

**Minutes of the 2<sup>nd</sup> Meeting (2019 Series) of Unit Approval Committee in respect of SEZs & EOUs of Tamil Nadu, Puducherry, Andaman & Nicobar Islands held on 27.02.2019**

The following members were present:

Sl. No.	Name (Shri/Smt.)	Designation	Position
1	Dr. M K Shanmuga Sundaram, IAS	Development Commissioner, MEPZ-SEZ	Chairperson
2	D. Anandan, IAS	Jt. Development Commissioner, MEPZ-SEZ	Member
3	R. Gulzar Begum, IRS	Jt. Commissioner of Customs, MEPZ-SEZ	Member
4	R. Vasudevan	Asst. Commissioner of Customs, Custom House	Member
5	K. Harihara Subramanian, IRS	Asst. Commissioner, Air Customs, Air Cargo Complex, Chennai.	Member
6	Satya Rajasekhar, ITS	Asst. Director General of Foreign Trade, Chennai	Member
7	K. Kalai Chelvi	Asst. Commissioner of Customs, Tiruppur, Hosur	Member

The Unit Approval Committee confirmed and ratified the minutes of the UAC meeting held on 25.01.2019.

**2.1 Request from M/s. OEC India Services Private Limited for setting up a new Unit :-**

The proposal of M/s. OEC India Services Private Limited, for setting up their Unit for IT/ITES (high quality technology solutions to automakers and their franchised dealers which facilitate the sale of original equipment replacement parts including Global Menu Pricing System and Service Parts catalogue Software) at IG3 Infra SEZ, Thoraipakkam with a projected investment of ₹ 159.07 lakh and projected NFEE of ₹ 1,670 lakh over a period of 5 years with an employment generation for 35 persons was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions contained in Rule 18(2) of SEZ Rules, 2006.

**2.2 Request from M/s. Hotcourses India Private Limited for setting up a new Unit :-**

The proposal of M/s. Hotcourses India Private Limited, for setting up their Unit for IT/ITES at DLF SEZ, Manapakkam with a projected investment of ₹ 1,452 lakh and projected NFEE of ₹ 10,922 lakh over a period of 5 years with an employment generation for 400 persons was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions contained in Rule 18(2) of SEZ Rules, 2006.

**2.3 Request from M/s. Msteel Detailing Services for setting up a new Unit :-**

The proposal of M/s. Msteel Detailing Services, for setting up their Unit for KPO/ITES at ELCOT - SEZ, Hosur with a projected investment of ₹ 40 lakh and projected NFEE of ₹ 500 lakh over a period of 5 years with an employment generation for 70 persons was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions contained in Rule 18(2) of SEZ Rules, 2006.

**2.4 Request from M/s. HCL Technologies Limited for setting up a new Unit :-**

The proposal of M/s. HCL Technologies Limited, for setting up their 6<sup>th</sup> Unit for IT/ITES at ELCOT-SEZ, Ilandhaikulam, Madurai with a projected investment of ₹ 667 lakh and projected NFEE of ₹ 24,161 lakh over a period of 5 years with an employment generation for 427 persons was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions contained in Rule 18(2) of SEZ Rules, 2006.

**2.5 Request from M/s. Vee Imaging Solutions Private Limited for setting up a new Unit :-**

The proposal of M/s. Vee Imaging Solutions Private Limited, for setting up their Unit for IT/ITES at ELCOT-SEZ, Salem with a projected investment of ₹ 750 lakh and projected NFEE of ₹ 4,357 lakh over a period of 5 years with an employment generation for 250 persons was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions contained in Rule 18(2) of SEZ Rules, 2006.

**2.6 Request from M/s. MSZ Logistics Private Limited for setting up a new Unit :-**

The proposal of M/s. MSZ Logistics Private Limited, for setting up their Unit for Warehousing of goods and value added services at J. Matadee Free Trade Warehousing Zone, Mannur with a projected investment of ₹ 40 lakh and projected NFEE of ₹ 500 lakh over a period of 5 years with an employment generation for 20 persons was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions contained in Rule 18(2) of SEZ Rules, 2006. The Value added services shall be restricted to those activities that are allowed under Rule 18(5) of SEZ Rules, 2006.

**2.7 Request for approval for allowing services in addition to Default list of services:-**

M/s. Zoho Corporation Private Limited has submitted a request to allow the following services in addition to the default list of services to avail GST exemption.

1) **Broadcasting Agency Services:** This service is needed to build the brand value and increase the customer base which may lead to augmentation in allied capabilities such as productivity and employment generation.





2) **Public Relations Services:** Public Relations helps in providing a strategic counselling that builds corporate image and mutually beneficial relationship between their unit and the end customer.

3) **Forward Contract Services:** As the Unit is earning huge foreign currency, they need to enter forward contracts to mitigate the risk in the volatility of Indian rupee in the market.

4) **Foreign Exchange Broking Service:** For purchase and sale of foreign currency on commission/brokerage basis.

5) **Debit/Credit card services:** This service is needed as the digital payments in India has seen exponential growth.

