No. K-43014(22)/35/2020-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)

Udyog Bhawan, New Delhi
Dated the 24th December, 2020

OFFICE MEMORANDUM

Subject: 102nd Meeting of the Board of Approval (BoA) for Special Economic Zone (SEZs) scheduled to be held on 6th January, 2021 at 11.30 A.M. in Room No. 141 – forwarding Agenda thereof – Reg.

In continuation to this Department's O.M. of even number dated 22nd December, 2020 on the above mentioned subject, the undersigned is directed to enclose herewith the Agenda for the 102nd meeting of the BoA for SEZs scheduled to be held on 6th January, 2021 at 11:30 A.M. for information and necessary action. Soft copy of the agenda has also been hosted on the website: ***www.sezindia.gov.in.***

2. The addressees are requested to make it convenient to attend the meeting through Video Conferencing and shall provide their IP address and location details. A weblink for the meeting shall be shared by this Department shortly.

24/12/20

(Sumit Kumar Sachan)
Under Secretary to the Government of India
Tel: 2306 2496
Email: sumit.sachan@nic.in

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 Promotion of Industry and Internal Trade (DPIIT), 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, 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(SK) /PPS to JS(AK)/ PPS to DS(SNS).

Agenda for the 102nd meeting of the Board of Approval to be held on 6th January, 2021 at 11:30 A.M. in Room no. 141, Udyog Bhawan, New Delhi

Item No. 102.1: Confirmation of minutes of the meeting of the 101st BoA held on 27th November, 2020.

102.2 Request for extension of LoA beyond 3rd year onwards (two 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 Approval (LoA)s i.r.o units in SEZs are governed by Rule 19(4) of SEZ Rules.
- Rule 19(4) states that a LoA shall be valid for one year. First Proviso grants power to DCs for extending the LoA for a period not exceeding two years. Second Proviso grants further power to DCs for extending the LoA for one more year subject to the condition that two-third 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.

102.2(i) Request of M/s. Algolog Systems Pvt. Ltd. in Ansal IT City & Parks Ltd., IT/ITES SEZ at Plot No. TZ-06, Tech Zone, Greater Noida (U.P.) for extension of Letter of Approval (LOA) for a further period of one year i.e. upto 25.10.2021.

- Name of Unit : Algolog Systems Pvt. Ltd.
- LOA issued on : 26.10.2015
- Nature of business of the unit : Software development
- LoA valid upto : The unit had been granted LOA dt. 26.10.2015. Validity of LOA lapsed on 25.10.2016 but unit did not apply for extension of LOA. The unit has been granted 1st extension up to 25.10.2020 by the BOA in its meeting held on 04.10.2019.
- Request : For further extension of one year up to 25.10.2021.

Present Progress:

(a) Details of Business Plan:-

S. No.	Type of Cost	Proposed Investment (Rs. in cr)
1	Land Cost	**1.182**
2	Construction Cost	**2.76**
3	Plant & Machinery	**1.89**
4	Other Overheads	**0.0055**
	Total	**5.8375**

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

S. No.	Type of Cost	Total Investment made so far (Rs. in cr)	Incremental investment since last extension (Rs. in cr)
1	Land Cost	**1.18**	-

2	Material Procurement (RMC, TMT Bars & cement etc.)	**0.78**	**0.78**
3	Service Cost (Contractor cost)	**0.245**	-
4	Other Overheads	**0.0055**	-
	Total	**2.21**	**0.78**

(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	Raft Foundation	100%	100%	Within 5 years of date of issue of sanction by Gr. Noida dt. 3.01.2019
2	Basement Retaining wall	40%	40%	

Details reasons for delay:

Company got layout sanctioned from Gr. Noida Authority on 03.01.2019. The company could not start the construction because old LOA expired and was renewed by BOA on 26.10.2019. They started the construction immediately thereafter and now require extension to complete the ongoing construction of unit.

Recommendation by DC, NSEZ:-

Based on discussion with the firm, they have informed a period of 6 months for finalization of their setup. DC, Noida SEZ has recommended the extension of LOA for a further period of one year i.e. upto 25.10.2021.

The proposal is placed before BoA for consideration.

102.2 (ii) Request of M/s. Ganesh International Financial Services (IFSC) Pvt. Ltd., for 3rd extension of the validity of Letter of Approval in Multi Services SEZ at Ratanpur, District Gandhinagar, Gujarat, developed by M/s. GIFT SEZ Ltd.

- Name of the unit: M/s. Ganesh International Financial Services (IFSC) Pvt. Ltd
- LOA issued on : 09.02.2017
- No. of extensions granted : Two by DC
- Validity of last extension :08.02.2020
- Reasons for seeking extension: Since new opportunities are arising now; so they would like to start the business now.

In the case of GIFT – Multi-services-SEZ, Gandhinagar, wherein the approved Co-Developer(s) provide ready to occupy built-in premises/space (plug and play) for the approved SEZ unit(s) the second proviso of Rule-19 (4) regarding completion of two-thirds of activities including construction cannot be squarely applied to these financial services/IFSC unit. And the requirement of incremental investment cannot be examined as there is no activity of construction for these approved IFSC SEZ units requiring obtaining of Chartered Engineer's certificate as per the aforesaid rule provisions.

Recommendation by DC:

In view of non-existence of enabling provision for extension in validity of LOA for IFSC/services SEZ unit beyond the normal three years (one + two years) validity, DC GIFT Multi

Services SEZ has requested BoA to extend the validity of LOA dated 09-02-2017 for a period beyond 08-02-2020 for a period of one year upto 08-02-2021.

The case is placed before the Board for consideration.

102.3 Proposal for change in shareholding pattern/ name/change of control/merger (five 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.

102.3 (i) Request of M/s Cessna Garden Developers Pvt Ltd., Developer of an IT/ITES SEZ located at Kadubeesanhalli Village, Varthur Hobli, Marathahalli-Sarjapura Outer Ring Road, Bangalore for change of shareholding pattern and change of directors.

M/s Cessna Garden Developers Pvt Ltd. was granted Letter of Approval for setting up a sector specific SEZ for IT/ITES at Kadubeesanahalli Village, Varthur Hobli, Marathahalli-Sarjapura Outer Ring Road, Bangalore on 28.06.2006. The total area of SEZ is 17.99 Ha.

