

**RAHEJA SEZS LTD.**

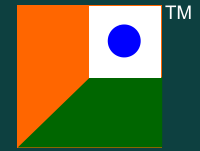


# RAHEJA ENGINEERING SEZ

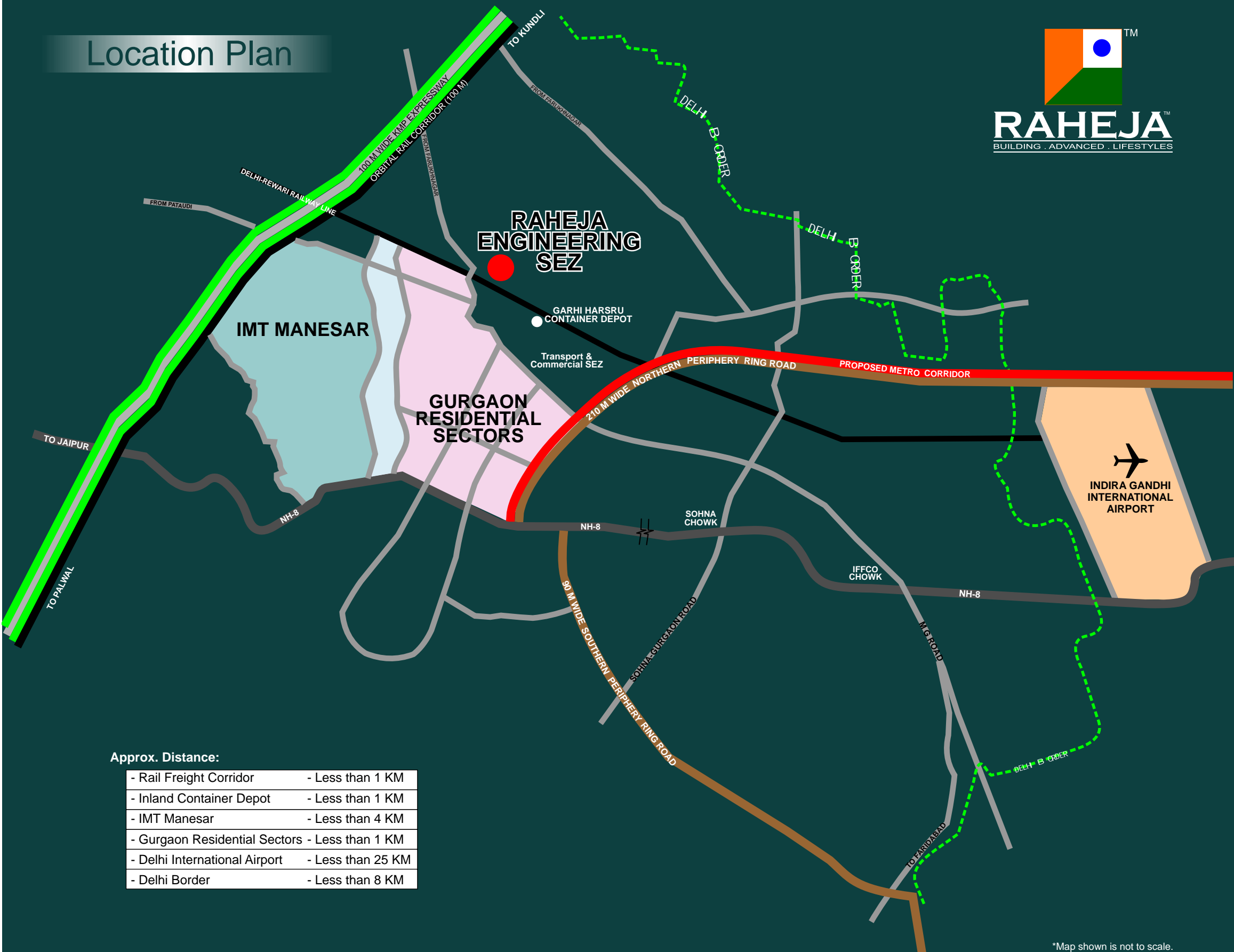
**FIRST EVER NOTIFIED ENGINEERING SEZ OF NORTH INDIA**



