

Minutes of the 40th (fortieth) meeting of the Approval Committee for the Sector specific SEZ for multi-services developed by M/s. GIFT SEZ Ltd., held on 10-04-2017 at 11:00 hours under the Chairmanship of Shri Upendra Vasishth, ndc, Zonal Development Commissioner, Kandla Special Economic Zone, in chamber of ZDC's office, NBCC House, Polytechnic, Ahmedabad.

List of participants is annexed as Annexure-I

Approved minutes of the previous meeting was confirmed by the Approval Committee

40-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 Zonal Development Commissioner's Office, Kandla-SEZ, Polytechnic, Ahmedabad to consider and decide on the following 6 (six) proposals plus other cases. As the below mentioned proposals of business fall and categorizes under the mandate/guidelines/regulations framed for the International Financial Services Centre (IFSC), the Regulatory Authority for the same viz. Securities and Exchange Board of India (SEBI) and thus appropriate representative of the said Regulatory Authority was invited upon to participate as a Special Invitee for the Approval Committee Meeting.

After hearing each of the applicants, the Approval Committee after due diligence & deliberation decided the proposals of the applicants respectively as under, for setting up an IFSC - Capital Market Intermediary in GIFT-IFSC-SEZ, Gandhinagar. This approval would be subject to the condition that the applicants obtain all mandatory/statutory approvals/permissions from the 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, (2) 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, and 3) 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.

40-A-01) Proposal of M/s. E-Procurement Technologies SEZ Private Limited, for setting-up of new IT unit in GIFT-SEZ, Gandhinagar.

Shri Rakesh Prasad Sinha, and Shri Jayeshkumar Kantilal Chaudhari, Directors, along-with Ms. Surbhi Agarwal, Company Secretary of the applicant company appeared before the Approval Committee for personal interview. They explained their proposal for setting-up of IT unit in GIFT-SEZ, Gandhinagar. The applicant company is engaged in the business for past several years. The Directors informed that the proposal is to provide services of KPO (Knowledge Process Out-sourcing) and they shall not operate 'Call Centre' from GIFT-Multi-services-SEZ. The Directors also confirmed that they shall not do any activities connected with domestic business/operations and from GIFT-SEZ they shall undertake only new services export. A brief detail of the proposal is as under:-

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- FOB value for export of IT services for said project for 05 (five) years period is projected as Rs. 1207.00 lakhs, with foreign exchange outgo of Rs. 1009.00 lakhs resulting in NFE of Rs. 198.00 lakhs (16.40%).
- The Developer (GIFT) vide letter dated 16-02-2017 has earmarked, & confirmed the required premises/space in the SEZ for the proposed project.

The Approval Committee accepted the submission of the applicant, and after due diligence & deliberation approved the project, subject to standard terms and conditions, of the SEZ Rules, 2006 for a period of six months. Further, the Approval Committee does not approved activities of unit as call centre from SEZ.

40-A-02) Proposal of M/s. Indira Securities (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.

B) Other cases for GIFT - SEZ:-

40-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 S. P. Srivastava, AVP (SEZ) of the Developer (GIFT), explained requirement of duty-free goods for authorized operations sought vide their letter dated 06-04-2017. 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) Roads with street lighting, signals and signage;
- 2) Water treatment plant, water supply lines, sewage lines, storm water drains and water channels of appropriate capacity; and,
- 3) Electrical, Gas and Petroleum Natural Gas Distribution Network including necessary sub-stations of appropriate capacity, pipeline network, etc.
- 4) Parking including multi-level car parking (automated/manual).

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.

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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.

40-B-02) Request of M/s. Moon SEZ Consultants Pvt. Ltd., SEZ unit in GIFT-Multi-services-SEZ for broad-banding of LOA for inclusion of additional items of activity as Authorized Operation.

Shri Ashish Jhagarawat, Director & CEO of the applicant appeared before the Committee and explained their requirement for inclusion of additional service activities like, Professional Service in the nature, as under:-

- 1) Accounting services and KPO services;
- 2) Legal Consultancy and advisory services;
- 3) Business or Management consultant's services;
- 4) Assistance to SEZ and IFSC units for in-corporation and other initial setting up approvals;
- 5) Assistance to SEZ and IFSC units for day to day operations and compliance handling; and,
- 6) Assistance to SEZ and IFSC units for clearance of their material and record management.

The Approval Committee after due deliberation and diligence approved Services at Sr. Nos. 1 to 4, for service at Sr. No. 5 the same is limited to the extent of "Assistance to SEZ and IFSC units for compliance handling only" as additional Authorized Operations subject to standard terms and conditions of the SEZ Rules, 2006.

Further, the Approval Committee has not approved/allowed services at Sr. No. 6, viz. "Assistance to SEZ and IFSC units for clearance of their material and record management", as such type of service is not covered/recognized in the Special Economic Zones Act, 2005 (Act 28 of 2005, dated 23-06-2005) and rules thereof as provided in Special Economic Zones Rules, 2006 (as amended from time-to-time). As there are no provisions for service provider to act on behalf of the applicants in activities similar to Custom House Agent under the Customs Act, 1962 and its allied rules thereof. Thus, the applied Service No. 6 cannot be recognized under the SEZ Act and Rules, and is not approved.

