

Minutes of the 9th Meeting (2018 Series) of Unit Approval Committee in respect of SEZs & EOUs of Tamil Nadu, Puducherry, Andaman& Nicobar Islands held on 27.09.2018

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	Joint Development Commissioner, MEPZ-SEZ	Member
3	R. Anitha Nandhini, IFS	Dy. Development Commissioner, MEPZ-SEZ	Member
4	K.P. Karthikeyan, IAS	Director, Tamil Nadu Industrial Guidance & Export Promotion Bureau	Member
5	Krushikesh, ITS	Asst. DGFT, O/o ADGFT, Chennai.	Member
6	R. Vasudevan	Asst. Commissioner of Customs, Custom House	Member
7	K. Sridhar	Specified Officer, Coimbatore	Member
8	K. Ramesh	Asst. Commissioner of Customs (Preventive), Trichy.	Member
9	K. Harihara Subramanian, I.R.S.,	Asst. Commissioner, Air Customs, Air Cargo Complex, Chennai.	Member

The Unit Approval Committee confirmed and ratified the minutes of the UAC meeting held on 24.8.2018.

✓ **9.1 Request from M/s. VK Technosoft Solutions for setting up a new Unit :-**

The proposal of M/s. VK Technosoft Solutions, for setting up their Unit for IT/ITES at ETA Techno Park, Navalur with a projected investment of ₹ 25 lakh and projected NFEE of ₹ 1900 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.

✓ **9.2 Approval for leasing out of space to vendors by M/s. IG3 Infra Limited SEZ:-**

M/s. IG3 Infra Limited, Developer of IG3 Infra SEZ, Thoraipakkam have requested permission for leasing out of space to the following vendors, in Phase-II of the SEZ:-

Sl.No.	Type of Facility	Name of the Vendor	Area to be leased out
1	Creche	Minos Day Care	3200 Sq.ft.
2	Medical Stores	Palm Tree Health Care	231.96 Sq.ft.
3	Food Court Shop No.1	Radiance EP Pvt Limited	289.54 Sq.ft.

4	Food Court Shop No.2	Panchavatti Industries	286.64 Sq.ft.
5	Food Court Shop No.3	Juice Club	296.43 Sq.ft
6	Food Court Shop No.4	Samirthas	229.48 Sq.ft

The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal of the Developer for setting up the above facilities 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 these facilities.

9.3 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 ₹ 661.92 lakh (Import ₹ 66.57 lakh and Indigenous procurement ₹ 595.35 lakh) with a duty forgone value of ₹ 127 lakh for their authorised operations. 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.

9.4 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 have submitted for approval of Unit Approval Committee, another list of materials for an estimated value of ₹ 6,469 lakh (Import ₹ 532 lakh and Indigenous procurement ₹ 5,937 lakh) with a duty forgone value of ₹ 1,234 lakh for their authorised operations. 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.

9.4 Request of M/s. Urjitha Electronics Private Limited for Broadbanding:-

M/s. Urjitha Electronics Private Limited, a Unit in MEPZ-SEZ and whose authorised operation is manufacture and export of Miniature RF components have made the following requests for the consideration of the Unit Approval Committee:-

1) Sample Quality check of Raw Materials and Consumables:- The Unit is a major manufacturing facility for their parent company which requires quality raw materials and consumables. The Unit has proposed to carry out evaluation/inspection & testing of the samples of raw materials and consumables on return basis. Based on the efforts and time involved, the Unit will get paid in Foreign Exchange for these services. The request of the Unit was examined by the Unit Approval Committee. After deliberations, the

Committee approved the request of the Unit for inclusion of **Sample Quality Check of Raw materials and Consumables** under Service activity in their LOA as broadbanding of their authorised activity, 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 this activity and maintain separate accounts for the same.

2) Export of Wires used for manufacture of winding of transformers in electronic components:-

One of the current activities of the Unit is to procure wire, twist it and convert it into twisted wire which is used for winding of transformers, as a critical part in assembly. Now they have sought permission to export these twisted wires to their co-subsidiaries based on the direction of their parent company. They may get around \$ 10,000 per annum from the above activity. The request of the Unit for broadbanding of their authorised operation was examined by the Unit Approval Committee. After deliberations, the Committee approved the inclusion of **Export of Twisted Wires** in their Authorised Operations under broadbanding in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006.

3) Re-export and reuse of Packing materials:-

The Unit has stated that their products are miniature in size and are sensitive electronic items which needs to be transported following standard procedures. The Unit has also stated that they get the products from their co-subsidiaries in specially packed condition and that they need to send back the packing tubes to their suppliers so that the packing tubes can be used again for supplying the products to the Unit. The Unit has also stated that it would examine the packing tubes for its suitability for repacking before sending them back to their suppliers and that the Unit will be paid nominal charges for the said activity. The Unit has now requested for approval of the Unit Approval Committee for re-export/re-use of the packing materials and also for carrying out the activity of inspecting the packing tubes on receipt of nominal charges. The Unit Approval Committee examined the proposal and after detailed discussions, it was decided to approve the re-export of packing materials by the Unit to their suppliers subject to the condition that the invoice price for the supplies made by their suppliers do not include the cost of the packing materials. The Committee also approved the proposal of the Unit to carry out inspection of the packing tubes before re-exporting on receipt of nominal charges.