# Location Plan



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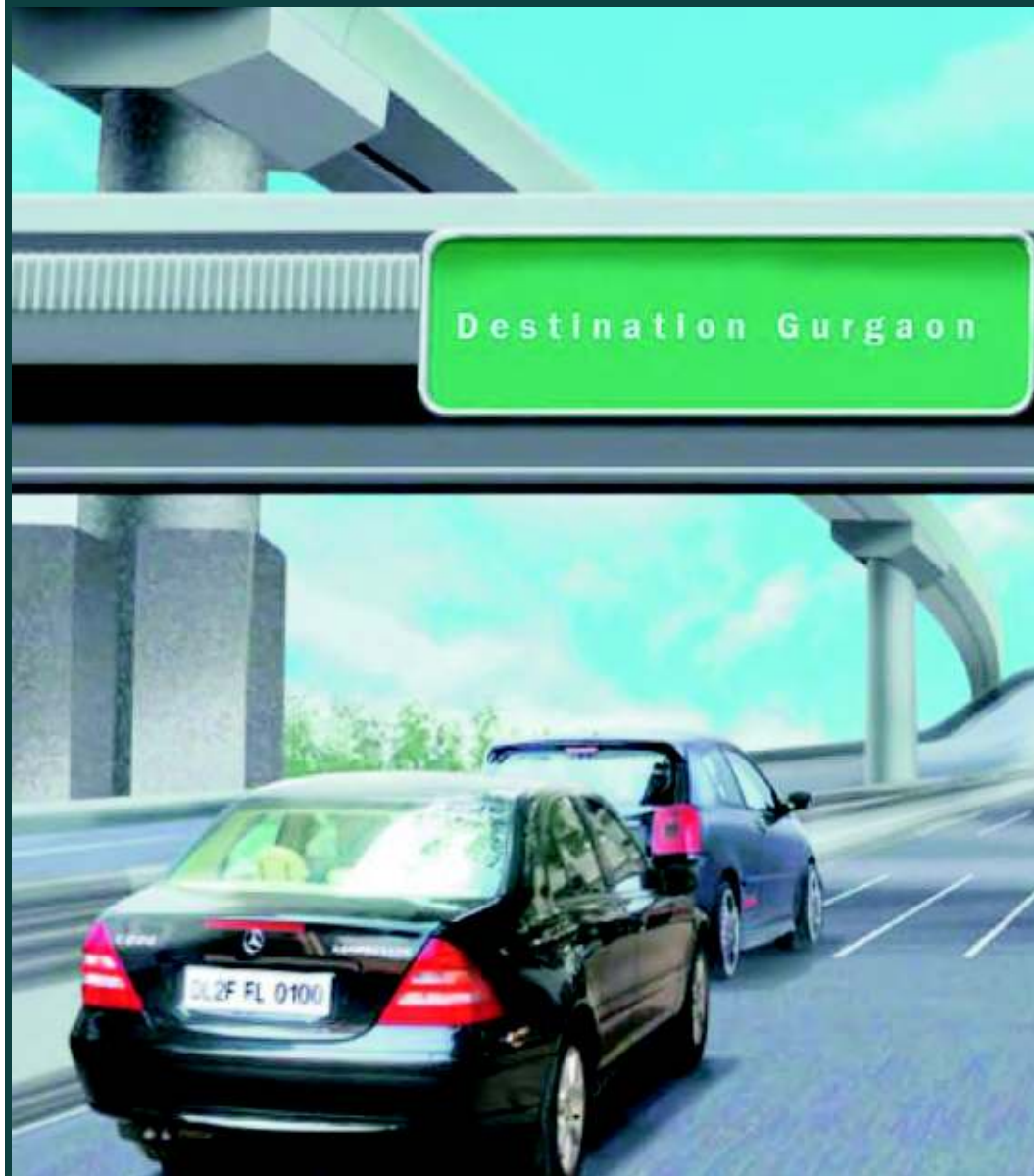


**Approx. Distance:**

- Rail Freight Corridor	- Less than 1 KM
- Inland Container Depot	- Less than 1 KM
- IMT Manesar	- Less than 4 KM
- Gurgaon Residential Sectors	- Less than 1 KM
- Delhi International Airport	- Less than 25 KM
- Delhi Border	- Less than 8 KM

\*Map shown is not to scale.

# Raheja Engineering SEZ, Gurgaon



*The* first ever notified  
engineering SEZ of North India

Raheja's Special Economic Zone is the first ever engineering sector specific SEZ to get notification in Northern India. It was notified vide "The Gazette of India" dated 10th March, 2008.

The project is spread over 255 acres approx. (103 hectares) at most premium location in Gurgaon adjoining Manesar. It is near to the Indira Gandhi International Airport, New Delhi and will be adjoining the Kundli-Manesar-Palwal Global Corridor and the proposed Western Railway Freight Corridor. The total contiguous land of 255 acres (103 hectares) is already acquired and in possession. The development is expected to start by third quarter of the year 2008.

The project will have 50% processing area and balance 50% non-processing area.



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# The site of immense opportunities



## LOCATION

- Proximity to Gurgaon which is well established as an auto components hub.
- Proximity to Manesar Industrial Area.
- Access to trained manpower of Delhi & Gurgaon.

## CONNECTIVITY

### Air

- Access to Indira Gandhi International Airport which services international flights and Palam airport which services the domestic market.
- These airports are around 25-35 km from the proposed site.

### Road

- The site is approachable through Gurgaon-Pataudi Road and Farukhnagar State Highway as well as through NH-8 and IMT Manesar.
- The site is at a distance of around 15 km from New Delhi.
- The site will be adjoining the 135 km long Kundli-Manesar-Palwal (KMP) Global Corridor, which is under construction and connects four industrial centres in Haryana.