6) **Real Estate Agent's Services:** Real Estate consultants have to be engaged to provide technical assistance in relation to evaluation, conception, design, development, implementation and supervision of the business premises and business needs.

7) **Life Insurance Service:** As the employees are the asset of the company, the safety and well being can be protected by Life Insurance and beneficiaries are benefitted.

The request of the Unit to allow the above said services was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for allowing the above services at Sl.No.1, 2, 3, 4 and 6 (except Debit/Credit Card services and Life Insurance Services) for availing GST exemption in terms of the provisions contained in the SEZ Rules, 2006. The Committee further directed that these services that are allowed shall be used exclusively for their SEZ operations only and the benefit of these services shall not be availed by their DTA operations.

## 2.8 Request for allowing service in addition to the list of default services:

M/s. HCL Technologies Limited (Unit-X), a Unit in ELCOT-SEZ, Sholinganallur has requested for allowing service, in addition to the default list of Services, for their authorised operations, to avail exemption from payment of GST.

Sl.No.	Name of the Service Requested for	Justification/reason given by the Unit for inclusion
1	Agreeing to the obligation to refrain from an act, or to tolerate an act or a situation, or to do an Act services.	Acquiring customer relationship, contracts and entitlements in the normal course of business services.

The request of the Unit for allowing the above service in addition to the default list of services for their authorised operations was examined. After deliberations, the Committee approved the request of the Unit in view of the justification given by the Unit.

**2.9 Request from M/s. TCI Chemicals (India) Private Limited for inclusion of additional items for Trading under Broadbanding:-**

M/s. TCI Chemicals (India) Private Limited, a Unit in MEPZ-SEZ has requested for permission to include Sales Promotional Materials under Trading activity in their LOA No.8/150/2011-SEZ dated 25.05.2011. Currently, they have been issued LOA for the following items for Trading:-

Sl.No.	Name of the Item
1	Organic Laboratory Chemicals
2	Chromatography Columns
3	Valves
4	Advertisement materials, Lab Coat, Lab Glasses
5	Packing Materials
6	Printed Catalogues

The Unit has informed that their Subsidiary company M/s. TCI America had shown interest in procuring a variety of sales promotion materials viz., Mobile Phone Holder, Bottle Opener, T-Shirts, Coffee Mugs, Flask to name of few, from India. The Unit has stated that they will be getting regular orders for the sales promotional articles as mentioned and there will be no change in the existing projections approved at the time of the renewal of their LOA.

The proposal was examined by the Unit Approval Committee. After deliberations, the Committee approved the request for inclusion of "Sales Promotion Materials" in their LOA for trading under broadbanding in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006 subject to the condition that the Unit shall earn Foreign Exchange for the said activity and maintain separate accounts. The Unit was also informed that they shall not claim MEIS benefit for these items.

**2.10 Manufacturing of additional items and inclusion of additional Service activities under Broadbanding:-**

M/s. L & T Shipbuilding Limited, a Unit in L & T Shipbuilding SEZ, Kattupalli Village, Ponneri Taluk, Tiruvallur District was granted LOA to build, repair, refix and convert all types of defence and commercial ship, vessels and parts thereof.





Now, the Unit has requested for Broadbanding for the following

**Manufacturing activities:-**

1. Fabricated structures and parts thereof required for various engineering products.
2. Fabrication and construction of Engineering equipment, process plant equipment and power plant equipment (including Nuclear Power plant and parts thereof).
3. Supply of Assemblies of ship and unfinished ships (Kits).

**Service Activities:-**

1. Testing of R & D development equipment related to Indian Defence.
2. Emergency parking of vessels.
3. Undertaking support services for the Indian Navy and Indian Coast Guard ships like loading and unloading of ammunition, loading and unloading of materials request for the ship, entry and exit of ammunition and Transport of Defence Ship's material by road.

The request of the Unit for inclusion of additional items for manufacture and service activities was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the above additional items under Manufacturing in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006 subject to the condition that the Unit shall obtain the necessary Licences/approvals from the Competent Authority for manufacture of these items.

As regards the request of the Unit for inclusion of additional Service activities, the Committee decided to defer the matter for want of clarification on receipt of service charges from Indian Navy in foreign exchange, which is mandatory as per Section 2(z) of the SEZ Act, 2005.

**2.11 Request of M/s. Flextronics Technologies India Limited for inclusion of additional item under Broadbanding:-**

M/s. Flextronics Technologies India Private Limited, a Unit in Flextronics-SEZ has been issued LOA No.8/1/2006/Flextronics-SEZ dated 01.08.2006 for manufacture and export of "mobile phone infrastructure, Telecom Products (Base Stations, PCB Assemblies for Network products), Consumer Products (Set Top Box). The Unit is in the 3<sup>rd</sup> 5 Year block period starting from 22.11.2016 to 21.11.2021.

The Unit has now requested for manufacturing of Electro-mechanical Jigs/Fixtures/Tools under Broadbanding. The Unit has submitted revised projects on account of inclusion of this additional item.

