

Minutes of 70th (seventieth) meeting of the Approval Committee for Sector specific SEZ for multi-services developed by M/s. GIFT SEZ Ltd., held on 10-05-2019 at 14:30 hours under the Chairmanship of Dr. Amiya Chandra, ITS, Development Commissioner, Kandla Special Economic Zone, in the conference room of the Zonal DC Office, Kandla-SEZ, Ahmedabad.

List of participants is annexed as Annexure-I

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

70-A) Fresh cases for GIFT – Multi Services - SEZ:-

The Approval Committee for GIFT-Multi-services-SEZ (including International Financial Services Centre), Gandhinagar, met at the Development Commissioner's Office, Kandla-SEZ, Polytechnic, Ahmedabad to consider and decide on the following 02 (two) proposals as well as other cases. As the below mentioned proposals of business fall under the mandate/guidelines/regulations framed for the International Financial Services Centre (IFSC), the representatives of the Regulatory Authorities for the same viz. 1) Reserve Bank of India; and 2) Securities and Exchange Board of India (SEBI) were invited to participate as Special Invitees for the Approval Committee Meeting.

After hearing each of the applicants, the Approval Committee after due diligence and deliberation took up the proposal of the 02 (two) applicants as under, for setting up an IFSC – Banking unit and Capital Market Intermediary units in GIFT-IFSC-SEZ, Gandhinagar:-

Sr. No.	Name of the applicant	Regulatory Authority
01.	Standard Chartered Bank, Mumbai	RBI
02.	M/s. Aavishkaar Investment Advisers (IFSC) Private Limited, Gandhinagar	SEBI


This approval would be subject to the condition that each of the applicant obtains all mandatory/statutory approvals/permissions as required under following notifications and as applicable:-

1) 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;

2) Notification No. G.S.R. 229 (E), dated 27-03-2015 issued by the Government of India, Ministry of Finance, Department of Financial Services from F. No. 14017/98/2014-Ins.II;

3) Foreign Exchange Management (International Financial Services Centre) Regulations, 2015; and,

4) Securities and Exchange Board of India (SEBI), as required under the IFSC guidelines & regulations and strictly in accordance with (1) Securities and Exchange Board of India (International Financial Service Centre) Guidelines, 2015, dated 27-03-2015.



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70-A-01) Proposal of M/s. Standard Chartered Bank, Mumbai for setting-up of IFSC Banking unit (IBU) in GIFT-SEZ, Gandhinagar.

Shri Prakash Subramanian KV, Head Strategy, Process, Governance – Head Subsidiaries of the applicant Bank (M/s. Standard Chartered Bank), appeared before the Approval Committee for personal interview. He informed that the Bank is originally promoted by their UK based parent Bank viz. Standard Chartered Bank, and has presence world over. They explained that the proposal for setting-up an IFSC Banking unit in GIFT-SEZ, Gandhinagar shall be funded by the parent Bank based in UK. The representative of Standard Chartered Bank informed the Approval Committee that international funding is currently taking place from their Branches based in London, Mauritius and Singapore; these businesses shall be diverted to their proposed branch at GIFT-IFSC-SEZ. They will be lending funds to Indian Corporate for business acquisitions abroad etc. Shri Subramanian informed that their parent branch had funded the JLR acquisition for the Tata group company. They will be operating as branch of their parent Standard Chartered Bank, UK. Further, they will also be entering into the business of aircraft leasing in future. Presently Indigo Airlines were holding discussions on the same with them. During the course of discussion and deliberation the Approval Committee sought specific details of foreign exchange inflow and outflow from their business operations from the proposed unit in SEZ to which bank official informed that total loan book for the period of five years will be around 2 billion US dollar and gave a break-up of the same as below:-

- FOB value for export of services for said project for 05 (five) years period is projected as Rs. 760.20 crores (which shall be interest income on the loan to be disbursed) with foreign exchange outgo of Rs. 207.90 crores resulting in NFE of Rs. 552.30 crores (72.65%).
- The Co-Developer (Brigade) vide letter dated 22-04-2019 has earmarked & confirmed the required premises/space in the SEZ for the proposed project.
- The Approval Committee emphasized that the applicant has to furnish a copy of the registered Lease Deed to the Development Commissioner within six months from issuance of the Letter of Approval for the allotted premises in SEZ, as required in terms of Rule-18 (2) (ii) of the SEZ Rules, 2006.
- It was further informed by the Approval Committee that the Bank will not be able to commence business activities/operations as long as the mandatory as well statutory approvals are not acquired from the concerned regulatory authority. The Bond cum LUT shall be executed under the SEZ Rules in order to facilitate initial setting-up process.