### Rail

- Garhi Harsru Railway Station is about 2 to 5 minutes and shuttle train service connects to main railway stations of New Delhi.
- Gurgaon railway station is around 10 km from the SEZ site.
- The site is in close proximity to the proposed Western Rail Freight Corridor.

## INFRASTRUCTURE

### Proximity to Inland Container Depot (ICD)

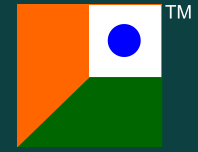
- ICD Harsru is located at a close distance from the proposed SEZ and offers excellent logistics support.
- The ICD also supports a rail link and provides rail connectivity.
- A new container terminal is also being developed to augment the increasing logistics requirement.

### Social Infrastructure

- Gurgaon is well equipped with facilities for schools and colleges, hospitals and hotels.

## INCENTIVES

- Tax holidays
- Exemption from custom duties
- Exemption from local taxes and levies



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# *A*dvantages of SEZ



## Part – I

- Requisite legislation i.e. SEZ Act/Rules in place.
- Rehabilitation and Resettlement Policy in place.
- Designated as duty free enclave and to be treated as foreign territory for trade operations and duties/tariffs.
- Single window agency for approvals or permissions i.e. Board of Approval in Ministry of Commerce.
- Exemption from VAT/CST Excise duty, custom duty and service tax on domestic procurements and imports.
- All export incentives available to domestic supplies to SEZ.
- 100% income tax exempt for SEZ units for first 5 years, 50% for next 5 years thereafter and 50% of the ploughed back export profit for next 5 years.
- 100% income tax exemption in a block of 10 years out of 15 years for

the SEZ developer and co-developer (as per choice of developer)

- In the processing area one can carry out manufacturing or service activities and in non-processing area residential and commercial space can be constructed.
- 100% FDI permitted.
- Facility of introduction of Co-developer and contractors available.
- SEZ is deemed Inland Container Depot. All exports and imports can be directly carried out.
- Support services viz. Banking, clearing agents, containers etc. provided.

## Part – II

- Exemption from all state duties and levies viz. sales tax/VAT, octroi, excise etc.
- Exemption from stamp duty and registration fees.
- Exemption from electricity duty.



## Tax Benefits and Incentives



### **Income Tax Benefits to a SEZ Developer**

- 100% Exemption – in a block of 10 years out of 15 years

### **Indirect Tax Benefits:**

- Exemption from VAT/CST, Excise duty, custom duty and service tax on domestic procurements and imports.

### **Income Tax Benefits to a SEZ unit:**

- 100% Exemption – for first five years
- 50% Exemption – for next five years
- 50% Exemption – for next five years (on profits ploughed back)

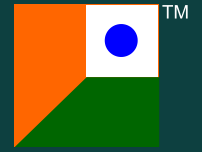
### **Basic Incentives enjoyed by the SEZ**

Major attractions held out by these zones are:

- A system of single window clearances
- Single notified agency for inspection etc.
- Providing a unique, hassle-free environment.
- Full freedom for subcontracting.
- Subcontracting of part of production from abroad permitted.
- Movement of goods into or from the zone by the units / developers based on self declaration, no routine examination.
- Unlimited credit period for export realization.
- Re-export of imported goods found defective, goods imported from

foreign suppliers on loan basis without Guaranteed Receipt waiver under intimation to the Development Commissioner.

- Duty-free import of capital goods, raw materials, consumables and spares.
- Duty-free procurement of capital goods, raw materials and consumable spares from the domestic market.
- Exemption from the payment of central sales tax on interstate purchases from the domestic market.
- Exemption from service tax for services provided to a unit (including a unit under construction) of the SEZ.
- Manufacturing or service activity allowed. SEZ units permitted to sell products in the domestic tariff area (DTA) on payment of full customs duty, subject to the import policy in force.
- Certain supplies in the DTA such as supplies to other EO/ STP/ EHTP/ BTP/SEZ units, holders of special import licenses, sale of ITA bound items etc. would be counted towards achievement of positive net foreign exchange earnings.
- Facility to retain 100 per cent of the foreign exchange receipts in the export earners foreign currency account.



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# Gurgaon in Haryana



**Raheja SEZ**



# Gurgaon : at a glance



Gurgaon, the BPO capital of India and most vibrant economic township, is located in the State of Haryana. It is close to Indira Gandhi International Airport, Delhi and just 2-3 kms from New Airport Terminal building under latest Draft Development Plan. The district is surrounded by Delhi & Rajasthan. The total area of the district is 2,105 sq km and its population is 12,03,000.

