

**Minutes of 75<sup>th</sup> (seventy-fifth) meeting of the Approval Committee for Sector specific SEZ for multi-services developed by M/s. GIFT SEZ Ltd., held on 18-10-2019 at 11:30 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, through video conferencing between HQ Office, KASEZ, Gandhidham and Ahmedabad.**

List of participants is annexed as Annexure-I

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


**75-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 08 (eight) proposals as well as other case. 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) Securities and Exchange Board of India (SEBI) were invited to participate as Special Invitees for the Approval Committee Meeting.

Sr. No.	Name of the applicant	Regulatory Authority
01.	M/s. Sequel Logistics Private Limited, Ahmedabad.	FTWZ unit
02.	M/s. Basiz Fund Service Private Limited, Gandhinagar.	Normal service unit
03.	M/s. First Overseas Capital Management Private Limited, Gandhinagar.	SEBI
04.	M/s. Cerebulb (India) Private Limited, Ahmedabad.	Normal IT unit
05.	M/s. National Securities Depository Limited, Mumbai.	SEBI
06.	M/s. Hazel Mercantile Limited, Mumbai.	Normal IT unit
07.	M/s. Veritas (India) Limited, Mumbai.	Normal IT unit
08.	M/s. Adi Info Solution & Services.	Normal IT unit

The project proposal submitted by the firms (at Annexure-A) were approved. However, 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,



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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.

**Annexure-A**

**75-A-01) Proposal of M/s. Sequel Logistics Private Limited, Ahmedabad for setting-up of FTWZ operations unit in GIFT-SEZ, Gandhinagar.**

Shri Sharad Jobanputra, Director of the applicant company appeared before the Approval Committee for personal interview. He informed that the company is into the business of providing logistics services of warehousing/supply of high value precious metals like gold and silver. The proposed proposal is for providing vaulting services for precious metals on behalf of foreign banks, etc. for supply to nominated banks in India dealing in precious metals. These precious metals shall be fully insured during transit and storage, with separate insurance cover in favour of the customs department to safeguard duty/revenue. And the warehousing/vaulting shall adhere to stringent security requirements as per international standards and foreign supplier shall conduct periodic security and stock audits. The proposed operations are to be done from the FTWZ area/building being developed by the Co-Developer – M/s. ATS Savvy Developers LLP, within the GIFT-Multi-services-SEZ, Gandhinagar as approved by the Board of Approval/Government.

However, during the course of discussions & deliberations the Approval Committee had concerns with the proposed operations to be carried out from vertical building with regards to security of the precious metals and its various related checks. Therefore, the Approval Committee decided to have the proposed premises/space technically audited, in relation with the structural design/plan in order to ascertain proper safe custody of precious metals, through an Independent International Auditor for the said purpose.

The Approval Committee referred to the norms set up by RBI for such operation, which stated inter alia,

- 1) The vault should be considered only in "The Basement or the Ground Floor";
- 2) The wall thickness would be Minimum 450 mm with M50 Grade of concrete with 20 mm Dia of Bars;
- 3) If vault is constructed in a multi tenant building (essentially basement and ground floor only), "No Objection Certificate" shall be insisted upon from 100% of the co-occupants/tenants as well as those in the vicinity of 1 KM atleast. A mere NOC by the Builder or the building owner will not suffice as the real danger lies to the actual occupants/Tenants;



