

Minutes of 72nd (seventy-second) meeting of the Approval Committee for Sector specific SEZ for multi-services developed by M/s. GIFT SEZ Ltd., held on 22-07-2019 at 15:30 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.

72-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 representative of the Regulatory Authority for the same viz. 1) Insurance Regulatory and Development Authority of India (IRDAI); was 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 – Insurance Office and Capital Market Intermediary units in GIFT-IFSC-SEZ, Gandhinagar:-

Sr. No.	Name of the applicant	Regulatory Authority
01.	M/s. Cattail Softech Services Private Limited, Kolkata.	Normal unit
02.	M/s. Beacon Insurance Brokers Private Limited, Vadodara.	IRDAI

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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72-A-01) Fresh proposal of M/s. Cattail Softech Services Private Limited, Kolkata, setting-up of new services related unit in GIFT-SEZ, Gandhinagar.


Shri Ahbishek Dujari, Director of the applicant company, appeared before the Approval Committee for personal interview. They explained background of the company's business of chartered accountancy and intend to enter into the business of professional services to cater approved units in GIFT-SEZ especially the brokers. Capital investment shall be in the nature of computers/furniture and working capital shall be salaries to personals employed which is to be self financed from internal accruals , 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. 73.00 lakhs, with no outgo of foreign exchange resulting in NFE of Rs. 73.00 lakhs (100%).
- The Co-Developer (M/s. Volupia) vide letter/PLOA dated 08-05-2019 has earmarked & confirmed the required premises/space in the SEZ for the proposed project. The Developer-M/s. GIFT SEZ Limited has also given their concurrence.
- 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. The Approval Committee also clearly explained to the applicant that they cannot provide any services to clients in DTA from GIFT Multi Services SEZ, no transaction can be undertaken in Indian Rupees (INR) from SEZ and all services/transactions be should be in free currencies.

The Approval Committee observed that the proposal does not envisage any specialization, and is of routine accountancy & other compliance services to be offered to existing SEZ units. Thus, the Approval Committee asked the applicant to submit Income Tax returns of the Directors and updated financial solvency certification. The Approval Committee after due diligence and deliberation approved the project, subject to standard terms and conditions of the SEZ Rules, 2006, and submission of Income Tax returns & financial solvency certification.

72-A-01) Proposal of M/s. Beacon Insurance Brokers Private Limited, Vadodara for setting-up of IFSC Insurance Office (IIO) in GIFT-SEZ, Gandhinagar.

Shri Sanjay Agarwal, Director of the applicant company appeared before the Approval Committee for personal interview. They informed that at present the company



Minutes of 72nd (seventy-second) meeting of the Approval Committee for Sector specific SEZ for multi-services developed by M/s. GIFT SEZ Ltd., held on 22-07-2019 at 15:30 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.

is into insurance and re-insurance business catering to the Domestic (Indian) markets and are intending diversify to tap export market from the proposed GIFT-SEZ office they shall cater to the African continent/CIS/Middle East and SAARC countries. During the course of discussion the applicant was also interviewed by the representative of IRDAI and it was explained they comply with all mandatory/statutory norms/requirements, and their domestic license is valid upto 2020. They explained that the projection for the current project is on conservative side. 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. 1750.00 lakhs with foreign exchange outgo of Rs. 429.62 lakhs (outgo is mainly on Foreign Travel, conference attendance fees abroad and subscription fees. He also explained that the major expense in foreign exchange would be on account of Foreign Travel) resulting in NFE of Rs. 1320.89 crores (75.45%).
- The Co-Developer (Volupia) vide letter dated 21-05-2019 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 company 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.
- The unit would be employing 04 persons – 02 seniors out of which one is already hired and 02 junior level employees.

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

72-B) Other cases for GIFT – Multi Services - SEZ:-

72-B-01) Request from Indian Bank, GIFT-SEZ, Gandhinagar for extension of time for executing Lease Deed,

Representative of the Bank informed the Approval Committee that the Bank is looking for long term lease of 99 years for the premises in GIFT-SEZ, Gandhinagar, which shall require approval/clearance from the Bank's Board of Directors, and therefore requested for extension in time limit for submission of registered Lease Deed by two months.



Minutes of 72nd (seventy-second) meeting of the Approval Committee for Sector specific SEZ for multi-services developed by M/s. GIFT SEZ Ltd., held on 22-07-2019 at 15:30 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.

The Approval Committee considered the request and granted time for submission of Registered Lease Deed for two months i.e. upto 22-09-2019.

72-B-02) Request from M/s. T-Cap Financial Services IFSC Pvt. Ltd., GIFT-SEZ, Gandhinagar for extension of time for executing Lease Deed,

The approval holder M/s. T-Cap Financial Services IFSC Pvt. Ltd., requested for extension in time limit for submission of registered Lease Deed by two months, as they in process of getting all required Regulatory approvals/permission.

The Approval Committee considered the request and granted time for submission of Registered Lease Deed for two months i.e. upto 07-09-2019.

72-B-03) Request from M/s. Befree Business Resourcing LLP, GIFT-SEZ, Gandhinagar, for addition/change of premises in SEZ.