The proposal was examined by the Unit Approval Committee. After deliberations, the Committee approved the request for inclusion of the above item for inclusion in their LOA under broadbanding in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006.



**2.12 Change of the agency for running a Day Care Centre:**

M/s. DXC Technology India Private Limited, has requested for change of the agency for running the Day Care Centre in their Unit in MEPZ-SEZ. They have informed that the present agency M/s. Amelio Child Care Private Limited is running a Day Care Centre in their Unit since 2014. The said Day care centre is functioning in an area of 1,000 sqft in their Unit. Now, the Unit has requested for change of the Agency from M/s. Amelio Child Care Private Limited to M/s. Your Kids "R" our Kids (India) Education Private Limited (YKROK).

Since no permission was accorded by this office for setting up a Day Care Centre in the premises of M/s. DXC Technology India Private Limited, it was placed before the Unit Approval Committee for ratification of the proposal for setting up of Day Care Centre in the premises of the Unit and change of the Agency in running the Day Care Centre. The proposal was examined by the Unit Approval Committee. After deliberations, the Committee condoned the lapse of M/s. DXC Technology India Private Limited in not getting prior approval of the UAC for setting up this facility and ratified the same. The Committee also approved the change of Agency in running the Day Care Centre. The Committee further instructed the Unit that prior approval of UAC should be obtained for such activities.

**2.13 Change of name of the implementing agency from M/s. ONX Enterprise Solutions India LLP, a Unit in DLF-SEZ to M/s. CBDT Technology Solutions LLP and for change in Partnership shareholding**

M/s. ONX Enterprise Solutions India LLP was issued LOA on 28.09.2017 and commenced its activities on 01.01.2018. The Unit had intimated about the change in the shareholding pattern of their existing Partnership. The changes in the Partnership shareholding are indicated below:-

Prior to change:

Partners	Amount of Contribution	Nominee & Designated Partner	Contribution
OnX USA LLC	12672099	Shri Robb Curtis Warwick	99%
Onx Managed Services Inc	128001	Venugopal Kannothe	1%

After change:

Partners	Amount of Contribution	Nominee & Designated Partner	Contribution
CBTS Technology Solutions LLC	12672099	Shri Leigh Richard Fox	99%
CBTS Virginia LLC	128001	Venugopal Kannothe	1%

Both the firms, i.e. Limited Liability Partnerships are registered in the United States of America, in the State of Delaware and in the State of Virginia respectively. On account of above change in the shareholding pattern among the Partners, the name of the LLP has also changed to M/s. CBTS Technology Solutions India





LLP. A copy of amended and revised LLP agreement of M/s. CBTS Technology Solutions India LLP, dated 13.12.2018 is also furnished.

Consequent to above, they have requested to change their name in the LOA as M/s. CBTS Technology Solutions India LLP. They have furnished all the requisite documents including copy of Certificate of Incorporation issued by Registrar of Companies dated 29.01.2019 and declaration in a non-judicial stamp paper duly signed by Shri. Venugopal Kannothe, Designated Partner.

The proposal was examined by the Unit Approval Committee. After deliberations, the Committee approved the change of the implementing agency from M/s. ONX Enterprise Solutions India LLP to M/s. CBTS Technology Solutions India LLP and change in the shareholding pattern.

**2.14 Request for Creche facility:-**

M/s. HCL Technologies Limited, Co-Developer of ELCOT-SEZ, Ilandhaikulam Village, Madurai has requested permission for allotment of space to the extent of 2000 sqft for setting up a creche facility by M/s. Kanchana Patti My Granma's Place. The proposal was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of M/s. HCL Technologies Limited for allotment of space to set up a Creche by the above mentioned agency as per the provisions contained in Instruction No.50 dated 15.03.2010 subject to the condition that no duty free material shall be allowed for setting up and operation of this facility.

**2.15 Request for ATMs:-**

M/s. Ford Motor Private Limited, Co-Developer of ELCOT-SEZ, Sholinganallur, Chennai vide their letter dated 21.02.2019 has requested for installation of 5 ATMs at Canteen Building for the benefit of the employees working in their SEZ. The details are as follows:-

Sl.No.	Name of the Bank	No. of ATM	Area
1	ICICI Bank	2	All the ATMS will be installed in 200 Sqft
2	HDFC Bank	1	
3	Axis Bank	1	
4	DBS Bank	1	

The proposal of the Co-Developer was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal of the Co-Developer for the above in terms of provisions contained in Instruction No.50 dated 15.03.201 subject to the condition that no duty free material shall be allowed for setting up and operation of this facility.



**2.16 Request for approval of additional space by M/s. Renault Nissan Technology and Business Centre India Private Limited:-**

M/s. Renault Nissan Technology and Business Centre India Private Limited, a Unit in Mahindra WorldCity SEZ for IT having LOA No.8/29/2007/Mahindra SEZ dated 17.10.2007 has requested permission for additional space of 5,077 Sqft in Lake View Building, Phase-I, Ground Floor, Ascendas IT Park, Mahindra WorldCity SEZ. The Unit has informed that they require the additional space for the purpose of setting up wellness centre, recreational space, cafeteria and leisure space.

