Minutes of the 5th Meeting (2018 Series) of Unit Approval Committee in respect of SEZs & EOUs of Tamil Nadu, Puducherry, Andaman & Nicobar Islands held on 28.05.2018

The following members were present:

SI.	Name (Sh.Shri/Smt.)	Designation	Position
No.			2.0
1	D. Anandan, IAS	Development Commissioner,(In-Charge) MEPZ-SEZ	Chairperson
2.	R. Anitha Nandhini IFS	Deputy Development Commisisoner, MEPZ-SEZ	Member
3.	G. Suresh Babu	Deputy Development Commissioner, MEPZ-SEZ	Member
4.	R Gulzar Begum IRS	Deputy Commissioner, Customs, MEPZ-SEZ	Member
5.	F.D. Initha,	Joint Director General of Foreign Trade	Member
6	K. Ramesh	Asst. Commissioner of Customs (Preventive), Cuddalore	Member
7	V Swarnalatha, IRS	Dy. Commissioner, Income-Tax, Tambaram	Member

The Unit Approval Committee confirmed and ratified the minutes of the UAC held on 27.04.2018.

5.1 Request of M/s. Comcast India Engineering Centre I LLP for increase in their operational area:-

The request for approval of additional space of 31,554.90 Sq.ft in their operational area by M/s. Comcast India Engineering Centre I LLP a Unit in M/s. IG3 Infra Ltd. SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the inclusion of additional space of 31,554.90 Sq.ft in the operational area of M/s. Comcast India Engineering Centre I LLP in view of the revised projections given by the Unit.

5.2 Request of M/s. Aspire Systems (India) Private Limited for increase in their operational area:-

The request for approval of additional space of 16,616 Sq.ft in their operational area by M/s. Aspire Systems (India) Private Limited, a Unit in ETA Technopark Ltd., SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the inclusion of additional space of 16,616 Sq.ft in their operational area by M/s. Aspire Systems (India) Private Limited.

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5.3 Request of M/s.Unilogic Technologies Pvt. Ltd., for surrendering of space and shifting of unit:

The request for approval for surrendering of 16 seater cubicle in Development Centre - 35, 4th floor, Tidel Park ELCOT SEZ from their operational area by M/s. Unilogic Technologies Pvt. Ltd., a Unit in ELCOT SEZ, Coimbatore and shifting of their existing unit to a smaller space of 348 Sq.Ft. (approx.) to Ground Floor 35, S B U in the same SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the surrendering of 16 Seater cubicle and shifting of their unit to Ground Floor 35, SBU in the same SEZ by M/s. Unilogic Technologies Pvt. Ltd.,

5.4 Request from M/s. Ford Motor Pvt. Ltd., Co-Developer ELCOT SEZ Sholinganallur for procurement of materials:-

M/s. Ford Motor Pvt. Ltd., Co-Developer have submitted for approval of UAC, a list of materials for an estimated value of ₹ 335.78 lakh for procurement by Import with the duty foregone value of ₹ 138.29 lakh for their authorised operations in the SEZ. The request was examined by the 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.

5.5 Request from M/s. Vee Technologies Pvt. Ltd., Co-Developer, ELCOT SEZ Salem for procurement of materials:-

M/s. Vee Technologies Pvt. Ltd., Co-Developer have submitted for approval of UAC, a list of materials for an estimated value of ₹ 581.60 lakh (Import - NIL and Indigenous procurement ₹.581.60 lakh with the duty foregone value of ₹ 126.43 lakh) for their authorised operations in the SEZ. The request was examined by the 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.

5.6 Request of M/s. AppViewX Pvt. Ltd., for surrender of space in their operational area:-

The request for approval for surrendering 10,220 Sq.Ft. of their operational area by M/s. AppView Pvt. Ltd., a Unit in ELCOT SEZ, Coimbatore was examined by the Unit Approval Committee. After deliberations, the Committee approved the surrendering of the operational area by M/s. AppViewX Pvt. Ltd., in view of the reasons stated by them.

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5.7 Request of M/s. Tidel Park, Coimbatore, Co-Developer, ELCOT SEZ, for allotment of Restaurant:

M/s. Tidel Park, Coimbatore, Co-Developer have submitted a request for space permission to the extent of 580 Sq.Ft for setting up a Restaurant at food court.

The request of the Developer for setting up a Restaurant 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.

