

Minutes of the 42nd(forty-second) meeting of the Approval Committee for the Sector specific SEZ for multi-services developed by M/s. GIFTSEZ Ltd., held on 16-06-2017 at 12:30 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.

42-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 7 (seven) proposals. 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. 1) Securities and Exchange Board of India (SEBI); and 2) Insurance Regulatory and Development Authority of India (IRDAI) and thus appropriate representatives of the said 02 (two) Regulatory Authorities were invited upon to participate as a Special Invitee for the meeting of Approval Committee. Since, it is difficult for special invitee IRDAI to attend Unit Approval Committee as he is stationed at Hyderabad, his presence was taken through video conferencing.

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 – 1) Capital Market Intermediary; and 2) IFSC Insurance Office 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); and Insurance Regulatory and Development Authority of India (IRDAI) 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; (4) Foreign Exchange Management (International Financial Services Centre) Regulations, 2015; and (5) Insurance Regulatory and Development Authority of India (International Financial Services Centre) Guidelines, 2015.

42-A-01) Proposal of M/s. Biznovare Solutions Private Limited, Ahmedabad, for setting-up of new IT/ITES unit in GIFT-SEZ, Gandhinagar.

Shri Anil Savani, Director of the applicant company appeared before the Approval Committee for personal interview. He explained the proposal for setting-up an IT/ITES unit in GIFT-SEZ, Gandhinagar. The applicant company is engaged in the business for past several years. The Director informed that the proposal is to provide

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services of 'Software Development' from GIFT-Multi-services-SEZ. A brief detail of the proposal is as under:-

- FOB value for export of IT services for said project for 05 (five) years period is projected as Rs. 257.09 lakhs, with foreign exchange outgo of Rs.16.80 lakhs resulting in NFE of Rs. 240.29 lakhs (93.46%).
- The Co-Developer (Volupia) vide letter dated 19-05-2017 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, with no call centre activities/services.

42-A-02) Proposal of M/s. ECGC Limited, Mumbai, for setting-up of IFSC Insurance Office in GIFT-SEZ, Gandhinagar.

Shri Abhishek Kumar Jain, DGM, and Shri Amit Kumar, AGM of the applicant firm appeared before the Approval Committee and explained their proposal for setting-up of new unit in GIFT-SEZ, Gandhinagar, for providing service activities of "1) General Insurance & Allied activities; and, 2) Reinsurance". A brief detail of the proposal is as under:-

- The FOB value for said project, for 5 (Five) years period is projected as Rs. 1838.00 lakhs, with foreign exchange outgo of Rs. 1103.00 lakhs resulting in NFE of Rs. 735.00 lakhs (39.98%).
- The Developer (GIFT) vide letter dated 29-05-2017 has earmarked, & confirmed the required premises/space in the SEZ for the proposed project.

As the above proposal of business falls and categorizes itself under the mandate/guidelines/regulations framed for the International Financial Services Centre (IFSC), the Regulatory Authority for the same viz. Insurance Regulatory and Development Authority of India (IRDAI) was invited upon to participate as a Special Invitee for the Approval Committee Meeting. The representative of IRDAI, Shri Suresh Mathur, Executive Director attended the meeting through video conferencing between Ahmedabad and Hyderabad.

After hearing the proposal from representatives of M/s. ECGC Limited, Mumbai, and the Committee after due diligence and deliberation decided to approve the proposal of the applicant for setting up an IFSC Insurance Office in GIFT SEZ, Gandhinagar. This approval would be subject to the condition that they obtain all mandatory/statutory approvals/permissions from the Insurance Regulatory and Development Authority of India (IRDAI), as required under the IFSC guidelines & regulations, and strictly in accordance with (1) Insurance Regulatory and Development Authority of India

Minutes of the 42nd(forty-second) meeting of the Approval Committee for the Sector specific SEZ for multi-services developed by M/s. GIFTSEZ Ltd., held on 16-06-2017 at 12:30 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.

(International Financial Service Centre) Guidelines, 2015, Ref: IRDA/NL/GDL/MISC/065/04/2015, dated 06-04-2015, (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. It was further decided by the Approval Committee that the Company will not be able to commence business activities as long as the mandatory as well statutory approvals are not acquired from the concerned regulatory authority. The Bond cum LUT shall also be executed after the necessary approvals and permissions have been accorded by the concerned regulatory authority.

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 IRDAI.