As informed by DC, the developer proposes the following change in the shareholding pattern of the company:

<table>
<tr><th>Sl. No</th><th colspan="2">Shareholding pattern before change (%)</th><th colspan="2">Shareholding pattern after change (%)</th></tr>
<tr><td>1</td><td>Jawahar Gopal</td><td>0.44</td><td rowspan="12">BREP Asia II Indian Holding Co VII (NQ) Pte. Ltd</td><td rowspan="12">100%</td></tr>
<tr><td>2</td><td>Meera Jawahar</td><td>0.96</td></tr>
<tr><td>3</td><td>Lav Jawahar</td><td>0.97</td></tr>
<tr><td>4</td><td>Kush Jawahar</td><td>0.97</td></tr>
<tr><td>5</td><td>Manohar Gopal</td><td>0.44</td></tr>
<tr><td>6</td><td>Neha Manohar</td><td>2.9</td></tr>
<tr><td>7</td><td>Dhiren Gopal</td><td>0.44</td></tr>
<tr><td>8</td><td>Neeta Dhiren</td><td>2.89</td></tr>
<tr><td>9</td><td>Syed Ahmed</td><td>2.5</td></tr>
<tr><td>10</td><td>Fareena Syed Ahmed</td><td>2.5</td></tr>
<tr><td>11</td><td>Investors</td><td>-</td></tr>
<tr><td>12</td><td>Prestige Exora Business Parks Limited (PEBPL) Balance Shares</td><td>85</td></tr>
</table>

The directors of the company will be changed as follows:-

Sl. No	Board of Directors before change of shareholding	Sl. No	Board of Directors after change of shareholding
1	Noor Jaffer	1	Vikram Garg
2	Badrunissa Irfan	2	Abhishek Patil
3	Sameera Noaman	3	Shravan Sharna
4	Almas Rezwan	4	Nikhil Jalan
5	Biji George Koshy		

Reason: The Board of Directors of the Company realizes the growth potential that exists in the market. Hence, to maximize the value to the shareholders, it is important to unlock the value of crores of assets and redeploy the capital in new projects for business expansion and tap the existing growth potential. Therefore, Prestige Exora Business Parks Ltd which is holding Cessna Business Park Ltd is contemplating transfer of their respective stake in CGDPL in favour of BREP Asia II Indian Holding Company VII (NQ).

The change in shareholding pattern of the company and change in directors of the company has been certified by a Chartered Accountant.

Recommendation by DC:

DC, CSEZ has recommended the proposal for consideration of BOA.

102.3(ii) Proposal of demerger of M/s Phoenix Infocity Pvt. Ltd. (PIPL) (demerged company) developer of IT SEZ at Sy. No. 30(P), 34(P), 35(P) & 38(P), Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, Telangana as per the Scheme of Arrangement.

The request of M/s Phoenix IT Infrastructure India Pvt. Ltd. (PIIIPL) for co-developer status in the M/s Phoenix Infocity Pvt. Ltd. (PIPL) SEZ at Sy. No. 30(P), 34(P), 35(P) & 38(P), Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, Telangana for development, operation and maintenance of the SEZ and other activities was placed before the Board of Approval in its 100th meeting held on 25.09.2020. The Board, after deliberations, approved the proposal and LoA was issued to the co-developer on 21.10.2020in terms of Section 3(11) of the SEZ Act, 2005 and Rule 3A of the SEZ Rules, 2006 over the land area of 1.04 Ha.

As informed by DC, the developer states that the co-developer status is part of their demerger process from their holding Developer company i.e. M/s Phoenix Infocity Pvt. Ltd. and that in this process there shall be no leasing of the land. It involves transferring of the asset of the developer company to the co-developer, in the demerger scheme. Further, that the co-developer company will lease, operate and maintain the space.

Under the scheme of demerger, the developer wish to demerge IT/ITES building named Tower H03 having a leasable area of approx. 6,39,495 sq. ft. and the proportionate land admeasuring 2.56 acres in the aforesaid SEZ along with all rights, interest and benefits attached thereto and appoint M/s Phoenix IT Infrastructure India Pvt. Ltd. (PIIPL) to develop, market, lease, operate and maintain the co-developer property. A copy of Scheme of Arrangement between PIPL and PIIIPL and approved De-Merger Order dated 12.11.2020 issued by Regional Director, South East Region, Hyderabad has been provided to this effect.

The developer proposes for transfer of ownership of Co-Developer (PIDPL) company indicating the percentage of the shareholding pattern before and after de-merger scheme as below:

Name of the Shareholder	% of holding before Demerger	% of holding after Demerger
M/s. Phoenix Infratech (India) Pvt. Ltd.	-	50.6
M/s. Apex Urban Infrastructure Pvt. Ltd.	-	48.6
M/s. Phoenix Infocity Pvt. Ltd.	100	0.8
Total	100	100

List of Directors pre and post de-merger scheme as follows:

Pre de-merger	Post de-merger
Chukkapalli Avinash Babu	Gopi Krishna Patibanda
Parachuri Naresh	Jagadeesh Babu Ramanathan
	Vijay Bhasin

Recommendation by DC:

DC, VSEZ has recommended the request for demerger of the developer for consideration in terms of DoC's Instructions no. 89 & 90.

102.3(iii) Request of M/s. Ace SEZ Developers Pvt. Ltd, Co-Developer in M/s. Phoenix Tech Zone Pvt. Lid, IT/ITES SEZ at Sy. No. 115/35, Nanakraniguda Serilingampally Mandal, Ranga Reddy District, Telangana for transfer of ownership of their Co-Developer company.

M/s. Ace SEZ Developers Pvt. Ltd was granted co-developer status on 21.10.2020 for providing infrastructure facilities and making further investment to upgrade, develop infrastructure and undertake operation and maintenance of the constructed area of 1,39,385 sq. ft. located on the 14th to 16th Floors of Tower- B in M/s. Phoenix Tech Zone Pvt. Ltd, IT/ITES SEZ at Sy. No. 115/35, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Telangana.

BoA in its meeting held on 27.11.2020 accorded approval for reduction in space from 1,39,385 sq. ft. in 14th to 16th Floor, Tower-B to 47,010 sq. ft. in 16th Floor, Tower-B in the above SEZ.

The Co-Developer has stated that M/s. ICICI Prudential Office Yield Optimiser Fund, an investment fund managed by ICICI Prudential Asset Management Company, is willing to acquire 100% ownership of the Co-Developer company by way of purchase of shares from the shareholdings as mentioned above, in compliance with the provisions of the SEZ Act and Rules made thereunder. The shareholding pattern will be as follows:

Existing Shareholding Pattern		Proposed Shareholding Pattern	
M/s. Phoenix Tech Zone Pvt. Ltd and its nominee	100%	M/s. ICICI Prudential Office Yield Optimiser Fund and its nominee	100%

M/s. Phoenix Tech Zone Pvt. Ltd. has provided their consent for transfer of ownership of the Co-Developer company to M/s. ICICI Prudential Office Yield Optimiser Fund. The Developer has stated that they will transfer the shares of the Co-Developer to M/s. ICICI Prudential Office Yield Optimiser Fund subject to the approval of the BoA.

DC has informed that the case for renewal of validity of LOA of the Developer upto 16.2.2021, being the first extension, has been submitted separately to Department of Commerce.

Recommendation by DC, VSEZ:

Development Commissioner, VSEZ has recommended the proposal for transfer of 100% shares of M/s. Ace SEZ Developers Pvt. Ltd, Co-Developer to M/s. ICICI Prudential Office Yield Optimiser Fund, in terms of DoC's Instruction No. 89 read with Instruction No. 90 dated 3.8.2018.

