

**Supplementary Agenda for the 45<sup>th</sup> meeting of the Board of Approval to be held on 25<sup>th</sup> March 2011 at 1200 Hrs in the Room No. 47, Udyog Baan**

**Item No. 45.35: Proposals for setting up of SEZs**

S. No	Name of the Developer	Location	Sector	Area (in ha)	Land Possession	SGR*	Status of application
i.	M/s. SmartCity (Kochi) Infrastructure Private Limited	Puthencruz village, Kunnathunadu Taluk, Ernakulam District, and Kakkanad village, Kanayannur Taluk, Ernakulam District, Kerala	IT/ITES	46.3773	Yes	Yes	New

*\*State Government Recommendation*

**Item No.45.36: Request for co-developer**

**(i) Request of M/s. ACN Infotech (India) Pvt. Ltd. for co-developer in the sector specific SEZ for IT/ITES at Madhurwada, Andhra Pradesh, being developed by Andhra Pradesh Industrial Infrastructure Corporation (APIIC)**

Sector specific SEZ for IT/ITES at Madhurwada, Andhra Pradesh being developed by M/s. Andhra Pradesh Industrial Infrastructure Corporation was notified on an area of 16 hectares, on 11<sup>th</sup> April 2007. M/s. ACN Infotech (India) Pvt. Ltd. had submitted a proposal for co-developer in the aforesaid SEZ for development of infrastructure facilities over an area of 2 acres as per Co-developer agreement dated 20<sup>th</sup> April 2009. The proposal was considered in the BoA meeting held 15<sup>th</sup> December, 2009 wherein the Board noted that *there are clauses in the agreement which amount to sale of land rather than lease. BOA, therefore, decided to defer the proposal with the direction that the developer must redraw the co-developer agreement in line with the SEZ Act/Rules.*

DC VSEZ has now intimated that the developer has executed a lease deed in favour of the co-developer on 13.08.2010 and has also entered into a revised co-developer agreement dated 24.12.2010. DC has also informed that the developer has also cancelled the sale agreement entered with the co-developer vide deed of cancellation dated 13.08.2010. DC VSEZ has stated that the lease deed and the co-developer agreement are in line with the SEZ Act/Rules. DC VSEZ, therefore, recommended the proposal of M/s. ACN Infotech (India) Private Limited for co-developer.

The request is placed before the BoA for consideration.

**Item No. 45.37: Request for first extension of validity of formal approval**

**(ii) Request of M/s. Uppal Housing Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Electronic Hardware & Software IT/ITES at Plot No. 8, Knowledge Park – V, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, beyond 14<sup>th</sup> February 2011**

**Item No. 45.38: Requests for increase/decrease in area**

**(i) Request of Electronics Corporation of Tamil Nadu Limited (ELCOT) for addition of area in the sector specific SEZ for IT/ITES at Gangaikondan village, Tirunelveli District, Tamil Nadu**

The above mentioned SEZ was notified on 8<sup>th</sup> June 2009 over an area of 40.48 hectares. The developer has requested to add a part of land admeasuring 76.893 hectares to the already notified SEZ, thereby making the total area of the SEZ as 117.37 hectares. The reason for increase in area as given by ELCOT is shortage of notified area to allocate 100 acres of land to M/s. Syntel International Private Limited, Pune to start their IT business and to become as a co-developer. The developer has stated that on the already notified area of 40.48 hectares, it has developed all infrastructure facilities and constructed 50,000 sqft of space. Further, it has also allotted lands on 99 years lease basis to various IT/ITES companies to start their IT business.

DC, MEPZ, has intimated that the 76.893 hectares of the land proposed to be added is vacant and contiguous to the existing SEZ. DC has, therefore recommended the proposal.

The request of the developer for increase in area is submitted for consideration of the Board of Approval.

**(ii) Request of M/s. Manyata Promoters Private Limited for addition of area in the sector specific SEZ for Electronics Hardware and Software including IT/ITES at Rachenhalli and Nagavara villages, Hobli, Outer ring Road, District Bangalore, Karnataka**

The above mentioned SEZ was notified on 16<sup>th</sup> November 2006 over an area of 22.34 hectares. Subsequently the developer was granted approval for addition of an area of 1.860 hectares and de-notification of an area of 3.09 hectares, thereby making the size of the SEZ as 21.102 hectares. The developer has now requested to add a part of land admeasuring 5.0917 hectares to the already notified SEZ, thereby making the total area of the SEZ as 26.1937 hectares. The reason for increase in area as given by the developer is demand from entrepreneurs/business/industry for SEZ space in that area and also the company's objective making available world class infrastructure to entrepreneurs/business/industry engaged in exports Electronic Hardware and Software including ITES.

DC, VSEZ, has intimated that the 5.0917 hectares of the land proposed to be added is vacant and contiguous to the existing SEZ. DC has, therefore recommended the proposal.

The request of the developer for increase in area is submitted for consideration of the Board of Approval.

**Item No. 45.39: Requests for extension of LoP of units beyond 3<sup>rd</sup> year**

**(i) Request of M/s. Glomet Technologies Private Limited, a unit in M/s. Dahej SEZ Limited, Gujarat for extension of LoP beyond 2<sup>nd</sup> March 2011**

M/s. Glomet Technologies Private Limited was granted LoP for setting up a unit, in the above mentioned SEZ, vide LoP dated 3<sup>rd</sup> March 2008. Subsequently, on request of the

unit, DC had extended LoP of the unit was up to 2<sup>nd</sup> March 2011 in respect of manufacturing activity. The unit has requested DC Dahej for further extension of the validity of the LoP.

