

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:3509
ANSWERED ON:20.08.2004
LOAN TO MUMBAI SEZ
Deora Shri Milind Murlu

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether IDBI and IDFC together have sanctioned a loan of Rs.750/- crore to Mumbai integrated Special Economic Zone;
- (b) if so, the conditions attached with the loan;
- (c) the names of other FIs and equity partners who are financing this SEZ project; and
- (d) the benefit to be accrued to the Sea King group promoted project?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

(a) IDBI and IDFC together have shown willingness to finance the two projects viz. Navi Mumbai Special Economic Zone promoted by the City and Industrial Development Corporation of Maharashtra Ltd. (CIDCO) and Maha Mumbai Special Economic Zone, promoted by M/s. Gujarat Positra Port Infrastructure Ltd, (GPPIL) a company of the Sea King group of Industries, for a total amount of Rs.750 crore. There is, however, no project called Mumbai Integrated Special Economic Zone.

(b) Since the SEZs are being promoted in the private/joint sector, it is for the promoters to organize funds for the project from financial institutions etc. on mutually acceptable terms.

(c) GPPIL have retained the services of Infrastructure Leasing and Financial Services Ltd. (IL&FS) for syndication of debt and equity requirements for the projects. Equity partners for Navi Mumbai SEZ are (1) M/s Sea King Infrastructure Ltd.(2) M/s. Hiranandani Construction Pvt. Ltd. (3) M/s. Avinash Bhosale Infrastructure Pvt. Ltd.

(d) Major incentives and facilities available to the developers of the SEZs include duty free import/domestic procurement of goods for development, operation and maintenance of SEZ, exemption from service tax and income-tax exemption for a block of 10 years in 15 years under Section 80-IA of the Income-Tax Act. These entitlements would also be available to the project developers of Maha Mumbai and Navi Mumbai SEZs.