102.3(iv) Request of M/s. Spacetech SEZ Developers Pvt. Ltd, Co-Developer in M/s. Phoenix Tech Zone Pvt. Ltd, IT/ITES SEZ at Sy. No. 115/35, Nanakramguda Village,

Serilingampally Mandal, Runga Reddy District, Telangana for transfer of ownership of their Co-Developer company.

M/s. Spacetech SEZ Developers Pvt. Ltd. was granted co-developer status on 21.10.2020 for providing infrastructure facilities and making further investment to upgrade, develop infrastructure and undertake operation and maintenance of the constructed area in an area of 47,010 sq, ft located on the 12th Floor of Tower-B in M/s. Phoenix Tech Zone Pvt. Ltd, IT/ITES SEZ at Sy. No. 115/35, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Telangana.

The Co-Developer has stated that M/s. RVR Projects Pvt. Ltd, a company with an experience of 44 years in multidisciplinary infrastructure project like Tunnels, Coal Conveyor belts, Runways, Bridges, Irrigation projects, Jetties, High rise buildings etc across the country, is willing to acquire 100% ownership of the Co-Developer company by way of purchase of shares, in compliance with the provisions of the SEZ Act and Rules made thereunder. The shareholding pattern will be as follows:

Existing Shareholding Pattern		**Proposed Shareholding Pattern**	
M/s. Phoenix Tech Zone Pvt. Ltd and its nominee	100%	M/s.RVR Projects Pvt. Ltd and its nominee	100%

M/s. Phoenix Tech Zone Pvt. Ltd has provided their consent for transfer of ownership of the Co-Developer company to M/s. RVR Projects Pvt. Ltd. The Developer has stated that they will transfer 100% shares of the Co-Developer to M/s. RVR Projects Pvt. Ltd subject to the approval of the BoA.

DC has informed that the case for renewal of validity of LOA of the Developer upto 16.2.2021, being the first extension, has been submitted separately to Department of Commerce.

Recommendation by DC, VSEZ:

Development Commissioner, VSEZ has recommended the proposal for transfer of 100% shares of M/s. Spacetech SEZ Developers Pvt. Ltd, Co-Developer to M/s. RVR Projects Pvt. Ltd, in terms of DoC's Instruction No. 89 read with Instruction No. 90 dated 3.8.2018.

102.3(v) Request of M/s. Phoenix IT Infrastructure India Pvt. Ltd, Co-Developer in M/s. Phoenix Infocity Pvt. Ltd, IT/ITES SEZ at Sy. No. Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, Telangana for transfer of ownership of their Co-Developer company.

M/s. Phoenix IT Infrastructure India Pvt. Ltd (PIIIPL) was granted co-developer status on 21.10.2020 for providing infrastructure facilities to develop/re-develop, market, operate and maintain the existing Tower H03 having a leasable area of approx. 639,495 sq. ft and proportionate land admeasuring 2.56 Acres, in M/s. Phoenix Infocity Pvt. Ltd (PIPL), IT/ITES SEZ at Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, Telangana subject to compliance with relevant provisions of SEZ Act and Rules pursuant to the Demerger Scheme in accordance with the terms of the Co-Developer Agreement dated 8.9.2020.

PIIIPL has stated that M/s. Ascendas Property Fund (India) Pte. Ltd, a company of CapitaLand Group, Singapore, is willing to acquire 100% ownership of PIIIPL post demerger, by way of purchase of shares from the shareholders as mentioned above, in compliance with the provisions of SEZ Act and Rules made thereunder. In this regard, the shareholding pattern of the Company after transferring the shares would be as under:

Name of the shareholder	**% of holding before**	**% of holding after**

	transfer to Ascendas	transfer to Ascendas
Phoenix Infratech (India) Private Limited	50.6%	-
Apex Urban Infrastructure Private Limited	48.6%	-
Phoenix Infocity Private Limited	0.8%	-
Aseendas Property Fund (India) Pte. Ltd		100%
Total	100.0%	100.0%

The Developer (PIPL) has provided NOC dated 10.11.2020 in this regard. The Co-Developer has requested to accord approval for transfer of 100% ownership by way of transfer of shares to M/s. Ascendas Property Fund (India) Pte. Ltd.

Recommendation by DC, VSEZ:

Development Commissioner, VSEZ has recommended the proposal for transfer of ownership of M/s. Pheonix IT Infrastructure India Pvt. Ltd, Co-Developer to M/s. Ascendas Property Fund (India) Pte. Ltd, in terms of Instruction No. 89 read with Instruction No. 90 dated 3.8.2018 of MOC, for placing it in the BOA meeting.

Item No.102.4 Requests for co-developer (four proposals)

102.4(i) Request of M/s. Nori Estates LLP for co-developer status in M/s. GAR Corporation Pvt. Ltd SEZ at Sy. No. 89 (P), Kokapet Village, Gandipet Mandal, Ranga Reddy District, Telangana for development, operation and maintenance of the SEZ and other activities.

The above mentioned SEZ stands notified over an area of 2.429 hectares.

M/s. Nori Estates LLP has submitted a proposal for becoming a co-developer in the aforesaid SEZ for investment in the development of internal and external infrastructure, operation and maintenance in an area of 29,550 sq. ft. in part of 2nd Floor in Tower-9 in the SEZ.

Co-developer agreement dated 23.10.2020 entered into with the developer has been provided. The proposed amount of investment by the co-developer in the SEZ is Rs. 2.00 Crores towards interior fixtures viz., workstations, furniture, false ceiling works, cabins in their premises, computers and peripheral and other electronic and electrical items.

Recommendation by DC:

DC VSEZ has recommended the proposal.

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

102.4(ii) Application of M/s Gujarat State Petronet Limited (GSPL) for Co-developer status for providing Natural Gas infrastructure within Kandla SEZ.

M/s Gujarat State Petronet Limited (M/s GSPL) has submitted an application for their appointment as Co-developer in KASEZ for providing Natural Gas infrastructure within KASEZ.

M/s GSPL is subsidiary of State PSU Gujarat State Petroleum Corporation Limited (GSPCL). M/s GSPL own largest gas transmission network in Gujarat with 2692 kms of gas pipeline spread across the state and company transports over 35 MMSCMD of gas. M/s GSPL is also the co-developer in Dahej SEZ.

M/s GSPL has informed that they will establish LNG storage and re-gasification facility in the plot to be allotted in the KASEZ. They will broadly install (but not limited) following facilities inside the plot like LNG control room, LNG storage Tanks, unloading pumps, RLNG vaporizers and other associated facilities. For setting up the LNG storage & re-gasification facility they will requires a minimum plot size of 125 Meter x 85 Meter. The Gas Pipeline will be laid down from LNG storage & re-gasification facilities for supplying gas to industries in KASEZ and meters will be installed at Customer end for measuring flow of Gas. M/s GSPL will require a pipe line corridor of 3 meter width to develop natural gas pipeline network inside KASEZ all along the SEZ Roads and opposite to the corridor which will allocated for development of power network.

In regard to the security/ safety arrangements, they have informed that they will install various necessary safety equipments and will take PESO Approvals as required.