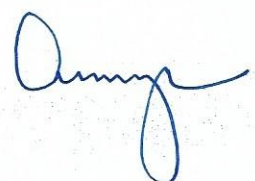
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- 4) There shall be minimum 1 layer of twisted tying bar and thje mesh created in such a manner that maximum opening at any location shall be less than 100 mm \* 100 mm and placed at both the faces of each wall, floor and roof;
  - 5) The construction shall be done as per the design of the structural consultant subject to minimum requirements given here for achieving Burglary resistance – against attack by common hand held/picking/impact/portable electric/hydraulic/concrete cutting/drilling tools, pressing applying devices, power saws etc.; fire resistance against gas cutting torch, fluxing rods, etc.; fire hose; stream reheat endurance against exposure to major fire and fire fighting water stream/jet etc;
  - 6) There is mandatorily need for Security Surveillance passage and Security ventilator which needs to be followed;
  - 7) In addition, it should be clearly noted that the base building structure must be strong enough to take load of this addition M40 Grade concrete restricting without bringing any structural instability to the existing civil structure;
  - 8) The vault should ideally be constructed in a separately housed area to prevent any danger to the co-occupants and the other tenants/third party occupants in case of any security treat/attack on the vault since astronomical amount of precious metal shall be stored in the vault make it susceptible to an armed attack for the purpose of robbery;
  - 9) The vault cannot be in crowded area of where traffic (man as well as vehicle) is on higher frequency as to cause longer duration of hindrance in easy movement of security as well as escort vehicles/van;
  - 10) In case of high value storage viz. Gold, Platinum, Diamond, etc. – the vehicle carrying in-out shall be taken in covered secure room before offloading/loading. This shall be full secure and covered room which shall be locked once the vehicle is inside.
- ~~11)~~ In such cases, a declaration from the Developer is also required that they are willing to comply with all these conditions. Then only the Development Commissioner's office can get the plan audited by third party.

The item is deferred with the direction to do needful.

**75-A-02) Proposal of M/s. Basiz Fund Service Private Limited, Gandhinagar, for setting-up of professional services unit in GIFT-SEZ, Gandhinagar.**

Shri A. V. Sehadrinathan, MD, Director, of the applicant company, appeared before the Approval Committee for personal interview. He explained their proposal for setting-up a unit to cater wide range of back office services/professional services regarding Asset Management of funds in GIFT-SEZ, Gandhinagar. The applicant for the SEZ projections they stated that they have given conservative estimates however shall



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outperform as they are shifting Singapore operations to GIFT-SEZ, Gandhinagar. 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. 2018.94 lakhs, with foreign exchange outgo of Rs. 310.23 lakhs (outgo is basically towards Foreign Travel and marketing) resulting in NFE of Rs. 1708.71 lakhs (84.63%).
- The Co-Developer (Volupia) vide letter dated 24-09-2019 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 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 for professional services subject to standard terms and conditions, of the SEZ Rules, 2006.

**75-A-03) Proposal of M/s. First Overseas Capital Management Advisors Private Limited, Gandhinagar, for setting-up of financial professional services unit in GIFT-SEZ, Gandhinagar.**

Shri Satyen Dalal, 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. He stated that he is an approved category Merchant Banker and operated from multi nations/locations. Through the current SEZ proposal they are intending to act as consultants/mangers for special purpose funds to be created to acquire assets in overseas countries to oversee 'old age care homes'. The investors for these funds and the deployment of these funds (private equity funds) shall be in overseas countries, to be managed from GIFT-SEZ by the proposed unit. 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. 5600.00 lakhs, with foreign exchange outgo of Rs. 1680.00 lakhs resulting in NFE of Rs. 3920.00 lakhs (70.00%).
- The Co-Developer (Volupia) vide letter dated 24-09-2019 has earmarked & confirmed the required premises/space in the SEZ for the proposed project.



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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 if required.

**75-A-04) Proposal of M/s. Cerebulb (India) Private Limited, Ahmedabad for setting-up of IT based unit in GIFT-SEZ, Gandhinagar.**

Shri Hitesh Patel, Director of the applicant company appeared before the Approval Committee for personal interview. He informed that the company is into IT based services from the lead obtained during one of the Vibrant Gujarat Summit. However, during the course of discussions and deliberations, the Approval Committee observed that the promoter does not have sufficient technical background/support, and adequate experience, nor has any firm MOU to undertake the proposed services. Further, the import requirements of capital goods were projected at a higher side, as compared to other such proposals. The Director was unable to give any satisfactory reply to the queries raised. The Approval Committee advised the applicant to re-consider and re-submit with concrete business proposal

Therefore, the Approval Committee decided to reject to the proposal in its present form.