The representative of M/s. Befree Business Resourcing LLP, appeared before the Approval Committee, and explained their requirement of additional space/premises in GIFT-SEZ, as they are into the business of International accounting back office services for the additional space required is for training of employees to be conversant with international accounting formalities, terms & procedures, before these employees are formally inducted into the company in order to have minimum error free operations.

The Approval Committee noted that the above approval holder had substantial services export and employment generation from GIFT-SEZ for past 30 months, i.e. cumulatively exports of Rs. 22.94 crores, and employment of 161 persons (49 – Female; & 112 – Male), as on 31-03-2019.

The Developer – M/s. GIFT SEZ Ltd., vide letter dated 24-06-2019 has given provisional allotment for premises/space viz. Office Nos. S11, S12, & S13 (Unit Nos. 68, 69, & 70) at Second Floor, GIFT House, GIFT-SEZ, Gandhinagar. Therefore, the Approval Committee approved additional premises/space in GIFT-SEZ, as requested in terms of Rule-18 (2) (ii) of the SEZ Rules, 2006.

72-B-04) 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 Yogesh Bobade, Head - Regulatory of the Developer (GIFT), explained requirement of duty-free goods for authorized operations sought vide their letter dated 15-07-2019. 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



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the DOC. The Approval Committee observed that the developer had not submitted the drawings/layout plans alongwith the Chartered Engineer's certification in order exactly pin point area where the proposed duty-free material is required. Therefore, the Approval Committee has approved procurement of goods and directed the Developer to submit drawings/layout plans showing proper linkage of the area/place with the materials sought for duty-free procurement and subject to normal terms and condition of SEZ Rules, 2006. The Developer subsequently furnished the required drawings/layout plans

Regarding the services requirement the Approval Committee considered the following for GIFT-SEZ:-

Sr. No.	Name of the Service	Decision of the Approval Committee
01.	Services furnished by professional organization	Approved services provided by EPCES for membership subscription fee by SEZ developers/units, which is mandatory under SEZ Rules.
02.	Distribution of air conditioning supply	Approved services for the part provided inside the SEZ for the approved Authorized Operation.
03.	Photography, videography and their processing services.	Approved services for the part provided inside the SEZ for the approved Authorized Operation, and should have appropriate linkage.

72-T) Table case/item for GIFT – Multi Services - SEZ:-

72-T-01) Change of Authorized Operations in FTWZ and temporary Allotment of space in GIFT-SEZ for FTWZ operations.

M/s. Siddhartha Logistics FTWZ Private Limited, were issued Letter of Approval (LOA) dated 08-08-2018 for operating in FTWZ for vaulting operations for precious metals. The approval holder has reported that the allotted space/premises are still not ready at the co-developers' building developed by M/s. ATS Savvy Developers LLP in GIFT-SEZ, Gandhinagar.

Thus, M/s. Siddhartha Logistics FTWZ Private Limited, vide letter dated 22-07-2019 have come with proposal for change in items of operations from precious metals to "high value electronics, hi-tech light and small machinery, medical devices/equipments, pharma, fashion, exhibitions, display, events including sporting events".

M/s. Siddhartha Logistics FTWZ Private Limited has also sought for allotment of temporary space in the GIFT-SEZ in the premises/space of M/s. GIFT SEZ Limited to carry-out the above proposed warehousing activities.

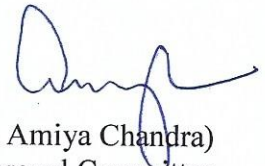
Minutes of 72nd (seventy-second) meeting of the Approval Committee for Sector specific SEZ for multi-services developed by M/s. GIFT SEZ Ltd., held on 22-07-2019 at 15:30 hours under the Chairmanship of Dr. Amiya Chandra, ITS, Development Commissioner, Kandla Special Economic Zone, in the conference room of the Zonal DC Office, Kandla-SEZ, Ahmedabad.

Shri Nishchal Padhya, Joint Managing Director, of M/s. Siddhartha Logistics Co Private Limited appeared before the Approval Committee and expressed urgency to consider their above two requests, as they are already into such warehousing business/operations down south and they now envisage to cater the northern hinterland through their proposed warehousing operations from GIFT-SEZ, Gandhinagar and requested for approval of 1) change of items for the warehousing operation from precious metals to other items; and 2) temporary allotment of premises/space in the SEZ to conduct the warehousing operations.

The Approval Committee accepted the request of the applicant company and considered the same as table agenda items, and the Committee after deliberation and discussion with due diligence approved the request for 1) change of item for warehousing operations from precious metal i.e. deletion of precious metals and addition of the following items:-

- (i) High value electronics; and,
- (ii) High-tech light and small machinery;

2) Temporary allotment of premises/space in the SEZ by the Developer to conduct the warehousing operations, subject to normal terms and conditions of SEZ Rules, 2006.



(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 Riken S. Shah, GM, DIC, Gandhinagar.	Member
04.	Shri Haroon Bilal, Assistant DGFT, O/o Additional/Jt. DGFT, Ahmedabad.	Nominee of the Additional/Jt. DGFT, Ahmedabad.
05.	Shri Suresh Mathur, Executive Director, IRDAI, Hyderabad.	Special Invitee, representing IRDAI, Hyderabad – by video conferencing.
06.	Shri Yogesh Bobade Head-SEZ Regulatory, M/s. GIFT SEZ Limited, Gandhinagar.	Special Invitee, representing the Developer – GIFT.