40-B-03) Request of various SEZ units for approval of additional services to default list.

Shri Soundararajan Venkatadas, Chief Regulatory Officer, of M/s. India International Exchange (IFSC) Limited; and Shri Nitesh Jaiswal, Head – Business Development of M/s. India International Clearing Corporation (IFSC) Limited, both IFSC units in GIFT – multi-services – SEZ, and explained their requirement for approval of additional services, viz. 1) Business Auxiliary Services; and 2) Event Management Services (within SEZ only), these services are required to further leverage international exposure of these companies.

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Therefore, the Committee after due deliberation and diligence approved the additional services, viz. 1) Business Auxiliary Services (services required in relation to promotion or marketing of service provided by the client); and 2) Event Management Services (services are required in relation to availing services from event management service provider for conducting events, client visits, expo within SEZ only) to the default list of services for specified Authorized Operations within the SEZ only, subject to standard terms and conditions of the SEZ Rules, 2006, and CBEC rules & regulations thereof in this regard.

40-C) Deferred cases for GIFT – Multi Services - SEZ:-

40-C-01) Proposal of M/s. Anisha Fincap Consultants (IFSC) Pvt. Ltd., Gandhinagar, for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar.

Shri Mehul Kumar Shah, Branch Head of the applicant company appeared before the Committed for interview, which was not acceptable as he has not been authorized by the Company. 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.

40-C-02) Proposal of M/s. Multiplex Global Resources (IFSC) Pvt. Ltd., Gandhinagar, for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar.

Shri Parveen Aggarwal, Managing Director of the applicant company appeared before the Approval Committee for personal interview. They explained their proposal for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar. The applicant company is engaged in the business financial service for past several years. The representative 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. 735.83 lakhs, with foreign exchange outgo of Rs. 243.29 lakhs resulting in NFE of Rs. 492.54 lakhs (66.94%).
- The Developer (GIFT) vide letter dated 05-01-2017 has earmarked, & confirmed the required premises/space in the SEZ for the proposed project.

The 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 SEBI.

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40-C-03) Proposal of M/s. Fortune Trading IFSC Pvt. Ltd., 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.

40-A-04) Proposal of M/s. YBS (IFSC) Pvt. Ltd., Gandhinagar, for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar.

Shri Hiten Shah, Director of the applicant company appeared before the Approval Committee for personal interview. They explained their proposal for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar. The applicant company is engaged in the business financial service for past several years. The representative 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. 992.95 lakhs, with foreign exchange outgo of Rs. 191.11 lakhs resulting in NFE of Rs. 801.84 lakhs (80.75%).
- The Co-Developer (Volupia) vide letter dated 20-01-2017 has earmarked, & confirmed the required premises/space in the SEZ for the proposed project.

The 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 SEBI.

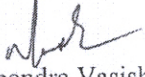
40-A-05) Proposal of M/s. Fair World (IFSC) Pvt. Ltd., Gandhinagar, for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar.

Shri Pravin Kant, Director of the applicant company appeared before the Approval Committee for personal interview. They explained their proposal for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar. The applicant company is engaged in the business financial service for past several years. The representative 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:-

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- FOB value for export of services for said project for 05 (five) years period is projected as Rs. 652.49 lakhs, with foreign exchange outgo of Rs. 218.29 lakhs resulting in NFE of Rs. 434.20 lakhs (66.55%).
- The Developer (GIFT) vide letter dated 15-11-2016 has earmarked, & confirmed the required premises/space in the SEZ for the proposed project.

The 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 SEBI.


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

ANNEXURE-I

The following members were present:-

01.	Shri Upendra Vasishth, ndc, Zonal Development Commissioner, KASEZ.	Chairman
02.	Shri Anand Jagtiani, IRS, JDC, KASEZ, Ahmedabad.	Nominee for the Director-SEZ, DOC, MOC&I, New Delhi
03.	Shri Mudit Nagpal, Additional CIT, Ahmedabad.	Nominee of Commissioner of Income Tax.
04.	Smt A. B. Bhatt, GM, DIC, Gandhinagar.	Member
05.	Shri V. H. Bist, Assistant Commissioner, Central Excise, Gandhinagar Division.	Nominee of Commissioner of Central Excise, Ahmedabad-III.
04.	Shri P. C. Ravindran, FTDO, O/o DGFT.	Nominee of the Jt. DGFT, Ahmedabad.
05.	Shri Arvind Kumar, AGM, SEBI, Ahmedabad.	Special Invitee – SEBI, Western Region, Ahmedabad
06.	Shri S. P. Srivastava, AVP (SEZ), M/s. GIFT SEZ Limited.	Representative of the developer.