42-A-03) Proposal of M/s. Jalayan IT Solutions Pvt. Ltd., Gandhinagar, for setting-up of IT/ITES services – capital market intermediary unit in GIFT-SEZ, Gandhinagar.

Shri Mukund Unadkat, Director of the applicant company appeared before the Approval Committee for personal interview. He explained the proposal for setting-up an IT/ITES unit in GIFT-SEZ, Gandhinagar. The applicant company is engaged in the business for past several years. The Director informed that the proposal is to provide services of 'Software Designing/Development' from GIFT-Multi-services-SEZ. A brief detail of the proposal is as under:-

- FOB value for export of IT services for said project for 05 (five) years period is projected as Rs. 1445.00 lakhs, with foreign exchange outgo of Rs. 50.00 lakhs resulting in NFE of Rs. 1395.00 lakhs (96.53%).
- The Developer (GIFT) vide letter dated 07-07-2017 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, with no call centre activities/services.

42-A-04) Proposal of M/s. Daga Business (International) Stock Brokers (IFSC) Pvt. Ltd., Gandhinagar, for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar.

Shri S. N. Daga, Director of the applicant company appeared before the Approval Committee for personal interview. He explained their proposal for setting-up an IFSC financial service – capital market intermediary unit in GIFT-SEZ, Gandhinagar. The applicant company is engaged in the business financial service for past several years. The

Minutes of the 42nd(forty-second) meeting of the Approval Committee for the Sector specific SEZ for multi-services developed by M/s. GIFTSEZ Ltd., held on 16-06-2017 at 12:30 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.

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. 727.49 lakhs, with foreign exchange outgo of Rs. 240.33 lakhs resulting in NFE of Rs. 487.16 lakhs (66.96%).
- The Co-Developer (Volupia) vide letter dated 25-04-2017 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.

B) Other cases for GIFT - SEZ:-

42-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 22-05-2017. 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) Electrical;
- 2) 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.

42-B-02) Submission of Half Year Progress Report by the Developer – M/s. GIFT SEZ Ltd., Multi-services–SEZ, Gandinagar:-

The Committee noted and taken on records the Half Yearly Progress Report for the period ending March, 2017 (September, 2016 to March, 2017) and Quarterly Progress Report for the period January, 2017 to March, 2017 duly certified by an

Minutes of the 42nd(forty-second) meeting of the Approval Committee for the Sector specific SEZ for multi-services developed by M/s. GIFTSEZ Ltd., held on 16-06-2017 at 12:30 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.

independent Chartered Engineer filed by the Developer to the Development Commissioner, KASEZ.

42-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 Mayank Jain, Manager of M/s. India International Clearing Corporation (IFSC) Limited, both IFSC units in GIFT – multi-services – SEZ, and explained their requirement for approval of the following additional services required for operations in SEZ:-

Sr. No.	Items of service sought by the applicant	Specific decision of the Approval Committee for GIFT-SEZ.
1	Tour operator services	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
2	Foreign exchange broker service	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
3	Stockbroker service	Only for operation of SEZ unit.
4	Services provided by a recognized stock exchange in relation to transaction in securities	Only for operation of SEZ unit.
5	Sponsorship service provided to body-corporate or firm including sports sponsorships	Only for operation within SEZ.
6	Club or association service	Rejected and restricted to membership with the Export Promotion council for EOUs and SEZs (EPCES).
7	Detective agency service	The service is to be examined by the Development Commissioner's Office.
8	Portfolio management and fund management	Only for operation of SEZ unit.
9	Mailing list compilation and mailing service	Subjective – for services provided to IFSC units in SEZ.
10	Selling of space or time slots for advertisements	Only for operation of SEZ unit.
11	Transport of passengers embarking on	Rejected, since the services are

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	domestic/international journey by air	meant for individual and personal in nature and not connected with authorized operations of the unit.
12	Credit card, debit card, charge card or other payment card related services	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
13	Health club and fitness centre service	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
14	Services provided by any person in relation to supply of tangible goods	The applicant to give details/elaborate requirement of said services
15	Health services by a clinical establishment, health check-up/diagnosis.	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
16	Restaurant service	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
17	Underwriter service	Only for operation of SEZ unit.
18	Public relation management service	Subjective – for services provided to IFSC units in SEZ.
19	Mandap keeper service	Only for operation within SEZ.
20	Photography service	Only for operation within SEZ.
21	Video production agency/ video tape production service	Only for operation within SEZ.
22	Broadcasting service	Only for operation within SEZ.
23	Services by a programme producer	Only for operation within SEZ.
24	Pandal or shamiana service	Only for operation within SEZ.
25	Service provided by a registrar to an issue	Only for service to SEZ unit.
26	Service provided by a share transfer agent	Only for service to SEZ unit.
27	Auction service	Only for service to SEZ unit.
28	Promotion or marketing of brand of goods/services/events service	Only for service to SEZ unit.
29	Cable operators	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
30	Other taxable services	Rejected, since the services are