The proposal was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for acquiring additional space in terms of Rule 19(2) of SEZ Rules, 2006.

**2.17 Request of M/s. LOM Supply Chain India Private Limited for acquiring additional space and surrender of space:-**

The request for approval for acquiring additional space of 55,949 sqft from the Developer of the SEZ by M/s. LOM Supply Chain India Private Limited, a Unit in J. Matadee Free Trade Warehousing Zone, Mannur and surrender of 16,000 sqft to M/s. Vessel Warehousing Services, Co-Developer of the SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. LOM Supply Chain India Private Limited. The Committee also approved the surrender of 16,000 Sqft of space to the Co-Developer by the Unit in view of the reasons stated by them.

**2.18 Request of M/s. Timescan Logistics (India) Private Limited for acquiring additional space:-**

The request for approval for acquiring additional constructed warehouse space of 16,354 sq.ft by M/s. Timescan Logistics (India) Private Limited, a Unit in J. Matadee Free Trade Warehousing Zone, Mannur was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. Timescan Logistics (India) Private Limited, in view of the revised projections given by the Unit.

**2.19 Request of M/s. Envision Software Engineering Private Limited for acquiring additional space:-**

The request for approval for acquiring additional space of 6,256 sq.ft in ELCOT-SEZ, Coimbatore by M/s. Envision Software Engineering Private Limited, a Unit in the SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. Envision Software Engineering Private Limited, in view of the revised projections given by the Unit.





**2.20 Request of M/s. Lucid Imaging Private Limited for acquiring additional space:-**

The request for approval for acquiring additional space of 16 seats at DC-38 in Tidel Park, Coimbatore by M/s. Lucid Imaging Private Limited, a Unit in the SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. Lucid Imaging Private Limited, in view of the revised projections given by the Unit.

**2.21 Request of M/s. Soliton Technologies Private Limited for acquiring additional space:-**

The request for approval for acquiring additional space of 1,525 sqft in Module No.305 and unused area near corridor to the extent of 436 sqft adjacent to Module No.305 totalling to 1,961 sqft by M/s. Soliton Technologies Private Limited, a Unit in, Tidel Park, ELCOT-SEZ, Coimbatore was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. Soliton Technologies Private Limited, in view of the reasons stated by the Unit.

**2.22 Request of M/s. Wolters Kluwer ELM Solutions Private Limited for acquiring additional space:-**

The request for approval for acquiring additional space of 14,822 sqft in 4<sup>th</sup> Floor, Module 4, Cambridge Tower in TRIL Info Park SEZ, Taramani, Chennai by M/s. Wolters Kluwer ELM Solutions Private Limited (Unit-II), a Unit in the SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. Wolters Kluwer ELM Solutions Private Limited, in view of the revised projections given by the Unit.

**2.23 Request of M/s. Flextronics Technologies India Private Limited for acquiring additional space:-**

The request for approval for acquiring additional space of 4,125 sqmt by M/s. Flextronics Technologies India Private Limited in the SEZ was examined by the Unit Approval Committee. It was noted that the space requested is presently in possession of M/s. Huawei Telecommunications India Private Limited, a Unit which is in the process of exiting the SEZ. After deliberations, the Committee approved the acquiring of additional space by M/s. Flextronics Technologies India Private Limited in view of the revised projections given by the Unit, subject to the exit of M/s. Huawei Telecommunications India Company Private Limited.

**2.24 Request of M/s. Mphasis Limited for acquiring additional space:-**

The request for approval for acquiring additional space of 41,049 sqft in part of 4<sup>th</sup> Floor in Block 8 of DLF SEZ, Manapakkam, a Unit in the SEZ was examined by the Unit Approval Committee. After



deliberations, the Committee approved the acquiring of additional space by M/s. Mphasis Limited, in view of the revised projections given by the Unit.

**2.25 Request of M/s. BNY Mellon International Operations (India) Private Limited for surrender of space:-**

The request for approval for surrendering the space occupied at 1<sup>st</sup> Floor in Block 9A and 4<sup>th</sup> Floor in Block 9B by M/s. BNY Mellon International Operations (India) Private Limited, a Unit in DLF SEZ, Ramapuram was examined by the Unit Approval Committee. After deliberations, the Committee approved the surrender of space by M/s. BNY Mellon International Operations (India) Private Limited, in view of the reasons stated by them.

**2.26 Request from M/s. ATC Tires Private Limited for amendment to the name of DTA entity for sending its moulds:-**

M/s. ATC Tires Private Limited, a Unit in SIPCOT-SEZ, Gangaikondan was granted permission by the Unit Approval Committee in its meeting held on 28.11.2018 to send its moulds without payment of duty to M/s. Sun Tyre and Wheel Systems in terms of Rule 50(e) of SEZ Rules, 2006, with directions to ensure that the moulds sent by it to the DTA entity shall be used only for the purpose of manufacture of Solid Tyres to be supplied to the SEZ Unit and that the moulds are returned back to the SEZ Unit after the expiry of the period of its utility.