As per rule 19 (4) of the SEZ rules 2006, the DC may grant further extension of one year, subject to condition that two-third of activities including construction relating to the setting up of unit is complete and a chartered engineer's certificate to this effect is submitted by the entrepreneur. However, in this case the unit has not been able to complete two-third activity. DC Dahej SEZ has informed that the unit has started construction of plant & building and the same would be completed by the end of July 2011. DC has also intimated that the unit has also obtained PAN, VAT, SSI and Environment Clearance from respective authorities. DC has recommended the request of the unit.

In view of the above position the request of the unit for grant of further extension of LoP for a period of one year is placed before the BoA for consideration.

**Item No. 45.40: Request for extension of LoP of unit beyond 4<sup>th</sup> year**

**(i) Request of M/s. Hobel Bellows, a Unit in VSEZ, for extension of validity period of LoP for one more year beyond fourth year**

M/s. Hobel Bellows, a unit in VSEZ, was issued LoP on 23.04.2007 for manufacturing Metallic Bellow, Metallic Hoses/Flexibles, Metallic Bellows Assemblies etc. The validity period of LoP of the unit was extended thrice up to 22.04.2011 by the Development Commissioner under Rule 19(4) of the SEZ Rules 2006.

The unit vide their letter dated 14.03.2011 requested the Development Commissioner: VSEZ for extension of LoA for a further period of 1 years stating that is has already invested an amount of Rs. 20 crores and has completed 90% of the project. The unit has also submitted that the delay is due to the unexpected recession worldwide and there will not be further delay beyond April 2012 for commencement of its operations.

Rule 19(4) of SEZ Rules, 2006 have been amended vide notification dated 10.11.2010. The amendment has enabled BoA to grant further extension of the validity of the LoP of a unit, beyond fourth year (one year, at a time) on the request of the entrepreneur.

In view of the above position the request of the unit for grant of further extension of LoP for a period of one year from the expiry of the last extension is placed before the BoA for consideration.

**Item No. 45.41: Request of SEZ unit for import of prohibited/restricted items**

**(i) Request of M/s. Roxul-Rockwool Insulation India Private Limited, a Unit in Dahej SEZ, for import of Un-granulated Slag, a restricted item**

M/s. Roxul-Rockwool Insulation India Private Limited, was granted LoP on 01.12.2008 for setting up of a unit in Dahej SEZ for manufacturing technical insulation as authorized operations. DC Dahej SEZ has intimated that the unit has completed its infrastructure development work and will commence production shortly. The unit has requested DC Dahej SEZ for procurement of the following items:-

Exim Code	Item Description
2619	Slag, Dross (other than granulated slag), scaling and other waste from the manufacture of iron and steel
2619 00 10	Slag, Dross (other than granulated slag), scaling and other waste from the manufacture of iron and steel
2619 00 10	Converted slag (scull) of blast furnace
2619 00 90	Other

DC Dahej SEZ has stated that as per ITC (HS), these materials fall under restricted category of the import/export policy (2009-14) and for procurement of such items BoA's approval is required. The DC has recommended the request of the unit and has requested for placing it before the BoA.

The request is, accordingly, placed before the BoA for consideration

**Item No. 45.42: Request for extension of validity of LoP Plastic processing units**

**(i) Renewal of LoP for next 5 years in respect of M/s. Plastic Processors & Exporters Private Limited, a unit in NSEZ**

M/s. Plastic Processors & Exporters Private Limited is holding LoP for for export production of plastic agglomerates/granules. The LoP of the unit is due to expire on 31.3.2011.

NSEZ has informed that the unit completed first ten years of operation from NSEZ on 31.3.2008 and thereafter validity of LoA has been extended by BoA on yearly/half yearly basis from time to time in terms of Rule 18(4)(a) of SEZ Rules, 2006. The projected exports, imports and NFE for next five years furnished by the unit are as under:-

1.	Export during five years (Deemed exports)	Rs. 24465 lakhs
2.	Import of capital goods	Nil
3.	Import of raw material	Rs. 20700 lakhs
4.	Commissioner on Export	Nil
5.	Foreign Travel	Rs. 25 lakhs
6.	NFE earnings	Rs. 3740 lakhs

As regards performance of the unit, NSEZ has intimated that the current block of five years of is effective from 01.04.2008 and as per APR for the year 2008-09 and 2009-10, the unit has made following exports and imports:-

Year	Exports (deemed)	Imports (consumed during the year)
2008-09	512.60 lakhs	437.91 lakhs
2009-10	260.79 lakhs	336.05 lakhs

NSEZ has informed that the unit has requested for extension of the LoP further for a period of five year citing extension given by the BoA for five years in similar cases. The unit has further stated that due to one year extension being granted to them every time, its business has been affected badly as it is getting very little time between the extension of LoP and its expiry. As a result it has to keep their unit closed for some period of the year causing

problems on labour management and business planning from as well. The unit has further added that due to uncertainty over the renewal by the BoA it is unable to keep its customers/buyers intact. Hence the unit has requested to renew the LoA for a reasonable period. It has also been intimated that the unit is providing employment to nearly 55 persons.

In terms of Rule 18(4)(a) of SEZ Rules, 2006, the proposal for extension of LoA of the unit engaged in recycling of plastic scrap/waste shall be decided by the Board of Approval. In view of above, NSEZ has request for placing the request of the unit before the BoA.

Accordingly, the request of M/s. Plastic Processors & Exporters Private Limited for extension of LoP for period of 5 years w.e.f 31.3.2011 is placed before the BoA.

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