

Minutes of the 18<sup>th</sup> (eighteenth) meeting of the Approval Committee for the Sector specific SEZ for multi-services developed by M/s. GIFT SEZ Ltd., held on 31-07-2015, at 1200 hours, under the Chairmanship of Shri Upendra Vasishth, Development Commissioner, Kandla Special Economic Zone, in the conference room of the Developer-GIFT-SEZ, Gandhinagar.

List of participants is annexed as Annexure-I

A) Fresh proposals:-

18-A-02) Proposal of M/s. RBL Bank Ltd., Mumbai/Ahmedabad, for setting-up of IFSC Banking unit in GIFT-SEZ, Gandhinagar.

Shri Ravi Thota, Head – Corporate & Institutional Banking, West & South, and Shri Ramesh Ramanathan, VP Investor Relations, Shri Sunil Mundra, Zonal Head, and Shri Dwigesh Joshi, VP – Corporate & Institutional Banking of the applicant Bank (M/s. RBL Bank Ltd.), appeared before the Approval Committee for personal interview. They explained their proposal for setting-up of an IFSC Banking unit in GIFT-SEZ, Gandhinagar. The proposal is to set up IFSC Banking Unit (IBU) in GIFT-SEZ for the following Financial Services as their business outline:-

- 1) Transactions with non-resident entities including wholly owned subsidiaries/joint ventures of Indian companies registered abroad and other than individual/retail customers and High Net worth Individuals;
  - 2) Factoring/forfeiting of export receivables;
  - 3) Derivative and structured products post approval from the Board of Director subject to adequate infrastructure, internal processes and risk management functions being in place;
  - 4) Borrowings in foreign currency only with original maturity period greater than one year and short term liabilities from banks subject to limits as may be prescribed by RBI limits;
  - 5) All transactions will be undertaken in non-rupee currencies and through bank transfers only.
- Proposed investment is expected to be around Rs. 130.00 crore (equity), with an employment generation of 30 person;
- Projected value foreign exchange earning of is expected to be Rs. 233.48 crore with Foreign Exchange outgo of Rs. 101.47 Crore, predicting the NFE at Rs. 132.01 crore. The Committee noted that the Foreign Exchange Earnings shall be strictly in accordance with Rule-53 of the SEZ Rules, 2006.
- The Developer, GIFT SEZ, has allotted space/premises inside the Zonal facility Centre to the proposed unit for initiating their proposal.

As the above proposal of business falls and categorizes itself under the mandate/guidelines/regulations framed for the International Financial Services Centre (IFSC), the Regulatory Authorities for the same viz. Reserve Bank of India were invited upon to participate as a Special Invitee to the Approval Committee Meeting. Moreover, being a mandatory requirement for all IFSC Banking Units to obtain prior permission and license from the Reserve Bank of India for establishing and functioning under the



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Banking Regulation Act, the views of Reserve Bank of India becomes imperative for approval of any unit proposal under IFSC in GIFT SEZ.

After hearing the proposal from the representatives of M/s. RBL Bank Ltd, the Committee after due diligence and deliberation, decided to approve the proposal of the applicant M/s. RBL Bank Ltd., for setting up an IFSC Banking Unit in GIFT SEZ, Gandhinagar. This approval would be subject to the condition that they obtain all mandatory/statutory approvals/permissions from the Reserve Bank of India (RBI) as required under the IFSC guidelines & regulations, and strictly in accordance with (1) RBI Notification No. G.S.R. 218 (E), dated 02-03-2015, (2) Letter RBI/2014-15/533 DBR.IBD.BC.14570/23.13.004/2014-15 dated 01-04-2015 and (3) Government of India, Ministry of Commerce & Industry's Notification No. S.O. 968 (E) F.No. D.12/25/2009-SEZ dated 08-04-2015. It was further decided by the Approval Committee that the Bank will not be able to initiate investments as long as the mandatory as well statutory approvals are not acquired from the regulatory authority. The Bond cum LUT shall also be executed after the necessary approvals and permissions concurred by the regulatory authorities.