The Unit vide its letter dated 22.02.2019 has stated that while preparing E-way Bill, it was noticed that M/s. Sun Tyre and Wheel Systems, the DTA entity, is a Division/Branch of M/s. Sundaram Industries Private Limited and that it does not have a separate GST registration number. The Unit has informed that the GST registration number is in the name of M/s. Sundaram Industries Private Limited and M/s. Sun Tyre and Wheel Systems is only their Trade Name. A copy of GST Registration Number has also been furnished by the Unit. Therefore, the Unit has sought an amendment to the name of DTA entity as M/s. Sundaram Industries Private Limited instead of M/s. Sun Tyre and Wheels Systems.

The proposal of the Unit was examined by the Unit Approval Committee. After deliberations, the Committee approved the request for amending the permission given to them for removing moulds without payment of duty from M/s. Sun Tyre and Wheel Systems to M/s. Sundaram Industries Private Limited.

**2.27 Request of M/s. Hella India Automotive Private Limited for surrender of space:-**

The request for approval for surrendering of 18,816 sqft of space in 2<sup>nd</sup> Floor in Block-5 in DLF-SEZ by M/s. Hella India Automotive Private Limited, a Unit in the SEZ was examined by the Unit Approval



Committee. After deliberations, the Committee approved the surrender of space by M/s. Hella India Automotive Private Limited, in view of the reasons stated by them.

**2.28 Monitoring the performance of 32 units in MEPZ-SEZ:**

The performance of the following 32 Units in MEPZ-SEZ for the year 2017-18 was reviewed by the Unit Approval Committee on the basis of the APRs filed by them, in terms of Rule 54 of SEZ Rules, 2006.

Sl. No.	Name of the Unit	Year & Block	Cumulative NFEE (₹ in Lakh)
1	American Orthotech Private Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	2,309
2	APA Engineering Private Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	19,509
3	BTR Packaging Private Limited	2 <sup>nd</sup> Year in 3 <sup>rd</sup> Five Year Block	3,641
4	Celebrity Fashions Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	29,228
5	Classic Linen International Private Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	3,481
6	Cognizant Technology Solutions (I) Pvt Limited	5 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	10,85,340
7	CSS Corp Private Limited	4 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	20,759
8	Cura Healthcare Private Limited	5 <sup>th</sup> Year in 1 <sup>st</sup> Five Year Block	296
9	Dorma Kaba India Private Limited	3 <sup>rd</sup> Year in 3 <sup>rd</sup> Five Year Block	788
10	HTC Global Services (I) Private Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	22,620
11	HTC Holdings Private Limited	4 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	34,051
12	Ideal Fastener (I) Private Limited	2 <sup>nd</sup> Year in 3 <sup>rd</sup> Five Year Block	11,050
13	Igarashi Motors (India) Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	61,008
14	India Comnet International Private Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	10,485
15	Infinite Computer Solutions	5 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	12,884
16	Inga Pharmaceuticals Private Limited	5 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	1,546
17	ITW India Private Limited	5 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	3,768
18	J.V. Tapes	4 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	602
19	Regenix Bio-Science Limited	2 <sup>nd</sup> Year in 3 <sup>rd</sup> Five Year Block	248
20	Mainetti India Private Limited	4 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	21,634
21	Godrej & Boyce Mfg. Co. Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	12,745
22	Pharmazell (India) Private Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	36,774
23	Powergear Limited	1 <sup>st</sup> Year in 3 <sup>rd</sup> Five Year Block	6,897
24	Powerica Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	18,322
25	Quintessence Fragrances Private Limited	3 <sup>rd</sup> Year in 2 <sup>nd</sup> Five Year Block	2,008
26	Sunray Designs Private Limited	5 <sup>th</sup> Year in 1 <sup>st</sup> Five Year Block	635

27	Super Auto Forge Private Limited	1 <sup>st</sup> Year in 3 <sup>rd</sup> Five Year Block	8,360
28	Switching Technology Gunther Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	4,178
29	Taoka Chemical (I) Private Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	1,398
30	Tata International Private Limited	5 <sup>th</sup> Year in 3 <sup>rd</sup> Five Year Block	26,659
31	TCI Chemicals (I) Private Limited	1 <sup>st</sup> Year in 2 <sup>nd</sup> Five Year Block	1,429
32	The Association for Manufacturing Technology	2 <sup>nd</sup> Year in 2 <sup>nd</sup> Five Year Block	813

While the Committee noted that the cumulative NFEE of the units was positive, Mrs. Usha Ramesh, Assistant was asked to ascertain the reasons for the shortfall in achievement of export, and employment projections from M/s. American Orthotech Private Limited, M/s. BTR Packaging Private Limited, M/s. Celebrity Fashions Limited, M/s. Classic Linen International Private Limited, M/s. Cognizant Technology Solutions (I) Private Limited, M/s. Cura Healthcare Private Limited, M/s. HTC Global Services (I) Private Limited, M/s. Ideal Fastener (I) Private Limited, M/s. Igarashi Motors (India) Limited, M/s. India Comnet International Private Limited, M/s. ITW India Private Limited, M/s. J.V. Tapes, M/s. Regenix Bio-Science Limited, M/s. Mainetti India Private Limited, M/s. Godrej & Boyce Mfg. Co. Ltd., M/s. Sunray Designs Private Limited, M/s. Switching Technology Gunther Limited,, M/s. Tata International Private Limited and The Association for Manufacturing Technology and inform the UAC.