5.8 Request of M/s. SFP Sons (India) Pvt. Ltd., for Trading activity under Broad Banding:

M/s. SFP Sons (India) Pvt. Ltd., have requested for trading permission under broad banding for the following items :

- 1. Air Freshners
- 2. Deos
- Perfumes
- 4. Cosmetics

The Committee examined the request and after detailed deliberations approved the request of broad banding to trade in the aforementioned items subject to the condition that the unit shall not carry out any trading activity in the DTA in respect of these items. With regard to request of the unit to trade in DTA, the unit's representatives were asked to submit a detailed write up on the proposed business model for the consideration of the Committee.

5.9 Request of M/s. Igarashi Motors India Ltd., to send imported Steel Coil abroad for trial purpose:

Request of M/s. Igarashi Motors India Ltd., is to send Cold Rolled Steel Sheets of 1.00 mm x 100 mm coil to Japan for the purpose of checking the effectiveness of the tool they propose to purchase from Japan. The cold rolled steel sheets weighing 1,46,641 Kgs is valued at USD 1,27,731.21. These were originally imported from Singapore by availing duty exemption.

The representative of the unit submitted that the cold rolled steel sheets are being sent to Japan for trial purpose and the left over steel sheets after completion of the trial will be brought back to India. He also stated that such permissions have been previously given by MEPZ-SEZ for exporting raw materials abroad for the purpose of testing.

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The Committee examined the proposal in detail. After deliberations, the Committee approved the proposal of the unit to export 1,46,641 Kgs of cold rolled steel sheets to Japan for the purpose of testing the tool to be procurred from Japan subject to the following conditions:

- a) The unit shall give an undertaking that the left over raw materials after the completion of trial shall be brought back to India;
- b) Proof of precedence for having sent raw materials for testing purposes with the approval of MEPZ to be submitted;

5.10 Request of M/s. Vastrakala Exports Pvt. Ltd., for permission for conversion of their DTA unit into a 100% EOU:

The request of M/s. Vastrakala Exports Pvt.Ltd. a DTA unit engaged in Job Work involving embroidery for fashion clothing and accessories and luxury interior furnishings and hand embroidered products, for conversion of their DTA unit into EOU was examined by the Unit Approval Committee. The Unit has projected an export value of ₹ 10,999.10 lakh and NfE of ₹10,687.81 lakh for five years with a projected employment of 500 people.

The Committee noted that though the proposed investment in plant and machinery by the unit is only ₹.15 lakh, as per Para 6.06 of <u>FTP 2015-20</u>, the minimum investment criteria of ₹.1 crore in plant and machinery will not be applicable to existing units and therefore, as M/s. Vastrakala Exports Pvt. Ltd., is an existing DTA unit, the minimum investment criteria will not be applicable to them.

After deliberations, the Committee approved the proposal for conversion of the DTA unit into 100% EOU in terms of Para 6.01 (b)(i) of HBP and Para 6.19(a) of <u>FTP 2015-20</u> read with Para 6.14(b)(ii) of <u>FTP 2015-20</u> subject to the condition that no DTA clearance shall be allowed in respect of job work to be done by the unit for foreign supplier.

5.11 Request of M/s. Plintron Mobility Solutions Pvt. Ltd., for surrender of space in their operational area:

The request for approval for surrendering 17,173 Sq.Ft. of their operational area by M/s. Plintron Mobility Solutions Pvt. Ltd., a Unit in DLF IT/ITES SEZ, Chennai was examined by the Unit Approval Committee. After deliberations, the Committee approved the surrendering of the operational area by M/s. Plintron Mobility Solutions Pvt. Ltd in view of the reasons stated by them.

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5.12 Request of M/s. DLF Assets Pvt. Ltd., Co-Developer, DLF IT/ITES for approval for providing space to Telecom Service Providers in DLF-SEZ:

The request of M/s. DLF Assets Pvt. Ltd., Co-Developer, DLF IT/ITES for approval for providing space to Telecom Service Providers to provide services to various SEZ units within the Zone was examined by the Unit Approval Committee. After deliberations, the Committee approved to provide space to telecom service providers in DLF SEZ for providing services to the units in SEZ in terms of the provisions contained in Instruction No.50 dated 15.03.2010 issued by the Department of Commerce subject to the condition that no duty-free materials shall be used for providing the service.