**18-A-01) Proposal of M/s. Reliance AIF Management Company Ltd., Mumbai for setting-up of Financial Services unit in GIFT-SEZ, Gandhinagar.**

Shri Muneesh Sud, Chief Lagal & Compliance Officer (RCAM), and Shri Anshul Vyas, AVP – Legal (RCAM), of the applicant company appeared before the Approval Committee for personal interview. They explained their proposal for setting-up of Financial Services unit in GIFT-SEZ, Gandhinagar. The proposal is to set up a new unit in GIFT-SEZ for the following Financial Services as their business outline:-

To provide services as investment manager to various Alternative Investment Funds, this may be launched from time-to-time out of the GIFT-SEZ.

- Proposed investment is expected to be around Rs. 500.00 lakh with an employment generation of 4 person;
- Projected value foreign exchange earning of is expected to be Rs. 7392.00 lakh with Foreign Exchange outgo of Rs. 2464.00 lakh, predicting the NFE at Rs. 4928.00 lakh. The Committee noted that the Foreign Exchange Earnings shall be strictly in accordance with Rule-53 of the SEZ Rules, 2006.
- The Developer, GIFT SEZ, has allotted space/premises inside the Zonal facility Centre to the proposed unit for initiating their proposal.

As the proposal is for setting-up financial services unit, the Chairman of the Approval Committee requested the representative of RBI to be available for discussion. During the discussions and deliberations the GM, RBI, (Ahmedabad), Shri Ajay Vij, informed the Approval Committee that the 'AIF (Alternative Investment Fund) has not

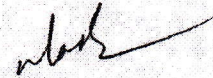




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been notified under Schedule 6 of FEMA, 1999 and further it is not exempted under Section-45NC of RBI Act, 1949. He suggested that a reference be made to the concerned RBI Department for confirmation that as to whether M/s. Reliance AIF Management Company Limited, a wholly owned subsidiary of M/s. Reliance Capital Asset Management Limited does not require any permission from RBI for the purpose of setting up unit under IFSC regulations. The Committee decided to make reference to the Chief General Manager, In-charge of the Department of Non-Banking Regulation, Reserve Bank of India, Mumbai, to get confirmation on the above legal point highlighted by the GM, RBI, Ahmedabad.

Further, the Committee after due diligence and deliberation, decided to grant approval for the proposal of the applicant company M/s. Reliance AIF Management Company Limited, for setting up an financial services unit in GIFT-SEZ subject to all mandatory/statutory approvals/permissions from the concerned regulatory authorities, and strictly in accordance with the Government of India, Ministry of Commerce & Industry's Notification No. S.O. 968 (E) F.No. D.12/25/2009-SEZ dated 08-04-2015, as well as positive confirmation from the RBI on the point mentioned in the above para.



( Upendra Vasishth )

Chairman of Approval Committee,  
& Development Commissioner,  
Kandla Special Economic Zone.

ANNEXURE-I

The following members were present:-

01.	Shri Upendra Vasishth, Development Commissioner, KASEZ.	Chairman
02.	Shri Anand Jagtiani, JDC (i/c), KASEZ, Ahmedabad.	Nominee for the Director-SEZ, DOC, MOC&I, New Delhi.
03.	Shri Ajay Vij, GM, RBI, Ahmedabad.	Special Invitee
04.	Smt A. B. Bhatt, GM, DIC, Gandhinagar.	Member
05.	Shri K. K. Patel, Superintendent, Gandhinagar Division.	Nominee of the Commissioner of Central Excise, Ahmedabad-III.
06.	Shri N. G. Rever, FTDO, O/o Jt. DGFT, Ahmedabad.	Nominee of the Jt. DGFT, Ahmedabad.
07.	Shri D. R. Shah, VP (Business Development)	Representative of the Developer – GIFT – SEZ.