

Minutes of 49th (forty-ninth) meeting of the Approval Committee for the Sector specific SEZ for multi-services developed by M/s. GIFT SEZ Ltd., held on 01-11-2017 at 11:00 hours under Chairmanship of Shri Upendra Vasishth, ndc, Zonal Development Commissioner, Kandla Special Economic Zone, in the conference room of Zonal Development Commissioner's office, Kandla-SEZ, Ahmedabad.

List of participants is annexed as Annexure-I

Approved minutes of the previous meeting were confirmed by the Approval Committee.

49-A-01) Other cases for GIFT - SEZ:-

Approval of list of goods & services required for Authorized Operations; request of the Co-Developer M/s. Brigade (Gujarat) Projects Pvt. Ltd., GIFT-SEZ – Under Section -14 (1) (a) of the SEZ Act, 2005, read with Rule – 10 & 12 of the SEZ Rules, 2006.

Shri Rajesh Parmar, DGM-Admin, and Shri Pravash Nasker, AGM-Projects representatives of the Co-Developer (Brigade), explained requirement of duty-free goods for authorized operations sought vide their letter dated 11-10-2017. It was stated that these goods are required for carrying out default Authorized Operations as under, which are covered under Instruction No. 50 of the DOC, for their zonal facility building in processing area:-

- 1) Complete construction work office building in processing area (Building No. 14-A – i.e. Passenger & Service Elevators)

The duty-free goods intended to be procured, are required for basic development, construction, and other related infrastructure work in the notified SEZ. Chairman of the Approval Committee reiterated that the Specified Officer of the SEZ should ensure that procurement of duty free goods is strictly meant for Authorized Operations inside the SEZ.

49-A-02) Approval of list of goods & services required for Authorized Operations; request of the Developer M/s. GIFT SEZ Ltd., (GIFT) – Under Section -14 (1) (a) of the SEZ Act,2005, read with Rule – 10 & 12 of the SEZ Rules, 2006.

Shri S. P. Srivastava, AVP (SEZ) of the Developer (GIFT), explained requirement of duty-free goods for authorized operations sought vide their letter dated 27-10-2017. It was stated that these goods are required for carrying out approved and default Authorized Operations as under, which are covered under Instruction No. 50 of the DOC, for their zonal facility building in processing area:-

- 1) Construction of building in processing area;
- 2) Telecom and other communication facility including internet connectivity;
- 3) Power (including power back- facilities) for captive use only.

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The duty-free goods intended to be procured, are required for basic development, construction, and other related infrastructure work in the notified SEZ. Chairman of the Approval Committee reiterated that the Specified Officer of the SEZ should ensure that procurement of duty free goods is strictly meant for Authorized Operations inside the SEZ.

Therefore, the Committee after due deliberation and diligence approved the list of goods intended to be procured for the above default Authorized Operations subject to standard terms and conditions of the SEZ Rules, 2006.

49-A-03) Requests of SEZ units for setting-up of Disaster Recovery (DR) and Business Continuity Plans (BCP) Centers at location outside the notified SEZ area.

Shri Giriraj Gupta, VP, of the applicant unit M/s. IDBI Bank Limited, on the subject matter appeared before the Approval Committee and explained the requirement for setting-up of Disaster Recovery (DR) and Business Continuity Plans (BCP) centers at location outside the notified SEZ area and the same is mandated by the Regulatory Authority for banking sector viz. RBI, and such arrangements is most crucial in all commercial/financial transactions solely through Information Technology and its enable & related services. These arrangements are to be used specifically as and when any kind disaster occur and not for normal/routine day-to-day operations. Chairman of the Approval Committee informed to the members of Unit Approval Committee that the DC's Office had made references to the Government of India, in the Ministry of Commerce & Industry to extend the guidelines/norms for setting-up of Disaster Recovery (DR) and Business Continuity Plans (BCP) centers at other locations for other multi-services like banking, insurance, financial services. During the course of meeting, the Chairperson and DC, KASEZ made telephonic discussion with the Shri T. V. Ravi, Director -SEZ, in the Department of Commerce, and it was given to understand that no special permission, fixing of guidelines/norms is required for other sector, and the IT/ITES norms is applicable across other sectors of the IFSC-SEZ, namely banking, insurance, etc, and the Development Commissioner of SEZ is competent to decide on such cases. *as their operations are also based on Information Technology Enabled services,*

Thus, the Approval Committee directed Development Commissioner to take appropriate action and steps in all such cases.

49-B-04) Representation of the Developer – M/s. GIFT SEZ Limited, Gandhinagar, regarding execution of Lease Deed with approved SEZ units as required under Rule-18 (2) (ii) of SEZ Rules, 2006.