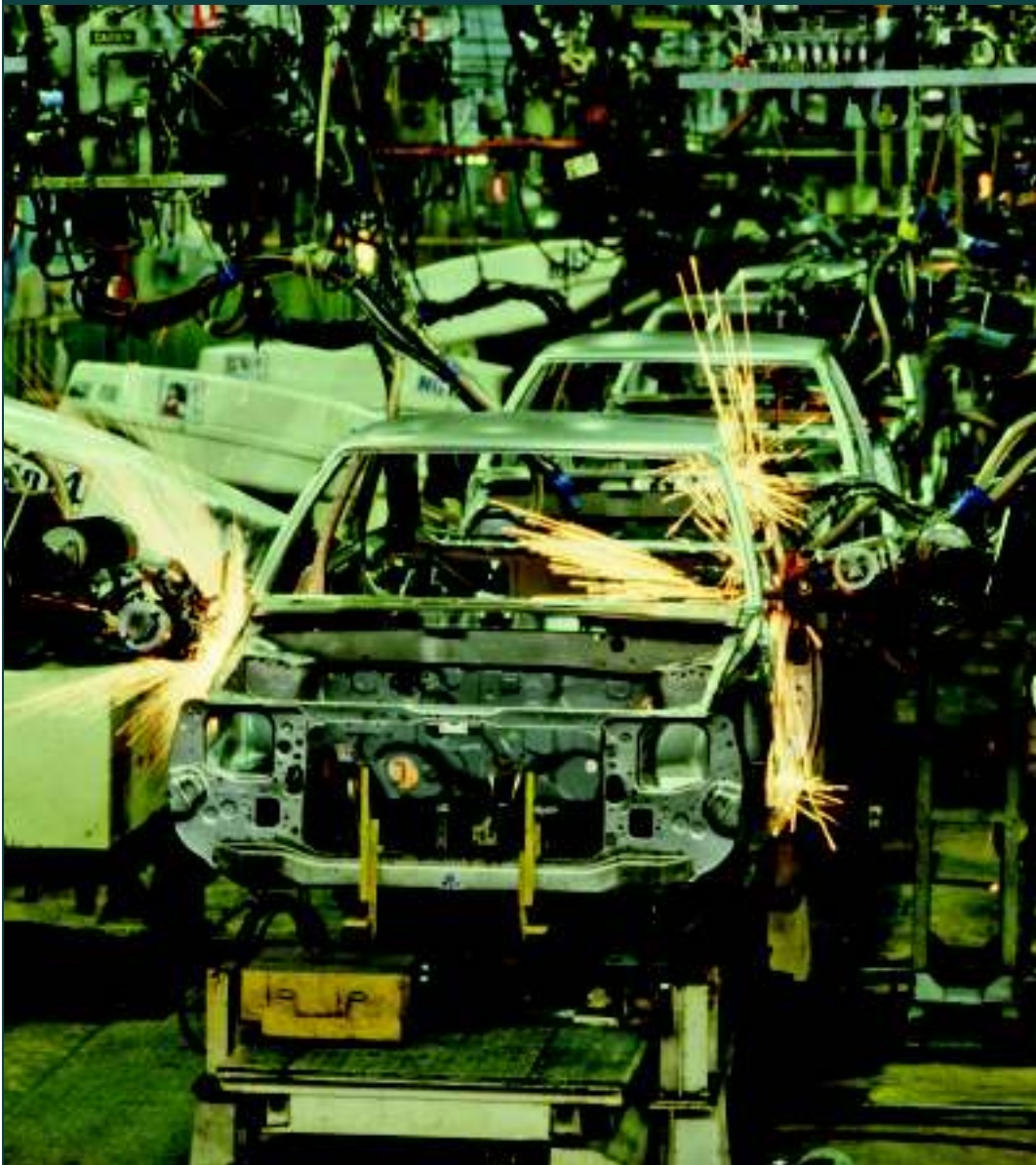
Because of its close proximity to Delhi and excellent infrastructure, Gurgaon has become one of the most important corporate and industrial hubs of India. Gurgaon houses best of the Auto manufacturers and information technology service providers in the world. Besides, Gurgaon provides best of the commercial space, which is largely occupied by corporates like GE Capital, HCL, Coke, Hughes Software, TCS, Alcatel, IBM etc. As a support system Gurgaon has best of the housing, shopping, entertainment and hospitality facilities.

Gurgaon offers an excellent investment destination because of its locational advantage and proximity to government machinery, airport and capital of India i.e. New Delhi. It has excellent law and order situation with peaceful environs. Gurgaon has been able to attract sizable investment from multinational companies, large business houses, foreign investors, non-resident Indians (NRI) etc.

## Gurgaon –the locational advantage

- Gurgaon, being a suburb of New Delhi, is one of the fastest growing cities in the world.
- Gurgaon is next to the Delhi International Airport that is undergoing a massive up gradation.
- A dedicated rail freight corridor would be passing through the city that will substantially help in quick evacuation of goods and materials from the processing zones of the SEZs.
- Sonapat-Kundli, well connected to Gurgaon by road, is the location chosen for establishment of knowledge city. This would ensure a supply of highly educated and trained human resources.