In regard to means of finance, they have informed that the said project will be financed by cash in hand available with the company. The company's Profit after Tax for the F.Y. 2018-19 was 794.67 Crores and the company is having current assets of Rs. 523.59 Crores. M/s GSPL has also submitted MoUs signed with three KASEZ units for providing Gas services.

DC, KASEZ vide their letter dated 20.11.2020 has clarified that M/s Gujarat State Petronet Limited (GSPL) will cater to the needs of KASEZ units only for supply of natural gas. Further, as per condition no. 14 of the draft co-developer agreement, the natural gas shall be distributed and sold by the co-developer or its group company and purchased by individual units and other consumers within SEZ.

Recommendation by DC, KASEZ:

The proposal of the co-developer for providing natural gas infrastructure inside KASEZ is recommended by the Development Commissioner, KASEZ for favourable consideration.

The request is placed before BOA for its consideration

102.4(iii) Request of M/s. Fulcrum Worldwide Software Pvt. Ltd. an IT/ITES Unit for co-developer status in MIDC-IT/ITES SEZ, Rajiv Gandhi Infotech Park, Hinjewadi, Phase-III, Pune 411 057 for the purpose of construction of all type of buildings in processing area, operation and maintenance of infrastructure and leasing of floors to SEZ units.

MIDC, Pune SEZ was notified on 07.06.2007 over an area of 223.560 Ha. M/s. Fulcrum Worldwide Software Pvt. Ltd. has been granted LOA as a Unit vide LOA No. SEZ/Pune/23/2007-08/45/435 dated 28.02.2008 over an area of 6000 sq. mtrs. and LOA is valid upto 12.08.2023.

M/s. Fulcrum Worldwide Software Pvt. Ltd. has submitted a proposal for becoming a Co-developer in the aforesaid SEZ for construction of all type of buildings in processing area, operation and maintenance of infrastructure and leasing of floors to SEZ Units as per Instruction No. 50 issued by MOC&I under Section 3(11) of SEZ Act, 2005.

Fulcrum Worldwide Software Pvt. Ltd. is experiencing slow growth in their SEZ business hence they are proposing to transfer its running business as Slump Sale via Business Transfer Agreement to M/s. Fulcrum Digital Pvt. Ltd. who are operating similar business and have great potential to expand this business and generate substantial revenue.

Subsequent to grant of approval as a Co-developer to Fulcrum Worldwide, they will retain the plot, existing building along with its furniture and fixtures after surrendering the applicable duty benefits availed by them as a unit.

i. Existing LOA along with IT capital goods and its SEZ business operations will be transferred to Fulcrum Digital Pvt. Ltd. on going concern under Rule 19(2) read with Rule 74A of SEZ Rules, 2006 who will function as a SEZ unit and run IT business after due consideration by the Approval Committee.
ii. After getting the co-developer approval M/s Fulcrum Worldwide Software Pvt. Ltd. will construct and develop the existing and remaining land parcel for optimum utilisation with available FSI and lease out plug & place spaces to prospective IT companies for running their business from the SEZ Campus which will contribute to export growth and generate additional employment.
iii. M/s. Fulcrum Worldwide Software Pvt. Ltd. submitted copy of Co-developer agreement dated 11-10-2019 entered with the Developer M/s. MIDC.
iv. The Developer has communicated their No Objection for M/s. Fulcrum Worldwide Software Pvt. Ltd. to obtain Co-developer status from the Board of Approval.

a. **Reasons for change in Status from Unit to Co-developer :**

1. The unit has stated that during the first block period post operationalization i.e 2013-14 to 2017-18, as against projected export revenue of Rs. 31386/- lakhs and employment of 500, they could achieve only Rs. 14062.01 lakhs with an employment of 453. The situation is not much different in current year also. Since they are not having new clients for new IT business, and not able to achieve desired export revenue and employment which is supposed to be generated over a plot area of 6000 sq. mtrs.
2. As such, M/s. Fulcrum Worldwide Software Pvt. Ltd. propose to become a co-developer and construct new IT space which will be leased to prospective SEZ units in turn who will generate additional export revenue and employment.

b. **Space/Land details and proposal for construction:**

- Total land parcel – 6000 sq.mtrs. (64560 sq.ft.)
- Total permissible construction – 1,93,680sq.ft.
- Total Built up area already constructed – 31,602 sq.ft.
- Proposed area to be constructed as of post approval – 1,29,166.92 sq.ft

c. **Investment and Source of Finance**

- They intend to invest an amount of Rs.21 crores in the project as detailed below:

Particular	**Amount (Rs. In Lacs)**
Building to be constructed	883.19
Additional building work	174.38
Furniture & Fixture	717.73
Plant & Machinery	123.77
Office Equipment	200.93
TOTAL	**2100.00**

- The source of finance for the said investment is as below :

Particular	Amount (Rs. In Lacs)
Promoters Contribution	525.00
Bank Loan	1575.00
TOTAL	**2100.00**

- As per CA Certificate dated 07.12.2019 the Net Worth of the Company is Rs. 3276.71 lakhs.

d. **PROJECTIONS :**

- The unit has proposed a total revenue of Rs.531.65 crores (RS. 31.65 Crores from Co-developer and Rs. 500 Cr. from prospective units) over a period of 5 years. Further, they have projected total employment of 2900 as detailed below :

Employment by	Male	Female	Total
Direct by Co-developer	50	15	65
Indirect by Co-developer	235	100	335
Direct by SEZ Units	1350	450	1800
Indirect by Units	500	200	700
Total	**2135**	**765**	**2900**

DC has further informed that the unit has submitted an undertaking stating that they undertake to pay dues related to duty benefit availed by them under SEZ Act and Rules in the capacity of unit once the proposal is accepted.

DC's Recommendation:

DC SEEPZ SEZ has recommended the proposal for grant of Co-developer status to M/s Fulcrum Worldwide Software Pvt. Ltd. under Section 3(11) of SEZ Act, 2005, subject to surrender of benefits/exemptions taken by the applicant as an unit, as applicable.

102.4(iv) Request of M/s. Wegmans Trustone Properties 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 IT/ITES SEZ of M/s. Artha Infratech Pvt. Ltd. located at Plot No. 21, Sector-Techzone IV, Greater Noida (Uttar Pradesh) stands notified over an area of 3.326754 hectares.

M/s. Wegmans Trustone Properties LLP has submitted a proposal for becoming a co-developer in the aforesaid SEZ for *"Conversion from warm shell to total ready to move in infrastructure to be leased out to various SEZ units for export including maintaining and managing facility management [Two floors (7th&8th floor) of Tower No.1 of approx. 64820 Sqft. Super area in the Processing area of IT/ITES SEZ]"*.

Co-developer Agreement dated 11.11.2020 entered amongst M/s. Artha Infratech Pvt. Ltd. (Developer), M/s. Trustone Wegmans Developers Pvt. Ltd. (Existing Co-developer) & M/s. Wegmans Trustone Properties LLP (Proposed Co-developer) has been provided. The proposed amount of investment by the Co-developer in the SEZ is Rs.20.0942 Crore.

Recommendation of DC:

Development Commissioner, NSEZ has recommended the proposal.