**75-A-05) Proposal of M/s. National Securities Depository Limited, Gandhinagar, for setting-up of depository services unit in GIFT-SEZ, Gandhinagar.**

Shri Prashant Vagal, SVP, and Shri Anik Mehta, SM, of the applicant company, appeared before the Approval Committee for personal interview. They explained that the company is into the business of depository services in the DTA, and the proposal in GIFT-SEZ, Gandhinagar shall cater to the two International Exchanges in IFSC. During discussion the representative informed the Approval Committee that they do not require large space in the SEZ as the set-up is business development and compliance. The Approval Committee informed the applicant that they shall have to ring fence their proposed IFSC-SEZ operations in GIFT-SEZ from the DTA operations. The applicant

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submitted a detailed note on their operations in GIFT-SEZ with an undertaking to ring fence their operations in IFSC-SEZ. A brief detail of the proposal is as under:-

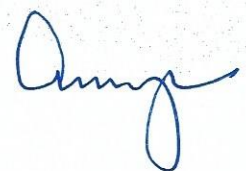
- FOB value for export of services for said project for 05 (five) years period is now projected as Rs. 3176.66 lakhs, with foreign exchange outgo of Rs. 63.95 lakhs resulting in NFE of Rs. 3112.71 lakhs (97.98%).
- The applicant – M/s. NSDL have revised the figures for Foreign Exchange earnings from Rs. 388.05 lakhs to Rs. 3176.66 lakhs for five years period. However, the Committee observed that even after the upward revision of figures for Foreign Exchange earning there is no consequent revision in the figures for employment which is still stated as 02. Further, the Committee noted that the applicant has planned to rent/obtain on lease only 200sq. ft. of space. The Committee observed that with the current projections for employment of only 02 persons and 200 sq. ft. of space the unit cannot carry out the scale of operations they have now proposed.
- Therefore, the Committee directed the unit to submit a fresh proposal with scaled up manpower as requirement of office space.
- The Co-Developer (Volupia) vide letter dated 22-07-2019 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 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 revised proposal, subject to standard terms and conditions, of the SEZ Rules, 2006 and other stipulated and mandatory norms/requirements of SEBI, and also further upward revision of manpower and space requirements in SEZ.

**75-B) Other case for GIFT – Multi Services - SEZ:-**

**75-B-01) 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 – SEZ Regulatory of M/s. GIFT SEZ Limited, representative of the SEZ Developer briefed about their requirement of goods and



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services for the following approved and default Authorized Operations which are covered under Instruction No. 50 of the DOC for their zonal facility buildings and other facilities in processing area:-

- Construction of all type of building in processing area;
- Telecom and other communications facilities including internet connectivity.

The Approval Committee informed the developer that the proposed procurement shall be fresh and not replacement, and the duty-free goods intended to be procured, are required for basic development, construction, and other related infrastructure work in the notified SEZ. The procurement of duty-free goods shall be strictly meant for Authorized Operations and its utilization; the same was approved subject to normal terms and condition of SEZ Rules, 2006.

**75-S) Supplementary cases for GIFT – Multi Services - SEZ:-**

**75-S-01) Proposal of M/s. Hazel Mercantile Limited, Mumbai for setting-up of IT based unit in GIFT-SEZ, Gandhinagar.**

Shri Mayank Parekh, CEO/authorized representative of the applicant company under authority appeared before the Approval Committee for personal interview. He informed that the company is into IT based business and is also operation a unit in Kandla-SEZ with export turnover of *Rs. 100.00 crores?*, where they are facing constraints in i.e. 'associate' (human/manpower) sourcing, thus branching out to GIFT-SEZ, Gandhinagar. The proposed project shall cater to niche IT/ITES related services. 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. 6274.15 lakhs with foreign exchange outgo of Rs. 211.45 lakhs resulting in NFE of Rs. 6062.70 crores (96.62%).
- The Co-Developer (Volupia) vide letter dated 05-10-2019 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.