**2.29 Monitoring the performance of M/s. Wipro Limited:-**

The performance of M/s. Wipro Limited, Unit-II (Power Plant) in Mahindra World City SEZ for IT was reviewed by the Unit Approval Committee in terms of Rule 54 of SEZ Rules, 2006. The Committee noted that the Unit has failed to earn any Foreign Exchange at the end of 2<sup>nd</sup> year in the 1st Five year Block period. It has been decided by the Committee that the Unit be called for a personal hearing by the ADC and ascertain the reason for their non-achievement of NFEE and take appropriate action.

**2.30 Monitoring the performance of 2 Units in Mahindra World City SEZ for Auto Ancillaries & IT:-**

The performance of the following 2 Units in Mahindra World City SEZ for Auto Ancillaries for the year 2017-18 was reviewed by the Unit Approval Committee on the basis of the APRs filed by them, in terms of Rule 54 of SEZ Rules, 2006.

Sl. No.	Name of the Unit	Year & Block	Cumulative NFEE (₹ in Lakh)
1	Ucal Fuel Systems Limited	2 <sup>nd</sup> Year in 2 <sup>nd</sup> Five Year Block	- 30
2	SEZ Recycling	5 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	645



It has been observed that M/s. Ucal Fuel Systems Limited have not made any exports in the past 2 years. The representative of M/s. Ucal Fuel Systems Limited informed that since they did not receive any orders from their customers, there were no exports during the last two years. However, he has informed that with their request for broadbanding for new products, they would make up the shortfall in achievement of export projects in the remaining years. The Representative of M/s. SEZ Recycling attributed their shortfall to slump in business in their industry and assured of improved performance in the years to come.

**2.31 Monitoring the performance of M/s. Mastek Limited:-**

The performance of M/s. Mastek Limited, a Unit in Mahindra World City SEZ for IT was reviewed by the Unit Approval Committee in terms of Rule 54 of SEZ Rules, 2006. The Committee noted that the Unit has achieved a cumulative NFEE of ₹ 104 lakh at the end of 2<sup>nd</sup> year in the 2<sup>nd</sup> Five year Block period. The Committee also noted that though the cumulative NFEE of the unit was positive, they had not achieved the projections. The Committee desired that the ADC concerned may ascertain the reasons from the Unit for the shortfall in achievement of the projections given by them in exports, NFEE and employment.

**2.32 Monitoring the performance of 6 Units in Mahindra World City SEZ for Apparel and Fashion Accessories:-**

The performance of the following 6 Units in Mahindra World City SEZ for Apparel and Fashion Accessories for the year 2017-18 was reviewed by the Unit Approval Committee on the basis of the APRs filed by them, in terms of Rule 54 of SEZ Rules, 2006.

Sl. No.	Name of the Unit	Year & Block	Cumulative NFEE (₹ in Lakh)
1	Slam Clothing Private Limited	3 <sup>rd</sup> Year in 2 <sup>nd</sup> Five Year Block	3,309
2	Tuk Tuk Exports	5 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	20,603
3	Leather Crafts (I) Private Limited	5 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	14,979
4	Linea Fashions Private Limited	5 <sup>th</sup> Year in 2 <sup>nd</sup> Five Year Block	2,701
5	Srinivasa Fashions Private Limited	3 <sup>rd</sup> Year in 3 <sup>rd</sup> Five Year Block	8,927
6	Hangers Plus India Private Limited	1 <sup>st</sup> Year in 1 <sup>st</sup> Five Year Block	15

While the Committee noted that the cumulative NFEE of the units was positive, all the Units in the Apparel Fashion Accessories SEZ have listed out the following issues which plague their industry for poor performance:-

1) High labour cost: - They have mentioned that due to high labour cost, their industry is not able to make much headway as compared to availability of cheap labour in Bangladesh and China.



2) Higher cost of inputs:- The cost of inputs used in their items of export have gone up significantly increasing the cost of production and thereby wiping out their profit margin.

3) Idle capacity:- They are not able to utilise their full capacity of their machines as they get orders only in seasons resulting in keeping their machines idle and paying workers during the lean period also. They are facing a piquant situation wherein if they give their employees break during off season, they may not be getting their services when they need, forcing them to keep them idle during off season and paying their salary during this period.

4) Inspection of consignments of MEIS:- With the recent amendment in SEZ Rules necessitating inspection by customs authorities of all the consignments for which MEIS benefits have been claimed, they are not able to maintain their delivery schedule resulting in delay and additional cost for retention of the containers. They have pleaded that instead of inspection of each and every consignment for which MEIS benefits are claimed, random inspection of consignments may be done to save time and additional cost. They have been asked to submit a consolidated report to this office so that it can be taken up with the Department of Commerce for redressal.

