) & 36, Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, Telangana, for additional area of 1.61 hectares (3.97 acres).**

The above mentioned SEZ stands notified over an area of 2.89 hectares.

As informed by the DC, the developer has stated that due to architectural plan for a fully efficient building, they are reorienting the land by adding additional area to the notified land enabling them to develop the IT infrastructure as per the plan. They are adding 3.97 acres. The total extent of the notified area would be 11.10 acres after the notification of additional area. They are yet to start any kind of construction at the site.

#### **DC recommendation:-**

DC, VSEZ has recommended the proposal

The request is placed before BoA for its consideration.

**92.14(iii) Permission for laying GAIL's 8" dia Natural Gas Pipeline along with OFC across/along the various utilities within the jurisdiction of SEZ, Dahej in Bharuch District.**

M/s. GAIL (India) Limited, a Maharatna Company, under the aegis of Ministry of Petroleum & Natural Gas, Govt of India, is engaged in gas supply to various Fertilizers, Power, Steel, Petrochemical Plants and other utility purpose such as CNG, Domestic gas etc., through its pipeline network. Presently, GAIL is operating Natural Gas Pipelines of more than 10000 km in the country. GAIL is contributing a major role in India's energy requirement & distribution through continual expansion of its pipeline network. GAIL has setup a huge pipeline network in Gujarat. As there is an existing LNG terminal in Dahej of Bharuch District, GAIL's major pipeline are originating from Dahej. As a part of pipeline network long back, GAIL has laid a 6" Dia Natural Gas Pipeline to facilitate natural gas to GACL from GGS, ONGC in Dahej. The part of the pipeline passes through SEZ, Dahej. They also stated that as a part of pipeline network long back before formation of SEZ, the existing pipeline was laid for supplying Natural Gas to GACL from GGS ONGC in Dahej. Further, they inform that this pipeline is passing through many industries setup in Dahej SEZ, so for the safety of these units, it is quite essential to shift this line to avoid any accident in future. Through this line the gas will be supplied to GACL only and no other SEZ units will be fed through this line.

M/s GAIL (India) Limited has requested to grant permission for GAIL's 8" dia Natural Gas Pipeline along with OFC across/along the various utilities within the jurisdiction of SEZ, Dahej in Bharuch District.

M/s. GAIL (India) Limited has stated the brief description of pipeline as furnished below:-

1. The proposed 13.0 Km( Approx) pipeline will be laid from GGS, ONGC in Dahej to GACL Dahej covering approx 3.028 km length of SEZ Dahej, 2.944 km of private land and 6.600 km of GIDC Dahej.
2. Estimated cost for laying pipeline including cost of material shall be Rs. 5000/- per RMT (Route per Meter) (approx).

M/s. GAIL (India) Limited has stated that the proposed pipeline will be laid across/along with the existing utilities as per following details.

1. The carrier pipe will be of 8" OD, Carbon Steel conforming to API 5 L specifications based on final design.
2. Crossing shall be undertaken by Horizontal Direction Drilling Method/Open Cut Method.
3. The pipeline will be laid at a depth of minimum 1.2 m below from the lowest ground level.
4. Once the pipeline is laid underground, the land will be restored to its original conditions.
5. During the execution of the work, proper safety precaution will be insured.
6. All works will be carried out as per the PNGRB and OISG guidelines and supervision of authority.

In continuation of above GAIL undertakes the following:-

- a. GAIL will not provide any services to any units located within SEZ Dahej through this line.
- b. No Tax Exemption shall be claimed by GAIL for GST obtained for laying of pipeline.
- c. The activity of laying of pipeline shall not affect existing infrastructure of SEZ and shall not affect the day to day working in SEZ.
- d. All the statutory permission from the Government Department (as applicable) shall be obtained.

M/s Dahej SEZ Limited, a Developer of Dahej SEZ vide letter dated 15.03.2019 issued in principal approval to M/s GAIL (India) Limited for offering land on RoU subject to certain conditions including M/s GAIL (India) Limited has to obtain permission for DC, SEZ/BoA for laying pipe line in Dahej SEZ area as per section 9(d) of SEZ Act. M/s GAIL (India) Limited has to follow the rules and regulation prevailing in SEZ area. M/s GAIL (India) Limited has to comply the norms/instruction of GIDC/DSL/Concern Authority.



**Recommendation by DC:**

The proposal of M/s GAIL (India) Limited for granting permission for GAIL's 8" dia Natural Gas Pipeline along with OFC across/along the various utilities within the jurisdiction of SEZ, Dahej in Bharuch District is recommended to Board of Approval for consideration.

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