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

102.5 Request for increase/decrease in area of developer or co-developer (three proposals)

102.5(i) Request of M/s CCL Products (India) Ltd., a sector specific SEZ for Agro Based Food Processing at Kuvvakolli Village, Varadaiahpalem Mandal, Chitoor District, Andhra Pradesh for increase in area of 1.895 Ha.

M/s CCL Products (India) Ltd. was granted formal approval on 19.01.2017 for setting up of sector specific SEZ for Agro Based Food Processing at Kuvvakolli Village, Varadaiahpalem (Mandal), Chitoor District in Andhra Pradesh in an area of 11.87 hectares.

DC, VSEZ has informed that the developer proposes for an increase in an area of 1.895 Ha to the existing SEZ out of the land in possession with them and acquired ownership through Registered documents at same village i.e. Kuvvokolli. These lands are adjacent to the existing SEZ and they proposed the additional land for convenience in operation.

In the 40th meeting of the BoA held on 08.06.2010, the Board had directed that the proposals for increase in area upto 10% of the notified area of the SEZ need not be brought before the Board. Consequently, the proposals for increase in area upto 10% are being processed on file and the proposals beyond 10% are placed before the BoA for its approval and subsequently processed on file for notification. As the instant proposal of increase in area is beyond 10%, therefore it is being placed before the Board.

As per DoC's OM dated 14.07.2016, all the documents required for additional area notification and the status thereof are as follows:

Sl. No.	Documents/Details required	Status
1	Certificate from the concerned State Government or its authorized agency stating that the developer has irrevocable rights to the said area as SEZ	Govt. of Andhra Pradesh Industries & Commerce(Infra) Department vide their letter dated 14.08.2020 has conveyed their no objection and certified irrevocable rights.
2	Form C-4 along with DC's recommendations	Form C4 dated 26.08.2020 has been submitted with DC's recommendations.
3	Inspection Report in prescribed format	Yes provided
4	Developer's Certificate countersigned by DC	Yes provided
5	Legal possession Certificate from Revenue Authorities	Yes provided
6	Non Encumbrance Certificate from Revenue Authorities	Yes provided
7	Land details of the area to be notified duly certified by the Revenue Authorities	Yes provided
8	Coloured map clearly indicating survey numbers and duly certified by revenue authorities	Map duly certified by Revenue Authorities clearly indicating survey numbers has been provided.
9	Copy of registered lease/sale deed	Yes provided

As per the Inspection Report of DC, the physical inspection was conducted on 23.11.2020 and the land is vacant and contiguous. APIIC in their letter dated 14.08.2020 states that the proposed total extent of 1.895 Ha is in contiguity with the existing SEZ land and are under the possession and ownership of the developer.

DC's recommendations:

DC, VSEZ has recommended the proposal for increase in area.

The proposal is placed before BoA for consideration.

102.5(ii) Request of M/s. Phoenix SEZ Spaces Pvt. Ltd, Co-Developer for M/s. Phoenix Tech Zone Pvt. Ltd, IT/ITES SEZ at Sy. No. 115/35, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Telangana for approval for change in space (decrease) of their Co-Developer.

M/s. Phoenix SEZ Spaces Pvt. Ltd was issued Formal Approval on 20.8.2019 for Co-Developer status for providing infrastructure facilities, construction of IT/ITES building Tower B and operating and maintaining the facility within the framework to an extent of approx. 7,30,000 sq. ft. in Tower-B in an area of 0.45 Ha in M/s. Phoenix Tech Zone Pvt. Ltd, SEZ for IT/ITES at Sy. No. 115/35, Nanakramguda Village, Serilingampally Mandal, Telangana. The SEZ became operational on 29.2.2020.

The Co-Developer have mutually agreed to terminate the earlier agreement dated 22.6.2019 and executed a new Co-Developer Agreement dated 6.11.2020 to upgrade, operate and maintain the constructed area of 24,306 sq. ft. in 11^{th}Floor in Tower-B forming part of the SEZ project. The developer has also endorsed the request of the co-developer.

Recommendation by DC, VSEZ

Development Commissioner, VSEZ has recommended the proposal of the Co-Developer for decrease in space from 7,30,000 sq. ft. in Tower-B to 24,306 sq. ft. in 11th Floor, Tower-B in M/s. Phoenix Tech Zone Pvt. Ltd SEZ for consideration by the BoA.

The request is placed before the BoA for consideration.

102.5(iii) Application of M/s ATS Savvy Developers LLP, Co-Developer in GIFT Multi Services SEZ for reduction in approved FTWZ area on the ground floor of 'Pragya' building.

The Co-Developer M/s. ATS Savvy Developers LLP, in GIFT-Multi-services-SEZ, Gandhinagar vide their request letter dated 07.12.2020 have sought approval for reduction/decrease in approved FTWZ area on the ground floor of 'Pragya' building.

The said Co-Developer M/s. ATS Savvy Developers LLP has already been issued following Approvals by the Department of Commerce for authorized operation viz. construction, development, maintenance and operation of SEZ building for units to undertake export of services in the processing area of SEZ, over an area of 4,18,041 sq. ft. built-up area in Block 15 Zone within GIFT SEZ processing area:-

Sr. No.	BOA/DOC Approval Letter No.	Date of issue	Area approved
01)	F.1/145/2007-SEZ	05-12-2016	4,00,000 sq. ft.
02)	F.1/145/2007-SEZ	14-12-2017	16,370 sq. ft.

03)	F.1/145/2007-SEZ	06-08-2020	1,671 sq. ft.

Further, the Co-Developer M/s. ATS Savvy Developers LLP, has been issued approvals to set-up Free Trade Warehousing Zone (FTWZ) within their constructed building (Pragya) in GIFT-SEZ, Gandhinagar by the Department of Commerce, details as under:-

Sr. No.	BOA/DOC Approval Letter No.	Date of issue	Area approved for FTWZ	Location of the approved FTWZ
01)	F.1/145/2007-SEZ	18-07-2018	1337.5 sq. m.	Ground floor
02)	F.1/145/2007-SEZ	22-11-2018	1643.607 sq. m.	First floor

Based, on the approvals granted, the Co-Developer M/s. ATS Savvy Developers LLP has finished construction of twenty-four (24) floors building namely 'Pragya' in the Processing Area of GIFT-multi-services-SEZ, Gandhinagar, and the said building is put into use/operation. Out of the 24 floors in the said building, floor Nos. 14th to 19th has been allotted to an IT/ITES based services unit viz. M/s. BA Continuum India Private Limited (Unit-1) (a non-banking subsidiary company of Bank of America) during September, 2019. Recently, the co-developer M/s. ATS Savvy Developers LLP again earmarked/allotted ground floor and floor Nos. 5th to 12th at 'Pragya' building to M/s. BA Continuum India Private Limited (Unit-2). The Approval Committee for GIFT-multi-services/Development Commissioner's office (86th meeting held on 07-12-2020) has approved the project proposal of M/s. BA Continuum India Private Limited (Unit-2) for floor Nos. 5th to 12th and put on hold approval on ground floor as the area earmarked for allotted is approved as FTWZ area, and advised the co-developer get the reduction approved by the Competent Authority (BoA/DoC).