**2.33 Request from M/s. DLF Assets Private Limited, Co-Developer for procurement of materials:-**

M/s. DLF Assets Private Limited, Co-Developer of DLF IT SEZ, Chennai have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 7.30 lakh (Indigenous procurement of ₹ 7.30 lakh) with a duty forgone value of ₹ 1.31 lakh for works/facilities related to Access Control and Monitoring System. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the procurement of the materials in terms of the provisions contained in Rule 12(2) of SEZ Rules, 2006

**2.34 Request from M/s. DLF Power & Services Limited, Co-Developer for procurement of materials:-**

M/s. DLF Power & Services Limited, Co-Developer of DLF IT SEZ, Chennai have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 300.09 lakh (Indigenous procurement of ₹ 300.09 lakh) with a duty forgone value of ₹ 54.01 lakh for works/facilities related to their authorised operations, viz., Engineering Maintenance including Electrical & Mechanical Works, Heating, Ventilation and Air-Conditioning (HVAC) Systems, Fire Detection and Alarm Systems, Fire & Safety Measures. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the procurement of the materials in terms of the provisions contained in Rule 12(2) of SEZ Rules, 2006.



**2.35 Request from M/s. Syntel International Private Limited, Co-Developer for procurement of materials:-**

M/s. Syntel International Private Limited, Co-Developer of ELCOT-SEZ, Gangaikondan have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 66.76 lakh (Indigenous procurement of ₹ 37.13 lakh and imported ₹ 29.63 lakh) with a duty forgone value of ₹ 15.40 lakh for works/facilities related to their authorised operations, viz., Construction of all types of buildings in Processing Area. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the procurement of the materials in terms of the provisions contained in Rule 12(2) of SEZ Rules, 2006


**2.36 Request from M/s. Tata Consultancy Services Limited Developer for procurement of materials:-**

M/s. Tata Consultancy Services Limited, Developer of TCS SEZ, Siruseri, Chennai have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 1,237.60 lakh (Imported procurement of ₹ 1,237.50 lakh) with a duty forgone value of ₹ 544.50 lakh for works/facilities related to their authorised operations, viz., Electrical, Gas and Petroleum, Natural Gas Distribution Network including necessary sub-stations of appropriate capacity, pipeline network, Solar power project in parking and in roof tops by installing solar power generating systems including Solar PV modules, inverters, renewable energy panels, devices, cables, structure, spares and accessories. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. As per para (iv) of the Guidelines, in IT/ITES SEZs where there is a requirement of 24-hours uninterrupted quality power supply at stable frequency, generation of power will be carried out as a Unit within the Processing Area and such a power plant including **Non Conventional Energy Power Plant** will be entitled to all the fiscal benefits covered under Section 26 of the SEZ Act. Such Units will be required to fulfil NFEE obligations also. Since the proposal of M/s. TCS Limited to set up a Solar Power Management System will fall within para (iv) of the Power Guidelines, the Committee decided that the Developer may have to set up a Unit for taking up the activity of power generation through Solar Power. The Developer has been advised accordingly.

**2.37 Allotment of space at Food Court, Gatewas Office Parks SEZ, Chennai:-**

M/s. Gateway Office Parks Pvt. Ltd, the Developer of the SEZ, Perungalathur, Chennai has requested for allotment of space in the Food Court of the SEZ as under :

S.No.	Name of the Operator	Facility at Food Court	Area Sqft.
1.	SKT Foods	Naattarasan	322.43
2.	Sahiba's Punjabi Nation	Sahiba's Punjabi Nation	293.38
3.	Foods (India) Private Limited	The Wok Shop	264.33



4.	Himesh Foods Private Limited	Mad Over Donuts	150
5.	Bon Appetit Food & Beverages	Squeez Juice Bar	152.12
6.	Divine N. Tasty	Chicago Pizza	110
7.	Amar Fast Food	Indian Foods	183
8	Sify Technologies Limited	Common Database with Internet Connectivity	100

The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the same in terms of the provisions contained in Instruction No.50 dated 15.3.2010 issued by Department of Commerce subject to the condition that no duty free material shall be allowed for setting up and operating this facility.

**2.38 Request from M/s. Cheyyar SEZ Developers Private Limited, Developer for procurement of materials:-**

M/s. Cheyyar SEZ Developers Private Limited, Developer of the Footwear SEZ, Bargur have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 2,170.40 lakh (Indigenous procurement of ₹ 2,170.40 lakh) with a duty forgone value of ₹ 327.44 lakh for works/facilities related to their authorised operations, viz., Electrical Goods supply, electrical erection/service supply and electrical engineering consultancy charges. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the procurement of the materials in terms of the provisions contained in Rule 12(2) of SEZ Rules, 2006.

**2.39 Request from M/s. Cheyyar SEZ Developers Private Limited, Developer for procurement of materials:-**

M/s. Cheyyar SEZ Developers Private Limited, Developer of the Footwear SEZ, Bargur have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 666.18 lakh (Indigenous procurement of ₹ 666.18 lakh) with a duty forgone value of ₹ 100.63 lakh for works/facilities related to their authorised operations, viz., Fire protection system with sprinklers, fire and smoke detectors. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the procurement of the materials in terms of the provisions contained in Rule 12(2) of SEZ Rules, 2006.