# Gurgaon - An Engineering and Auto Industry Hub of North India



## Some facts

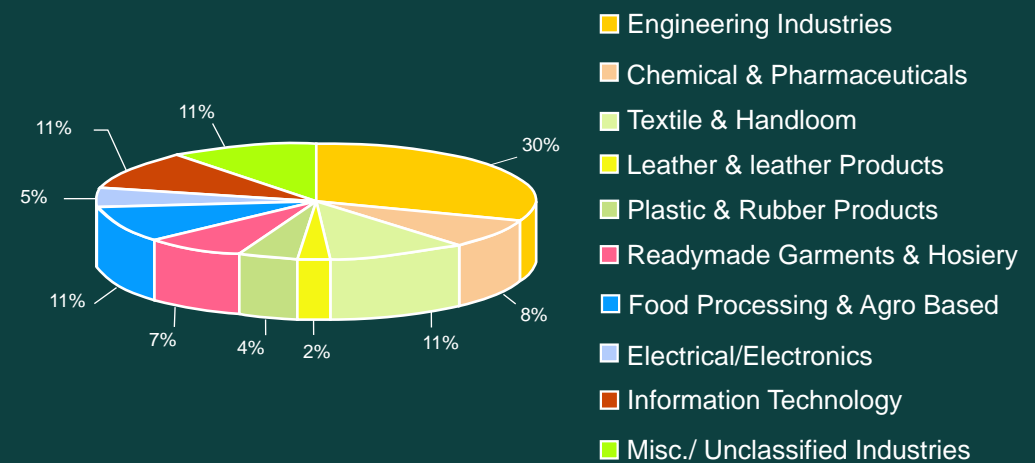
The state of Haryana is a hub of industries like automobiles, auto components, engineering goods, textiles, readymade garments, Information Technology (IT) and Information Technology Enabled Services (ITES). The state of Haryana in particular produces two thirds of the passenger cars, 25% of the bicycles and 60% of the motorcycles, mostly in close proximity to Raheja Engineering SEZ, in the country. In the NCR region Gurgaon is the prime location of industry in following sectors :

1. **Automobile & Automotive engineering components:** Amongst other prominent names, this industrial destination has manufacturing facilities of companies like Honda Motors, Maruti Suzuki, Hero Group, Mitsubishi, Munjal Showa & Denso. These groups have established a hub of auto component manufacturers around their facilities and hence have a significant geographic span of the manufacturing facilities.
2. **Metal goods and working:** Gurgaon is also famous for various mid & large size units in the engineering sector.

# IMT Manesar - Industry Highlights



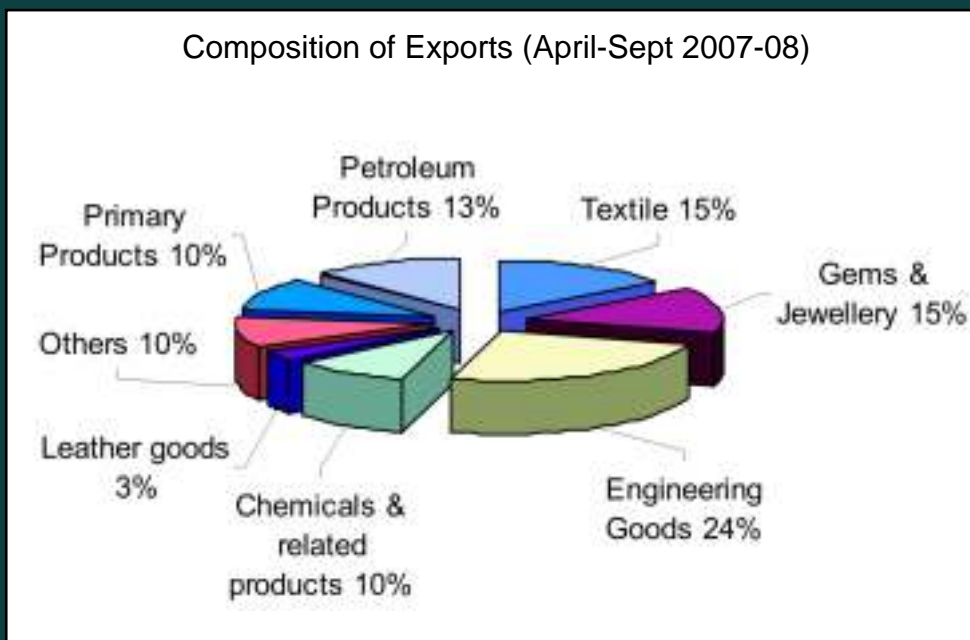
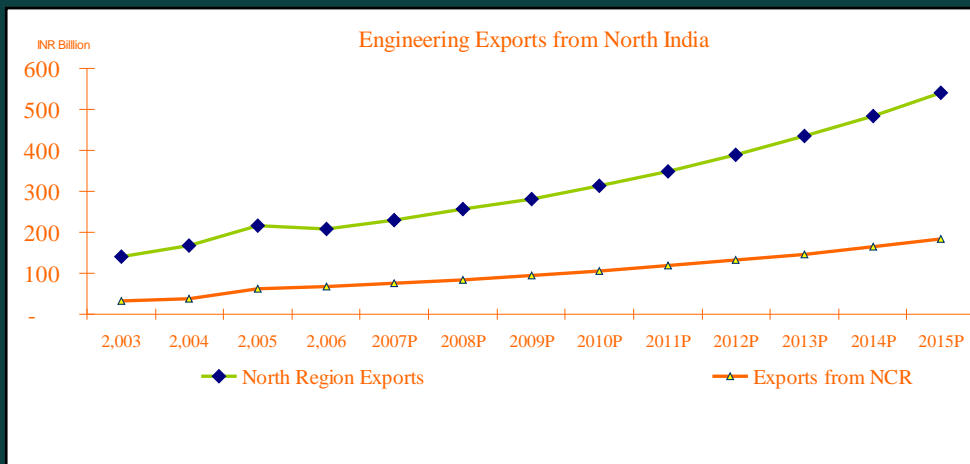
## Breakup of Units in IMT Manesar by type (Large and Medium)