It was decided in the 47th meeting of Approval Committee held on 22-09-2017 and it was directed to the developer to execute Lease Deed with approved SEZ unit for a minimum period of five years and to submit details of all allottees. Shri Dipesh Shah,

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Head (IFSC-SEZ) informed/pointed out to the Approval Committee various constraints and difficulties in execution of stipulated Lease Deed with the approved SEZ units. The Developer-GIFT has stated in the written submission following facts:-

- a) Construction of office building by co-developer M/s. Volupia Developers Pvt. Ltd; is underway;
- b) Construction of office building by co-developer M/s. Brigade (Gujarat) Project Pvt. Ltd; is underway;
- c) Furniture and fixtures for above two buildings shall take two to three months to complete;
- d) Procedural formalities for shifting of approved SEZ units to permanent locations shall take two to three months.

Shri Dipesh Shah requested the Unit Approval Committee to allow them to execute agreement with the units for a shorter period of six months and further informed that meanwhile two buildings under construction by the two co-developer will be completed & ready use and the unit holders will be in a position to shift from the incubation centre to the new buildings. The developer requested Approval Committee to accept agreement for a further period of six months. The Approval Committee on hearing the arguments & explanations of the Developer, and after due deliberation and discussion, taken into account matter of constraint of the approved SEZ units as one time measure under special circumstances allowed time for submission of five years Registered Lease Deed upto 30-04-2018.

B) Deferred case for GIFT - SEZ:-

49-B-01) Proposal of M/s. KSBL Forex (IFSC) Private Limited, Gandhinagar, for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar.

The Approval Committee noted that none of the Directors/promoters appeared for personal interview for consideration of the proposal at the given date and time. Thus, the Approval Committee decided to defer the proposal for next meeting. Further, the Approval Committee noted that this is third time, no Director/representative was present as the applicant had sought leave of absence quoting reasons. The Approval Committee directed that the applicant should be informed of next meeting scheduled on 17-11-2017 at GIFT-SEZ, Gandhinagar, well in advance, and further an option may be give to the applicant to appear for personal interview through digital/electronics mode viz. by audio/video conferencing which may be sought by the applicant in advance.

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48-B-02) Requests of M/s. NSE IFSC Limited, and M/s. NSE IFSC Clearing Corporation Limited for approval of additional services to default list.


Shri Hiren Sheth, Deputy Manager of NSE group companies appeared and further telephonic discussions with senior official of the said companies, and requested for approval of the following additional services required for operations in SEZ:-

- 1) Recognized Stock Exchange Services in relation to transactions in securities;
- 2) Business Auxiliary Services;
- 3) Mandap Keeper Services;
- 4) Event Management.

The Approval Committee observed that in the country Goods and Services Tax (GST) s affected from 01-07-2017, and there is now no need for approval of Services list under the GST Regime. However, the services sought for approval are for services availed upto 30-06-2017, as under:-

Sr. No.	Items of service sought by the applicants.	Specific decision of the Approval Committee for GIFT-SEZ.
01.	Recognized Stock Exchange Services in relations to transactions in securities.	Approved only for Authorized Operation.
02.	Business Auxiliary Services.	Applicant to be advice exact nature of service and its proper utilization
03.	Mandap Keeper Services;	Approved only for Authorized Operation within SEZ only.
04.	Event Management	Approved only for Authorized Operation within SEZ only.

The Approval Committee after due deliberation and diligence considered on the above 04 (four) services as per respective decisions mentioned in each of the cases, subject to standard terms and conditions of the SEZ Rules, 2006, and CBEC rules & regulations thereof in this regard till time upto 30-06-2017, i.e. only for Service Tax.


(UpendraVasishth)
Chairman of Approval Committee
& Zonal Development Commissioner
Gujarat SEZs
(HQ: Kandla-SEZ)

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ANNEXURE-I

The following members were present:-

01.	Shri Upendra Vasishth, ndc, Zonal Development Commissioner, Kandla Special Economic Zone	Chairman
02.	Shri O. P. Pandey, AC/Specified Officer, Zydus-SEZ	Nominee for the Director-SEZ, DOC, MOC&I, New Delhi
03.	Shri G. K. Bhatt, Representing GM, DIC, Gandhinagar.	Member
04.	Shri V Raju Raman, FTDO, O/o DGFT.	Nominee of the Jt. DGFT, Ahmedabad.
05.	Shri Dipesh Shah, Head (IFSC-SEZ), M/s. GIFT SEZ Limited, Gandhinagar.	Special Invitee representing the developer - GIFT

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