Thus, the Co-Developer M/s. ATS Savvy Developers LLP has sought reduction/decrease in approved FTWZ area from 1337.5 sq. m. to 877.5 sq. m. on the ground floor of 'Pragya' building, in order to accommodate the specific requirements of the approved SEZ units viz. M/s. BA Continuum India Private Limited (Unit-1&2). With the second approval for M/s. BA Continuum India Private Limited, this unit shall be occupying total of 14 floors out of 24 floors in the 'Pragya' building.

The Co-Developer M/s. ATS Savvy Developers LLP, has informed that the approval holder M/s. BA Continuum India Private Limited (Unit-1&2) shall be employing around 2500-3000 persons, and in order to ease and regulate employee movements, mandatory requirement of separate entry/exit, reception, foyer, sitting, waiting area for employees and visitors, security arrangements, they require 460 sq. m. of area on the ground floor.

Recommendations of DC:

DC, GIFT Multi Services SEZ has recommended the request of the co-developer in view of the specific requirement of the approved SEZ unit(s) for consideration by the BoA.

The proposal is accordingly placed before the Board.

102.6 Proposals for procurement of restricted items viz. sand, soil etc. (three proposals)

102.6(i) Requests for procurement of Sand by Developers in SEZs in Telangana.

The requests of the following Developers for procurement of Sand from DTA for Construction purpose, in terms of fourth proviso to Rule 27 (1) of SEZ Rules, 2006, has been recommended by DC, VSEZ for consideration by the BoA:

Sl. No.	**Name of the Developer/Co-Developer/Unit**	**Name of the Item**	**Quantity**	**Value(in Rs.)**
1	M/s. Phoenix Spaces Pvt. Ltd, Developer, IT/ITES SEZ at Sy. No. 285, Puppalguda Village, Rajendra Nagar Mandal, Ranga Reddy District, Telangana	Crushed Sand	20,000 MT	1,09,20,000/-
2	M/s. Phoenix Spaces Pvt. Ltd, Developer, IT/ITES SEZ at Sy. No. 286 & 287, Puppalguda Village, Rajendra Nagar Mandal, Ranga Reddy District, Telangana	Crushed Sand	692.50 MT	6,57,875/-
3	M/s. Phoenix IT City Pvt. Ltd, Developer, IT/ITES SEZ at Sy. No. 53/paiki/part, Gachibowli Village, Serilingampally Mandal, Ranga Reddy District, Telangana	Robo Sand	3500 MT	2,10,000/-

DC has stated that the developers/units will be asked to comply with the instructions laid down in DOC Letter No. K-43022/7/2020-SEZ Part (1) dated 18.5.2020.

The request is placed before BoA for consideration.

102.6(ii) Proposals received from DC, KASEZ for ratification of permission for procurement of restricted items viz. sand and soil for construction activities from DTA.

DC, KASEZ has informed that the following requests were received from the units for procurement of raw materials for building construction purpose which fall under restricted category and required approval by the BoA in terms of fourth proviso to Rule 27(1) of the SEZ Rules:

Sl. No.	Unit/developer	Item with HS Code	Quantity	Date of Approval granted by DC as per power delegation by DoC
1	M/s H. V. Impex Pvt. Ltd., Khokhra, Ahmedabad at Ahmedabad Apparel Park	Sand 25051020	700MT	27.10.2020
2	M/s Mallcom Safety Pvt. Ltd. at Ahmedabad Apparel Park	Filling Sand 25251020	662 CMT	20.10.2020
		Murram 25059000	5000CMT	
		Sand 25051020	54154CMT	
		Filtered Sand 25051020	18628CMT	
3	M/s Spyram Technology	River Sand	1000MT	14.10.2020

	Pvt.Ltd.at Electronic Park SEZ, Gandhinagar	25051020		
4	M/s Caterpillar Signs Pvt. Ltd. at Electronics Park SEZ, Gandhinagar	Filtered Sand 25051020	4000 Tonnes	14.10.2020
		Simple Sand 25051020	4000 Tonnes	
		Black Soil 25059000	4000 Tonnes	
		Yellow Soil 25059000	3000 Tonnes	
5	M/s Accumax Lab devices Pvt. Ltd. at Electronics Park SEZ, Gandhinagar	Sand 25051020	10000 Ton	10.11.2020
		Soil 25059000	5000 Ton	
		Murram 25059000	5000 Ton	

DC, KASEZ has further informed that the party undertakes to abide by the conditions imposed by DoC vide letter dated 18.05.2020 for such procurement.

The requests are placed before the Board of Approval for ratification.

102.6(iii) Proposal of M/s Tatva Chintan Pharma Chem Pvt. Ltd. for the procurement of restricted items for SEZ Developer Infrastructure development & repairing facility in terms of SEZ Rule 27 of Rule 2006 dated 10.02.2006.

M/s Tatva Chintan Pharma Chem Pvt Ltd., a unit of Dahej SEZ was granted Letter of Approval on 23.05.2011. As informed by DC, the unit had requested for permission for procurement of following items for SEZ Unit for Civil & Structural work including restricted item viz. sand :

Description	Estimated Quantity
Stones Aggregates	980 MT
SAND	820 MT
Quarry Spall (Yellow Stone)	315 MT
GSB Material (Small Stones mixing with Dust- Use for filling base to make road)	215 MT
Metal (Black Medium Size Stone)	160 MT
Bricks	81900 Nos

Recommendation of DC:

DC, Dahej SEZ has approved the proposal of the unit to procure restricted items in terms of Rule 27 of the SEZ Rules for repairing of infrastructure facility as per conditions of MoCI letter dated 18.05.2020 to facilitate the stakeholders during the lock down situation in the country under delegation of the powers to the Development Commissioner. As per the condition no. 2 (iv), the matter is forwarded to Board of Approval for ratification.

Submitted for consideration of the BoA.

102.7 Miscellaneous cases (five proposals)

102.7(i) Request of M/s Brandix India Apparel City Pvt. Ltd., at Achuthapuram Mandal, Visakhapatnam, Andhra Pradesh for permission for Chain-link fencing.

M/s Brandix India Apparel City Pvt. Ltd., developer was granted approval for setting up of a Textile Sector SEZ at Achuthapuram Mandal, Visakhapatnam, Andhra Pradesh on 21.08.2006. The developer was granted an approval for partial de-notification of 17.894 ha of area from the total notified area of 404.70 ha on 06.08.2020.

DC had informed that as required in terms of DoC's Instruction No. 25 dated 16.07.2009, the Developer was advised to segregate the Processing Area and DTA by constructing a partition wall –

(A) In respect of IT/ITES SEZs, the height of the wall will be decided by the DC and

(B) In respect of other SEZs, the wall could either be 2.4 meters in height or 1.8 meters in height plus 0.6 meters of barbed wire fencing.