The major Engineering & Auto industrial activity in whole of Gurgaon is in IMT Manesar. Following are some snapshots of IMT Manesar.

- It is a modern integrated industrial park just touching Gurgaon
- There are more than 250 large and medium units of several industries present
  - Engineering Industries form the largest group at 30%
- The total area at IMT is around 1750 acres & approx. 3000 acres expansion is underway.
  - Of this, industrial area comprises 1300 acres.
- The key engineering goods players are Maruti Udyog Limited, Hero Honda Motors Limited and their ancillaries, Mitsubishi, Delphi, Denso, Atlas, Tubes, INCAL Fuels etc.

# Indian Engineering Industry



- The Indian engineering industry forms the crucial backbone of the economy. The industry can be broadly classified into heavy & light engineering, with heavy engineering contributing 80% of the value.
- The Indian engineering industry is estimated at more than Rs. 120,000 crore (US \$ 24.3 billion) in 2004-05 and has been growing at a CAGR of 11% since 2001.
- Exports constitute a significant portion of engineering goods production in India. Total engineering exports in India crossed Rs. 81,000 crore in the year 2005-06.
- Engineering exports account for 24% of the total exports from India. Engineering exports from Northern region in 2005-06 was around 26% of the total engineering exports by the country.
- NCR region accounts for one third of engineering exports from North India.

## Engineering Sector : Future Outlook

- The Indian Engineering Industry is expected to grow on the back of strong business outlook and capital expenditure plans being adopted by the companies to cater to the demand of the industry.
- Engineering Export Promotion Council (EEPC) has set an export target of US \$ 100 billion for the engineering industry by 2016.
- The Engineering Process Outsourcing (EPO) services from India has potential to exceed US \$ 40 billion by 2020, raising the country's share in the EPO market to 30%.

### **North India contributes around 26% of the engineering exports from India.**

Owing to a significant growth potential of engineering goods exports from India, exports from north are projected to grow at a CAGR of 11.5% from INR 231 billion in 2007 to INR 540 billion in 2015. At the NCR level, the engineering exports are likely to grow at a rate of 11.5% from INR 76 billion in 2007 to INR 183 billion in 2015. The thrust of engineering goods exports from NCR will be provided by industrial hubs like Gurgaon, IMT Manesar, Noida, and Faridabad. Any entity that sets up its full/part production facility in our SEZ will get substantial benefit on account of duties & taxes.

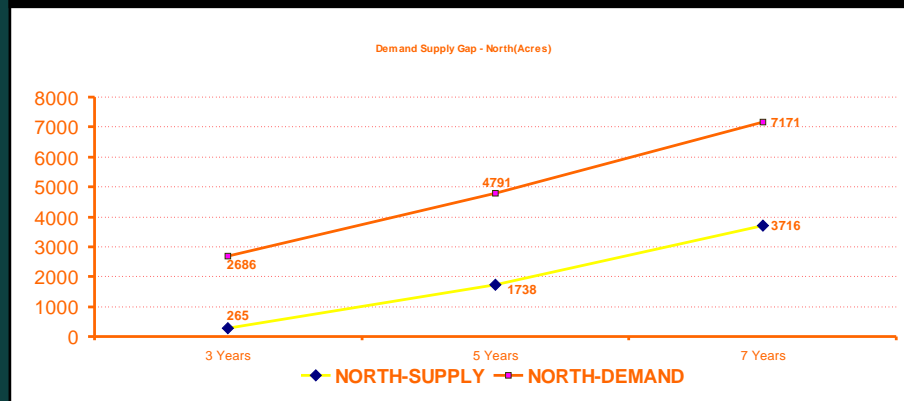
**Can any Engineering Sector Exporter afford not to come to the first ever engineering SEZ of North India?**