As the above proposal of business falls 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



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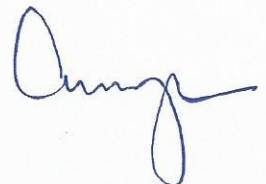
for all IFSC Banking Units to obtain prior permission and license from the Reserve Bank of India for establishing and functioning under the Banking Regulation Act, 1949, the views of Reserve Bank of India becomes imperative for approval of any unit proposal under IFSC in GIFT SEZ.

After hearing the proposal from the representatives of M/s. Standard Chartered Bank the Approval Committee after due diligence and deliberation, decided to approve the proposal of the applicant M/s. Standard Chartered Bank, 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 commence operations unless all the mandatory as well statutory approvals are acquired from the concerned regulatory authority.

70-A-02) Proposal of M/s. Aavishkaar Investment Advisers (IFSC) Private Limited, Gandhinagar, for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar.

Shri Shyamkant Joshi, Director, of the applicant company, appeared before the Approval Committee for personal interview. He explained their proposal for setting-up an IFSC financial services unit in GIFT-SEZ, Gandhinagar. The applicant company is engaged in the business of financial services for past many years from the Domestic Tariff Area, and for the SEZ projections they have given conservative estimate to begin with and they will be achieving more than the estimates given. The applicant informed that they will be earning revenue from set-up fee as well as from annual fees. However on being pointed by the Approval Committee that the projections are very much on the lower side the applicant has revised their projections. The representative confirmed and informed that the proposal is to provide “financial services as capital market intermediary in GIFT IFSC in accordance with the SEBI (IFSC) Guidelines, 2015. A brief detail of the proposal is as under:-

- FOB value for export of services for said project for 05 (five) years period is projected as Rs. 9909.60 lakhs, with outgo of foreign exchange at Rs. 1327.84 lakhs resulting in NFE of Rs. 8581.76 lakhs (86.60%).
- The Co-Developer (Volupia) vide PLOA/letter dated 16-04-2019 has earmarked the required premises/space in the SEZ for the proposed project, which is also confirmed by the Developer (GIFT).



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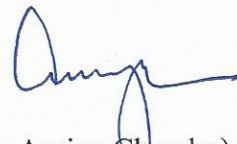
- The Approval Committee emphasized that the applicant has to furnish a copy of the registered Lease Deed to the Development Commissioner within six months from issuance of the Letter of Approval for the allotted premises in SEZ, as required in terms of Rule-18 (2) (ii) of the SEZ Rules, 2006.
- It was further decided by the Approval Committee that the Company will not be able to commence business activities unless all the mandatory as well statutory approvals are acquired from the concerned regulatory authority. The Bond cum LUT shall be executed under the SEZ Rules in order to facilitate initial setting-up process.

The Approval Committee after due diligence and deliberation approved the current proposal, subject to standard terms and conditions, of the SEZ Rules, 2006 and other stipulated and mandatory norms/requirements of SEBI.

70-T) Table agenda item for GIFT – Multi Services - SEZ:-

70-T-01) Approval of services for Authorized Operations of SEZ unit.

One of the approved SEZ units in GIFT-SEZ, M/s. Cybage Software Pvt. Ltd., had sought approval for services to be utilized for their Authorized Operations. The Approval Committee after due diligence and deliberation approved services namely 1) Club or association services – for the services mentioned viz. membership of EPCES or any other business/industry association and 2) Event management services (within SEZ only) subject to conditions that the concerned unit shall adhere to all required mandatory/statutory norms as are required under various statutes on the subject matter.



(Dr. Amiya Chandra)
Chairman of Approval Committee
& Zonal Development Commissioner
Gujarat SEZs

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ANNEXURE-I

The following members were present:-

01.	Dr. Amiya Chandra, ITS, Zonal Development Commissioner, KASEZ.	Chairman
02.	Shri Satyadeep Mahapatra, IRS, Joint Development Commissioner, KASEZ	Nominee for the Director-SEZ, DOC, MOC&I, New Delhi.
03.	Shri Neeraj Kumar, Assistant Commissioner, Gandhinagar Division.	Nominee of the Commissioner of Central GST, Gandhinagar.
04.	Shri Riken S. Shah, GM, DIC, Gandhinagar.	Member
05.	Shri Vipul Jain, Manager, SEBI, Ahmedabad.	Special Invitee, representing SEBI, Ahmedabad.
06.	Shri J. S. K. Rawat, AGM, RBI, Ahmedabad.	Special Invitee, representing RBI, Ahmedabad.
07.	Shri Dipesh Shah, Head-IFSC-SEZ, M/s. GIFT SEZ Limited, Gandhinagar.	Special Invitee, representing the Developer – GIFT.