The Approval Committee after due diligence and deliberation approved the project, subject to standard terms and conditions, of the SEZ Rules, 2006, further subject to submission of declaration by the applicant regarding no demand of any duties/taxes against the company.

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**75-S-02) Proposal of M/s. Veritas (India) Limited, Mumbai for setting-up of IT based unit in GIFT-SEZ, Gandhinagar.**

Shri Mayank Parekh, CEO/authorized representative of the applicant company under authority appeared before the Approval Committee for personal interview. He informed that the company is into IT based business and this company is also operating a unit in Kandla-SEZ, where they are facing constraints in i.e. 'associate' (human/manpower) sourcing, thus branching out to GIFT-SEZ, Gandhinagar. The proposed project shall cater to niche IT/ITES related services. 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. 7027.30 lakhs with foreign exchange outgo of Rs. 238.15 lakhs resulting in NFE of Rs. 6789.15 crores (96.61%).
- The Co-Developer (Volupia) vide letter dated 05-10-2019 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.

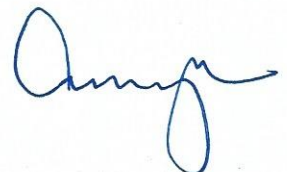
The Approval Committee after due diligence and deliberation approved the project, subject to standard terms and conditions, of the SEZ Rules, 2006, further subject to submission of declaration by the applicant regarding no demand of any duties/taxes against the company.

**75-T) Table case for GIFT – Multi Services - SEZ:-**

**75-T-01) Proposal of M/s. Adi Info Solution & Services, Mumbai for setting-up of IT based unit in GIFT-SEZ, Gandhinagar.**

Shri Mayank Parekh, Proprietor of the applicant company appeared before the Approval Committee for personal interview. He informed that he is associated with 'Hazel' and 'Veritas' group companies. With the proposed project he is venturing into IT/ITES related services. 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. 3044.50 lakhs with foreign exchange outgo of Rs. 112.61 lakhs resulting in NFE of Rs. 2931.89 crores (96.30%).
- The Co-Developer (Volupia) vide letter dated 05-10-2019 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

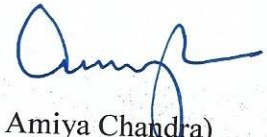




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from issuance of the Letter of Approval for the allotted premises in SEZ, as required in terms of Rule-18 (2) (ii) of the SEZ Rules, 2006.

The Approval Committee after due diligence and deliberation approved the project, subject to standard terms and conditions, of the SEZ Rules, 2006.



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

ANNEXURE-I

The following members were present:-

01.	Dr. Amiya Chandra, ITS, Development Commissioner, Kandla Special Economic Zone.	Chairman (through video conferencing from HQ Office, KASEZ, Gandhidham)
02.	Shri Satyadeep Mahapatra, IRS, Joint Development Commissioner, KASEZ	Nominee for the Director-SEZ, DOC, MOC&I, New Delhi.
03.	Shri M. P. Chauhan, FTDO, O/o Additional/Jt. DGFT, Ahmedabad.	Nominee of the Additional/Jt. DGFT, Ahmedabad.
04.	Shri R. M. Parmar, Industries Officer, O/o GM, DIC, Gandhinagar.	Nominee of the GM, DIC, Gandhinagar.
05.	Shri Pravin C. Rathod, Income Tax Officer, Ward-2 (1) (H), Ahmedabad.	Nominee of the Commissioner of Income Tax, Ahmedabad.
06.	Shri Vipul Jain, Manager, SEBI, Ahmedabad.	Special Invitee, representing SEBI, Ahmedabad.
08.	Shri Dipesh Shah, Head-IFSC-SEZ, M/s. GIFT SEZ Limited, Gandhinagar.	Special Invitee, representing the Developer – GIFT.