# FUTURE GROWTH

## LAND DEMAND SUPPLY SCENARIO IN NORTH AND NCR

### Demand Supply Gap - North(Acres)

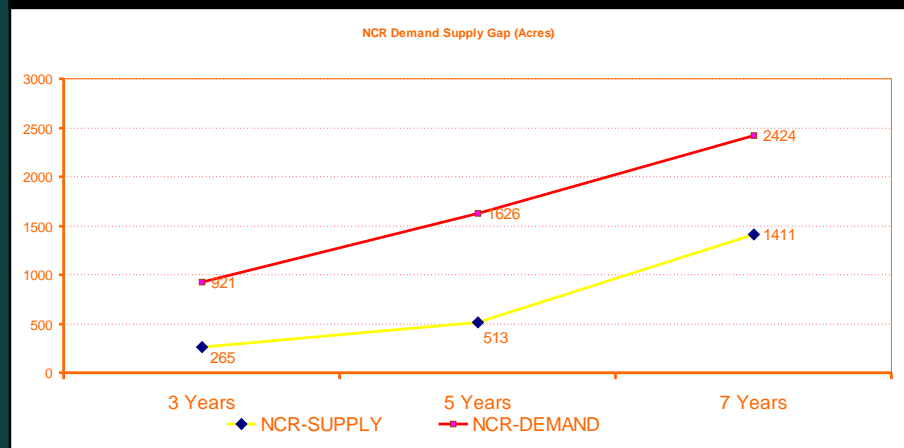


Based on an estimate of engineering exports per acre of land of INR 66.9 million/ acre, an estimate of the land demand for North and NCR is 2686 Acres and 921 Acres respectively in the near term.

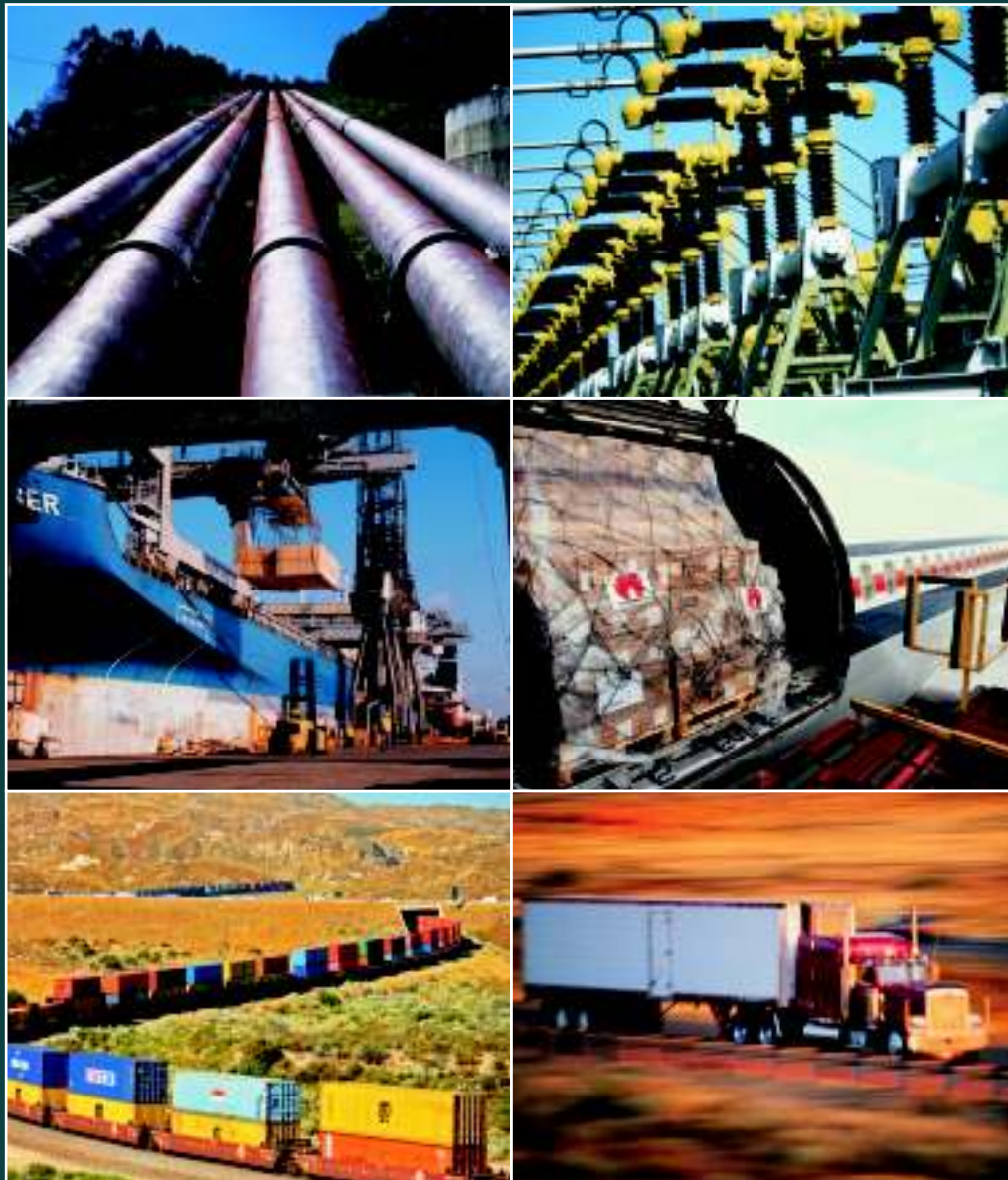
Based on analysis given to us by Ernst & Young, the supply of SEZ land will be created at three levels. Each level is a function of rate at which land acquisition will be done. They estimate sector specific SEZs to evolve in the next 3 to 5 years and multi-product SEZs to evolve in 5-7 years.