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		meant for individual and personal in nature and not connected with authorized operations of the unit.
31	Services provided by recognized/registered associations in relation to forward contracts	The service is to be examined by the Development Commissioner's office.
32	Services provided by an insurer of life insurance under Unit Linked Insurance Plan(ULIP)	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
33	Maintenance of medical records	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
34	Permitting commercial use or exploitation of events	Only for operation within SEZ.
35	Services provided by recognized/registered associations in relation to clearance or settlement of transactions in goods or forward contracts	Only for operation of SEZ unit.
36	Life insurance service	Rejected, since the services are meant for individual and personal in nature and not connected with authorized operations of the unit.
37	Electricity Exchange service	Only for operation within SEZ.

The Approval Committee after due deliberation and diligence considered on the above 37 (thirty-seven) 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.

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

42-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.

Smt. Puja Malik, Director of the applicant company appeared before the Approval Committee for personal interview. She explained their proposal for setting-up an IFSC financial service – 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

Minutes of the 42nd(forty-second) meeting of the Approval Committee for the Sector specific SEZ for multi-services developed by M/s. GIFTSEZ Ltd., held on 16-06-2017 at 12:30 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.

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. 981.77 lakhs, with foreign exchange outgo of Rs. 174.20 lakhs resulting in NFE of Rs. 807.57 lakhs (82.26%).
- The Developer (GIFT) vide letter dated 22-12-2016 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.

42-C-02) 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.

Shri K. Naryana Moorthy, Director of the applicant company appeared before the Approval Committee for personal interview. He explained their proposal for setting-up an IFSC financial service – capital market intermediary unit in GIFT-SEZ, Gandhinagar. The applicant company is engaged in the business financial service for past several years. 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. 970.75 lakhs, with foreign exchange outgo of Rs. 171.70 lakhs resulting in NFE of Rs. 799.05 lakhs (82.31%).
- The Developer (GIFT) vide letter dated 12-01-2017 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.

43-C-03) Proposal of M/s. BRJ IFSC Pvt. Ltd., Gandhinagar, for setting-up of IFSC financial services – capital market intermediary unit in GIFT-SEZ, Gandhinagar.

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

Minutes of the 42nd(forty-second) meeting of the Approval Committee for the Sector specific SEZ for multi-services developed by M/s. GIFTSEZ Ltd., held on 16-06-2017 at 12:30 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.

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. 683.701 lakhs, with foreign exchange outgo of Rs. 235.63 lakhs resulting in NFE of Rs. 448.07 lakhs (65.54%).
- The Developer (GIFT) vide letter dated 02-03-2017 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.



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

ANNEXURE-I

The following members were present:-

01.	Shri UpendraVasishth, ndc, Zonal Development Commissioner, KASEZ.	Chairman
02.	Shri Anand Jagtiani, IRS, JDC, GIFT-SEZ.	Nominee for the Director-SEZ, DOC, MOC&I, New Delhi
03.	Shri Mahesh Jiwade, Joint CIT, Range-2(1), Ahmedabad.	Nominee of Commissioner of Income Tax.
04.	Smt. Alpa Bhat, GM, DIC, Gandhinagar.	Member
05.	Smt. Kavita M. Sheth, Deputy Collector – land.	Nominee of the District Collector, Gandhinagar.
06.	Shri V. B. Chittar, FTDO, O/o DGFT.	Nominee of the Jt. DGFT, Ahmedabad.
07.	Shri Suresh Mathur, Executive Director, IRDAI	Special Invitee, IRDAI, Hyderabad, by video conferencing.
08.	Shri Arvind Kumar, AGM, SEBI, Ahmedabad.	Special Invitee – SEBI, Western Region, Ahmedabad
09.	Shri S. P. Srivastava, AVP (SEZ), M/s. GIFT SEZ Limited.	Representative of the developer.