5.13 Request of M/s. Wall Street English India Pvt. Ltd., for setting up a new unit in DLF IT/ITES SEZ:

The proposal of M/s. Wall Street English India Pvt. Ltd., for setting up their Unit at DLF IT/ITES SEZ, Manapakkam for IT/ITES with a projected investment of ₹ 498.50 lakh and projected NFEE of ₹ 6360.79 lakh over a period of 5 years with an employment generation for 108 people 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.

5.14 Request of M/s. Prometheus Business Outsourcing (India) Pvt. Ltd., for setting up a new unit in DLF IT/ITES SEZ:

The proposal of M/s. Prometheus Business Outsourcing (India) Pvt. Ltd., for setting up their Unit at DLF IT/ITES SEZ, Manapakkam for ITES with a projected investment of ₹615.95 lakh and projected NFEE of ₹ 4540.29 lakh over a period of 5 years with an employment generation for 400 people 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.

5.15 Request from M/s. Infosys Limited, Co-Developer for procurement of materials:-

M/s. Infosys Limited, Co-Developer have submitted for approval of UAC, a list of materials for an estimated value of ₹ 522.33 lakh (Import - 60.88 Lakh and Indigenous procurement is ₹ 461.45 lakh with the duty foregone value of ₹ 98.16 lakh) for their authorised operations in the SEZ viz., Education & Training Centre, Facility Blocks, Employee Care Centre, Food Courts, Landscaping, Multilevel vehicle parking. The request was examined by the 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. R. dim

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5.16 Request from M/s. Estancia IT Park Pvt. Ltd., Developer for procurement of materials:-

M/s.Estancia IT Park Pvt. Ltd., Developer have submitted for approval of UAC, a list of materials for an estimated value of ₹ 2884.53 lakh (Import: ₹.182.55 lakh and Indigenous procurement: ₹ 2701.98 lakh with the duty foregone value of ₹ 593.55 lakh) for their authorised operations in the SEZ viz., Power (including power back up facilities) for captive use only, construction of all type of building in processing area, water treatment plant, water supply lines (dedicated lines up to source), sewage lines, storm water drains and water channels of appropriate capacity, common data centre with inter-connectivity, air-conditioning of process area - HVAC, Access Control and monitoring system, fire protection system with sprinklers, fire and smoke detectors, telecom and other communication facilities including internet connectivity which is covered under authorised operations under Instruction 50 issued by Ministry of Commerce and Industry, New Delhi. The request was examined by the 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.

5.17 Request from M/s. Syrma Technology Pvt.Ltd., for Broad banding permission:

M/s. Syrma Technology Pvt.Ltd., a unit in MEPZ-SEZ has requested for broad banding permission to include Repair, Reconditioning and Re-Engineering of all types of populated printed circuit board assemblies and electronic products as a part of their authorised operations. The unit intends to carry out the work for the products of their own brand as well as for other brands. Further, the unit also intends to carry out the activities of Repair, Reconditioning and Re-Engineering of all types of populated printed circuit board assemblies and electric products for both DTA as well as foreign customers.

The Committee examined the proposal in detail. After deliberations, the Committee approved the proposal for broad banding of authorised operations of the unit to include Repair, Reconditioning and Re-Engineering of all types of populated printed circuit board assemblies and electronic products under proviso to Rule 18(4) of SEZ Rules 2006 subject to the following conditions:

a) The broad banding activity is allowed only for foreign clients wherein the tools to be repaired/reconditioned/re-engineered shall be imported into the unit and shall be exported after completion of the repair/re-conditioning/re-engineering. Such exports shall have one to one correlation with imports and all the re-conditioned/repaired/re-engineered products and scrap or

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remnants or wastes shall be exported and none of these goods shall be allowed to be sold in DTA or destroyed.

b) The activity of repair/re-conditioning/re-engineering shall not be allowed for goods of other brands to be brought from DTA. However, the repair of goods supplied by the unit to the DTA on payment of duty (goods of its own brand as an after-sale service) shall be governed by Rule 49(2) of SEZ Rules 2006.

5.18 Request of M/s. CMora Cargotech Pvt. Ltd. for setting up a new unit in J Matadee FTWZ:

The proposal of M/s. CMora Cargotech Pvt. Ltd., for setting up their Warehousing Unit at J Matadee FTWZ, with a projected investment of ₹ 10 lakh and projected NFEE of ₹ 666 lakh over a period of 5 years with an employment generation for 6 people 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 meeting concluded with vote of thanks

(D ANANDAN)
DEVELOPMENT COMMISSIONER (I/C)