It is evident from the short term supply scenario (3 year horizon), that there is an excess demand for capacity expansion of engineering units both in the North and in the NCR. This excess demand has been identified by SEZ developers who are focusing on providing engineering SEZs.

### NCR Demand Supply Gap (Acres)



# Amenities in SEZ



## Water

The Govt. of Haryana is making provision for approx. 25 mgpd (million gallons per day) water through the Western Yamuna Canal Extension.

## Electricity

Government is committed to supply electricity to SEZ on preferential basis.

A dedicated grid line has been inaugurated by the Prime Minister which will be feeding Bhiwadi Industrial Area and surrounding areas. Manesar belong to this belt.

Apart from the state supplies, the Company is planning to set up its own captive/standby power plant or shall endeavour to arrange electricity from other states by paying wheeling charges.

## Transportation

### BY SEA

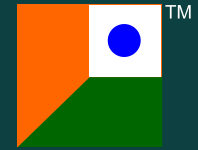
A dedicated Inland Container Depot Zone is already earmarked in Garhi Harsru Control Zone at the southern edge of the site. The adjoining freight corridor will provide connectivity to Kandla port in Gujarat, Mumbai etc. for seamless transport of commodities across all major ports in India.

### BY AIR

The Indira Gandhi International Airport would be accessible at a less than 15 kms, through the proposed 210 M wide Northern Periphery Road. Containers can be dispatched from the ICD directly to the airport with a time lag of just about 30 minutes.

### BY LAND

Alternatively, goods can be transported via the KMP Global Corridor, 210 M wide Northern Periphery Road & NH-8 which runs close to the site and is connected to the Golden Quadrilateral of India connecting all the Metros of Delhi, Mumbai, Calcutta and Chennai besides all other major Tier II cities as well.



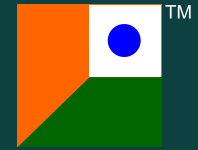
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# *F*acilities in SEZ



To enable creation of a world-class environment, SEZ will include the following facilities:

- Business-Industrial Land on lease, ready built sheds, commercial offices and buildings.
- Living-Residential and social areas.
- Learning-Schools, Colleges, Institutions, and Centers of Excellence.
- Healthcare-Specialized and primary healthcare facilities.
- Utilities-Efficient and reliable power, water, waste management and technology facilities.
- Logistics-A comprehensive logistics systems encompassing Road, Rail, Air, and Sea Linkages.
- Adequate focus on security and disaster management systems.



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# Advantage RAHEJA



Investments in the current project proposed by Raheja ,by way of participation or otherwise, shall be fruitful and successful for the following reasons:

- A. Strategic Location : The project is most strategically located being close to the capital of India and to the I.T. and Engineering hub of the country, namely Gurgaon. As a result any amount of investment shall always result in fruitful returns. The development of the said area shall attract huge investment from both manufacturers as well as service providers.
- B. The project is a single product based SEZ for Engineering at the most central and relevant location in Gurgaon. This belt abounds in automobiles, auto ancillary and engineering units.
- C. Raheja Developers is an experienced player in the reality sector and has been in existence for over two decades. They have to their credit various mega housing projects, which they have executed with perfection.
- D. Rahejas are also backed by strong team of professionals who are well qualified and experienced in their respective fields and play a major role in the successful execution of the projects.

## RAHEJA DEVELOPERS

# *B*uilding Modern India Into A Global Superpower

- ❖ “Rahe-Ja in Hindi means Live-On.” No Wonder then, that this name is today given credit for providing Quality Space, Trustworthiness and Advanced Lifestyles to the Modern Indian and for setting new benchmarks in the Indian Real Estate Industry.
- ❖ Raheja Developers Pvt. Ltd. , established in the year 1989, has contributed immensely in the Real Estate sector and is now reckoned as pioneer in Housing and Commercial development sector.
- ❖ It is one of the fastest growing companies in the Realty sector in the country and have grown more than 300% during the last few years in terms of revenue.
- ❖ The company and its associates are developing high end residential, commercial & SEZ projects worth Rs. 30 billion and have tied up projects worth Rs. 60 billion.
- ❖ The company is acknowledged for quality, commitment, integrity and timely execution of projects with innovative technology and value additions.
- ❖ The fact that the TATAs joined hands with Rahejas for commencing their real estate activities in north India stands testimony to the company's leadership position in the Realty sector.
- ❖ The company is surging ahead to setup Special Economic Zones (SEZ) in the State of Haryana.

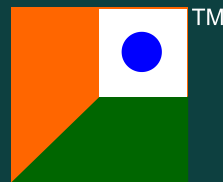
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\*All photographs used in this brochure are conceptual and an artist impression only



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