Any deviation from the above need to be brought to the notice of BoA for the approval. M/s Brandix India Apparel City Pvt. Ltd. SEZ vide letter dated. 14.10.2020 had requested DC office to permit them to construct a chain link fence for separation of the de-notified area and SEZ area, and pleaded that the proposed chain link fence will help them in shifting of boundary, in future whenever they extend the DTA boundary and also will maintain the aesthetic look of the park and that the total length of the fence will be 1.665 KM and total height is 8 ft (6 ft chain link fence and 2 ft barbed wires). The total cost for the compound wall will be 9 million INR and cost of chain link fence will be cost only Rs. 5.5 million and difference is 3.5 million.

The proposal was placed before the Board of Approval for consideration in its 101st meeting held on 27.11.2020. The Board after deliberations decided to defer the proposal with the directions to DC to get the following details:

i. Sanctity of maintenance of bonded area through chain fencing.
ii. Since rationale given was plan to go for de-notification again, the likely timeline to seek such de-notification.

As informed by DC, 1000 acres park is covered with boundary wall and barbed wire and they have also set up a command control system at the main gate where the entire park is monitored via CCTV camera and access can be given to the SO, AO and PO who are available in the SEZ. Regarding plans for de-notification, the developer has submitted a request for conversion of lease land to free hold land to State Government and upon receipt of the same they will apply for partial de-notification of another 50 acres of land.

Recommendation by DC, VSEZ:

In view of the clarification from the developer, DC, VSEZ has recommended the request of M/s Brandix India Apparel City Pvt. Ltd. SEZ for construction of chain link fence barrier with 2" X 2" opening upto 1.80m height and above 0.6m high barbed wire for approval.

The request is placed before BOA for its consideration.

102.7(ii) Request of M/s. Embassy Services Pvt. Ltd., Co-developer in Embassy Office Parks Pvt. Ltd. SEZ, for surrender of their Co-developer Status and hand over the authorized operations to Developer consequent to transfer of business to Embassy Office Parks Pvt. Ltd.

Embassy Services Pvt. Ltd. (ESPL) has been granted approval as a Co-developer in the SEZ developed by M/s. Embassy Office Parks Pvt. Ltd. vide approval No. F.2/635/2005-SEZ dated 25-04-

2014 for providing Operation and Maintenance of the Building and Infrastructure / Facilities at the SEZ.

The Co-developer has carried out the co-developer operations for a period of Six and half years. The Developer M/s. Embassy Office Park Pvt. Ltd. (EOPPL) now intends to carry on the Operation & Maintenance of the Building and Infrastructure facilities at the SEZ. As such, the Co-developer now proposes to surrender their Co-developer status by handing over their authorized operations for providing Operation & Maintenance of the building and infrastructure / facilities to the Developer M/s. Embassy Office Parks Pvt. Ltd.

The Co-developer has entered into a Business transfer Agreement with the Developer M/s. Embassy Office Park Pvt. Ltd.and JV Holdings Pvt. Ltd. vide agreement dated 22-10-2020 for the said transfer. As per the Business Transfer Agreement, all movable assets, business contracts, data and records will be transferred to the purchaser i.e. Embassy Office Park Pvt. Ltd. along with the Liabilities w.e.f. the closing date and further ESPL undertakes to de-notify itself as a co-developer in filing necessary forms / application with the BOA on or before 31-01-2021.

Similar proposal of M/s. Embassy Services Pvt. Ltd. having co-developer status in Manyata SEZ, Bangalore for surrender of Co-developer status upon transfer of business to the Developer was approved in the 101st BOA meeting held on 27.11.2020.

DC's Recommendation: -

The Development Commissioner, SEEPZ SEZ has recommended the proposal of Embassy Services Pvt. Ltd. for transfer of the authorised operations of the Co-developer to the Developer and for surrender of Co-developer status in favour of Developer on business transfer agreement.

The request is placed before BoA for consideration.

102.7(iii) Proposal of plastic recycling and worn and used clothing units in Kandla, Falta and Noida SEZs for renewal of their Letter of Approval.

The Board of Approval in its 100th meeting held on 25.09.2020 had last extended the LoA of total 47 plastic recycling and worn and used clothing units in Kandla SEZ, Noida SEZ and Falta SEZ for a period of 3 months w.e.f. 30.09.2020 or finalization of policy in this regard. A meeting was held on 10.12.2020 under the Chairmanship of AS and the stakeholder departments viz. Department of Revenue, Ministry of Environment Forest & Climate Change, DGFT and the concerned DC to discuss the divergent issues viz. mandatory minimal export requirements in terms of volume &/or value as well as other safeguards to prevent abuse and finalization of policy for plastic and worn and used cloth recycling units in SEZs. The draft minutes of the meeting and the draft policy has been circulated to the concerned for their comments/concurrence on 21.12.2020 .

The LoA of the 47 units was since valid upto 30.12.2020, the proposal further renewal is placed before the Board of Approval in terms of Rule 18(4) of the SEZ Rules, 2006. DC, KASEZ has recommended renewal of the units for a further period of five years. No recommendations have been received from NSEZ and Falta SEZ.

The request is placed before the BoA for consideration.

102.7 (iv) Proposal of M/s R. R. Vibrant Polymers Ltd. for renewal of LOA for next five years in terms of Rule 18(4) of SEZ Rules'06.

M/s. R. R. Vibrant Polymers Ltd. had been issued LOA dated 27.11.1996 for manufacture of "Recycled Polymer Pellets of LDPE/HDPE/PP/PVC/ABB and Agglomerates". The unit commenced its export production w.e.f. 12.07.1997 and its LOA is valid till 29.12.2020. The LoA of the unit (sick unit) was renewed for a period of five years from 30.12.2015 to 29.12.2020 as per approval granted by the BoA in its 68th meeting held on 30.12.2015. The unit has requested to renew their LOA for another five years.

Performance of the unit in the past five years as per APRs (Rs.in lakhs):

Year	Export (including other NFE entitlement)	Forex Outgo	NFE Earning
2015-16	0.00	0.00	0.00
2016-17	2268.55	2060.50	208.05
2017-18	2656.22	2575.87	80.35
2018-19	2066.98	2724.82	-657.84
2019-20	N.A.	N.A.	N.A.
Total	**6991.75**	**7361.19**	**-369.44**

The performance of the unit in terms of policy guidelines dated 17.09.2013, as amended vide letter dated 13.02.2018 as submitted by the unit is as under: -

Physical Export 40% of turnover			Physical Export 80% of turnover Value			Physical Export 35% of turnover Value		
Period 30.12.2015 to 29.12.2017			Period 30.12.2017 to 12.02.2018			Period 13.02.2018 to 31.03.2019		
Total Turnover (Lakhs)	Physical Exports (Lakhs)	% of Physical Export to "total turnover"	Total Turnover (Lakhs)	Physical Exports (Lakhs)	% of Physical Export to "total turnover"	Total Turnover (Lakhs)	Physical Exports (Lakhs)	% of Physical Export to "total turnover"
5231.87	0.00	0.00%	473.30	0.00	0.00%	5205.04	669.37	12.86%

Further, the unit has made following sales during 30.12.2018 to 31.08.2020.(Rs. In Lakhs)

Period	Total Turnover	Physical Exports	% of Physical Export to Total Turnover
30.12.2018 to 29.12.2019	**3529.49**	**621.22**	**18.00%**
30.12.2019 to 31.08.2020	**66.48**	**0.00**	**0.00%**

As per firm's submission, presently they employ around 295 unskilled and skilled labourers at their unit out of which 57 labourers are female. The employment will increase to 330 labourers in the next block of five years wherein 70 labourers would be female. The number of employees mentioned above may differ as the units hire contract labours from contractors.