**2.40 Request from M/s. Cheyyar SEZ Developers Private Limited, Developer for procurement of materials:-**

M/s. Cheyyar SEZ Developers Private Limited, Developer of the Footwear SEZ, Tiruvannamalai have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 1,377





lakh (Indigenous procurement of ₹ 1,377 lakh) with a duty forgone value of ₹ 185 lakh for works/facilities related to their authorised operations, viz., Construction of all types of buildings in Processing Area and electrical, gas and petroleum natural gas distribution network including necessary sub-stations of appropriate capacity, pipeline network, etc. fire protection system with sprinklers, fire and smoke detectors. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the procurement of the materials in terms of the provisions contained in Rule 12(2) of SEZ Rules, 2006.

**2.41 Request from M/s. Cheyyar SEZ Developers Private Limited, Developer for procurement of materials:-**

M/s. Cheyyar SEZ Developers Private Limited, Developer of the Footwear SEZ, Tiruvannamalai have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 5.57 lakh (Indigenous procurement of ₹ 5.57 lakh) with a duty forgone value of ₹ 0.87 lakh for works/facilities related to their authorised operations, viz., Construction of Sewage Treatment Plant and CSD office. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the procurement of the materials in terms of the provisions contained in Rule 12(2) of SEZ Rules, 2006.

**2.42 Request from M/s. Perungudi Real Estates Private Limited, Developer for procurement of materials:-**

M/s. Perungudi Real Estates Private Limited, Developer of the SEZ, at Perungudi, Chennai have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 30 lakh (Imported materials ₹ 30 lakh) with a duty forgone value of ₹ 12.33 lakh for works/facilities related to their authorised operations, viz., Providing infrastructure facilities in IT/ITES SEZ. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the procurement of the materials in terms of the provisions contained in Rule 12(2) of SEZ Rules, 2006.

**2.43 Request from M/s. Hexaware Technologies Limited, Developer for procurement of materials:-**

M/s. Hexaware Technologies Limited, Developer of IT/ITES SEZ at Siruseri, Chennai have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 682 lakh (Indigenous procurement of ₹ 623 lakh and imported material of ₹ 59 lakh) with a duty forgone value of ₹ 205 lakh for works/facilities related to their authorised operations, viz., Solar Energy in the Engineering Block/Hexavarsity Block/Administrative Block/Utility Block. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. As per para (iv) of the



Guidelines, in IT/ITES SEZs where there is a requirement of 24-hours uninterrupted quality power supply at stable frequency, generation of power will be carried out as a Unit within the Processing Area and such a power plant including **Non Conventional Energy Power Plant** will be entitled to all the fiscal benefits covered under Section 26 of the SEZ Act. Such Units will be required to fulfil NFEE obligations also. Since the proposal of M/s. Hexaware Limited to set up a Solar Power Management System will fall within para (iv) of the Power Guidelines, the Committee decided that the Developer may have to set up a Unit for taking up the activity of power generation through Solar Power. The Developer has been advised accordingly.

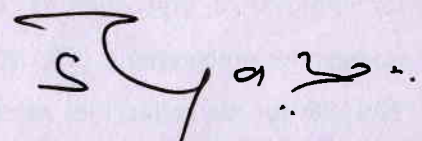
**2.44 Request from M/s. J. Matadee Free Trade Zone Private Limited, Developer for procurement of materials:-**

M/s. J. Matadee Free Trade Zone Private Limited, Developer of J. Matadee Free Trade Warehousing Zone at Mannur have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 522.22 lakh (Indigenous procurement of ₹ 522.22 lakh) with a duty forgone value of ₹ 33.07 lakh for works/facilities related to their authorised operations, viz., Construction of all types of Buildings and Warehouses in the Processing Area. The list of materials has been certified by a Chartered Engineer. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the procurement of the materials in terms of the provisions contained in Rule 12(2) of SEZ Rules, 2006.

**2.45 Request from M/s. Danfoss Industries Private Limited for setting up 100% EOU :-**

The proposal of M/s. Danfoss Industries Private Limited, for setting up their EOU at No.06, Plot No.A19/2, SIPCOT Industrial Growth Centre, Oragadam Village, Sriperumbudur Taluk, Kancheepuram for manufacture and export of Variable Frequency Drives (VFD) also commonly known as Adjustable Frequency Drive, Variable Speed Drive, Adjustable Free Drive, Frequency Converter, AC Drives, Motor Drives and Danfoss Drives and export with a projected investment of ₹ 10,299 lakh and projected NFEE of ₹ 14,848.29 lakh over a period of 5 years with an employment generation for 206 persons was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions contained in Para 6.01(b)(i) of Handbook of Procedures, 2015-2020.

The meeting concluded with a vote of thanks.



**(M.K. SHANMUGA SUNDARAM)**  
CHAIRPERSON, UNIT APPROVAL COMMITTEE  
& DEVELOPMENT COMMISSIONER