As regards instances of violation of applicable statutes it was noticed that Show cause notice dated 10.04.2019 were issued to the unit for non-compliance of physical export conditions and penalty of Rs. 181.19 lakhs has been imposed vide OIO No. KASEZ/49/2019-20 dated 02.05.2019. The unit has rental dues of Rs. 8,05,954/- on account of Lease Rent to KASEZ Authority till 31.12.2020.

Recommendations of DC:

i. All conditions stipulated as per DOC's policy Guidelines of 17th September, 2013, as amended vide letter dated 13.02.2018 shall be strictly followed.
ii. Ministry of Commerce should amend new Rule # 18(4B)(c) to include plastic recycling along with used clothing and include the condition that such plastic recycling units shall be required to physically export not less than 35% of its total annual turnover (Annual turnover = value of physical export + value of DTA sale + value of any other sale as permissible under SEZ Act/SEZ Rules). Subsequent to amendment in Rule 18(4B)(c), MOC should issue a notification under 18(4B)(c) and incorporate in this notification all the rules and regulations for export obligation it wants the plastic recycling units to follow (in order to avoid any new litigation).

The case is similarly situated as the 47 units in the agenda point above and submitted for consideration by the BoA.

102.7(v) Application of M/s. Arshiya Northern FTWZ Ltd. for change of sector of its Free Trade Warehousing Zone at Village Ibrahimpur, Junaidpur Urf Maujpur, Bulandshar (U.P.) into 'Multi Sector SEZ" in terms of SEZ Rules amendment Notification dated 17.12.2019.

M/s. Arshiya Northern FTWZ Ltd. was granted LoA on 27.02.2009 by the DOC for setting up of Free Trade Warehousing Zone at Village Ibrahimpur, Junaidpur Urf Maujpur, Bulandshar (U.P.). The FTWZ was notified vide Gazette Notification S.O. No. 2793 (E) dated 16.11.2010 over an area of 51.4394 ha and is operational w.e.f. 31.12.2011.

DC, NSEZ has informed that the developer vide their letter dated 10.11.2020 has submitted proposal in Form-C3 for change of sector from 'Free Trade Warehousing Zone' to 'Multi-Sector SEZ' as per amendment of Rule 5(2)(d) of SEZ Rules, 2006, issued vide Notification No. 17.12.2019. The developer has also submitted project report for Multi-Sector SEZ. The Developer has stated that Arshiya FTWZ is fulfilling the requirement of holding minimum 50 hectares of contiguous land.

As per Rules 5(2)(a) of SEZ Rules, 2006 (as amended vide Notification No. 940(E) dated 17.12.2019), *"A Special Economic Zone or Free Trade Warehousing Zone other than a Special Economic Zone for Information Technology or Information Technology Enabled Services, Biotech or Health (other than hospital) service, shall have a contiguous land area of **fifty hectares** or more:"*. Further, Rule 5(2)(d) of SEZ Rules, 2006 provides that *"(d) All existing notified Special Economic Zone shall be deemed to be a Multi Sector Special Economic Zone"*.

Recommendations of DC:

In view of the Notification No. 940(E) dated 17.12.2019, the proposal for change of sector of "Free Trade Warehousing Zone' of M/s. Arshiya Northern FTWZ Limited at Village Ibrahimpur, Junaidpur Urf Maujpur, Bulandshar (Uttar Pradesh) into "Multi Sector Special Economic Zone" be placed before the Board of Approval for consideration and appropriate decision.

102.8 Appeal (one appeal)

102.8(i) Appeal against the decision of the Unit Approval Committee meeting held on 14.09.2020 in respect of JSEZ- Sitapura, Jaipur regarding the non renewal of LoA of the unit and direction for completion of exit formalities.

<u>Gist of order appealed against</u>:

M/s Pranav International, Plot No.H1-74, SEZ-II,JSEZ, Sitapura, Jaipur has been issued a LOA dated 25.02.2011 which was valid upto 20.02.2017.

During the UAC meeting held on 20.02.2020 at Jaipur, while considering the proposal of the unit for renewal of LOA the appellant was asked to submit the documentary evidence to that effect that the documents regarding renewal of LOA were submitted in JSEZ, Sitapura office and the proposal was deferred. In compliance of dated 04.03.2020 issued by the Assistant Development Commissioner, JSEZ, Sitapura, vide appellant's letter dated 04.09.2020 (could not submit the reply in time due to lockdown on account of COVID-19 and was in process of searching the relevant documents at his office) stated that he searched for the relevant documents for almost six month everywhere but failed to find the same, and requested to allow the submission of LOA renewal application form so that could start his unit after renewal, and submitted the application for renewal along with Form-Fl and requisite documents,(i.e. export projection for five years, details of export made during last five years, undertaking, amendment in old lease deed and value addition chart duly certified by the CA. etc.) on 07.09.2020 at JSEZ, Sitapura office.

The Assistant Development Commissioner, JSEZ, Jaipur, vide his office letter dated 17.09,2020 has informed that Approval Committee in it's meeting held on 14.09.2020 has decided to not to renew the LOA dated 25.02.2011 which has already expired/lapsed on 20.02.2017 and directed the unit to complete the exit formalities.

Contention and prayer of appellant:

The appellant submits that they have been issued with the LOA for trading of Gems and Jewellery mfg. Machines, tools and consumables within SEZs as authorized operations for which we have created sufficient infrastructures at the site as required. They are small entrepreneur, and due to certain domestic problems in their family (family dispute) and at some point of time problem at buyers end could not pay attention towards export business (trading), and could make only a single export worth Rs.0.20 lacs during 2011-12 from their unit i.e. M/s Pranav International during the period 2012-2017.(these facts were brought into the notice of the UAC on 14.09.2020). Now family disputes are resolved and they have certain orders/quarries from the jewellery units situated in SEZ phase I 86 II. However the same are not being finalised due to LOA not updated.

The appellant submits that he failed to file an appeal in the prescribed time as all the members of his sister's family as well as brother (who are residing at Jaipur) have been suffering from COVID-19, and he had to look after them which took almost a one and half month time(45 days) to recover them all.

The appellant requests to re-consider the decision of the Unit Approval Committee held on 14.09.2020 and extend the LOA for further five years, if not for five years at least for a period of two years and based upon his performance the same may be considered at later stage for further extension of LOA. That all sincere efforts will be made to revive the unit and achieve their export targets/ make good exports from their unit in times to come.

The appeal is placed before the BoA for consideration.

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