4) Repair and Recalibration of Equipments/Tools supplied by the Unit to their own DTA entities:-

The Unit has stated that they had supplied fixtures and tools to their 3 captive job work units in DTA for carrying out job work for the Unit and that these fixtures needs to be recalibrated from time to time and based on requirement needs to be repaired. The Unit has also stated that these fixtures and tools were sold to their DTA entities on payment of applicable duties. The Unit has now requested the Committee to approve their proposal to bring back the fixtures and tools from the DTA entities for the purpose of recalibration/repair. The Committee examined the proposal. After detailed discussions, it was noted by the Committee that Rule 49(2) of SEZ Rules, 2006 permits goods supplied by the Units to DTA on payment of duty to be brought back to the Unit for the purpose of repair within a period of 6 months from

the date of clearance or within such period as may be extended by the Specified Officer or within the warranty period whichever is later on payment of duty on the value of repairs subject to the condition that the identity of the goods is established to the satisfaction of the Specified Officer. The Committee advised the Unit to follow the procedure prescribed under Rule 49(2) for bringing back the fixtures and tools for recalibration/repair subject to the conditions specified in sub-rule and subject to payment of duty on the value of repairs/recalibration carried out by the Unit.

9.6 Slump sales of Existing SEZ Unit to another SEZ group company:-

M/s. Agile Electric Sub Assembly Pvt. Ltd. a unit in the MEPZ-SEZ have requested the approval of UAC for transfer by way of Slump Sales of its Export Division (SEZ unit) to M/s Igarashi Motors India Limited, another SEZ unit in MEPZ-SEZ(their own group company) through a Business Transfer Agreement. Important points of this proposal as submitted by the Unit are as follows:

- M/s. Agile Electric Sub Assembly Pvt. Ltd., is a Private Limited company in which M/s. Igarashi group is holding 76.45% of the Shares
- M/s. Igarashi Motors India Limited is a Public Limited Company, listed on National Stock Exchange and Bombay Stock Exchange., in which M/s. Agile Electric Sub Assembly Pvt. Ltd. is holding 44.01% of the Shares
- Both the companies are managed by single management. It was decided by the Group Management to transfer the Exports Division of M/s. Agile Electric Sub Assembly Pvt. Ltd.(SEZ unit) to M/s Igarashi Motors India Ltd by way of merger of M/s Agile Electric Sub Assembly Pvt Ltd with M/s Igarashi Motors India Ltd.
- However, due to the delay in getting approval from SEBI, the Board of Directors of the companies felt that transfer of Exports Division (SEZ unit) of M/s Agile Electric Sub Assembly Pvt Ltd. To M/s Igarashi Motors India Ltd can be met out through Slump Sales with the approval of shareholders of the company (Igarashi Motors).
- The shareholders have approved the acquisition of exports division of M/s Agile Electric Sub Assembly Pvt Ltd. through postal ballot on September 20,2018.
- Both the companies will undertake to abide by the terms and conditions mentioned in the Instruction No. 89 dt. 17/05/2018 issued by MOC&I, New Delhi.
- Consequent upon the slump sales, LOA No.8/37/2004/SEZ dated 30/01/2004 issued to M/s. Agile Electric Sub Assembly Pvt. Ltd., will cease to exist.
- Consequent upon the slump sales, the following authorised operations under the LOA No.8/37/2004/SEZ dated 30/01/2004 shall be included, under broadbanding, with LOA No.8/328/2003/SEZ dated 01/03/2003 issued to M/s. Igarashi Motors India Ltd. under.
 - 1) To manufacture sub-assemblies for universal motors both automotive and non-automotive application.

- 2) To manufacture precision parts, moulded parts, plastic components, Rubber components, Pressed parts and tooling for automotive and non-automotive application
 - 3) To provide product process technology, including design, engineering, drawing, proto type development, seals, testing, validation with respect to AC and DC motors, Transformers, its application, and modules viz. Machine building, Equipment building.
 - 4) To build and supply DC motors sub-assemblies.
 - 5) To manufacture motors for AHC covering all seat applications such as seat track, seat height, seat width, seat tilt, seat depth, backrest inclination and backrest width.
- M/s. Igarashi Motors India Ltd., have submitted a separate request for approval for broad banding to manufacture the above said items along with revised projections for the five year period 01/01/2018 to 31/12/2022.

The Units have requested the approval of the UAC for the following:

- a) Slump sales of Export Division (SEZ unit) of M/s. Agile Electric Sub Assembly Pvt. Ltd. to M/s. Igarashi Motors India Limited
- b) Cancellation of LOA No.8/37/2004/SEZ dated 30/01/2004 issued to M/s. Agile Electric Sub Assembly Private Limited
- c) Re-allotment of Plot Nos. A-34 (Phase-I), A-33 & A-36(Phase-I), Plot No.B-3 & B-4 (Phase-I), Plot B-16 (Phase-II, Plot No.A-17 & A-18 (Phase-II) to M/s. Igarashi Motors Ltd.
- d) Permitting the items approved in the LOA issued to M/s. Agile Electric Sub Assembly Pvt.Ltd. to be included, under broadbanding, in the LOA issued to M/s. Igarashi Motors Ltd. as additional items of authorised operations.

The above requests were examined by the Unit Approval Committee. After detailed examination and deliberations, the Committee approved the above requests of the Units in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006.

9.7 Change of name of the Implementing Agency :-

M/s. Dorma India Private Limited, a Unit in MEPZ-SEZ has requested for approval of change of name of their company from M/s. Dorma India Private Limited to M/s. Dormakaba India Private Limited. The Unit has submitted copies of Certificate of Incorporation and IEC incorporating the new name of the company. It has also submitted copies of PAN and GSTIN in the new name of the Company. The Company has submitted an Undertaking to take over the assets and liabilities of M/s. Dorma India Private Limited and they have also informed that there is no change in the Directors of the Company. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the change of name of the Implementing Agency from M/s. Dorma India Private Limited to M/s. Dormakaba India Private Limited in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006.

9.8 Request of M/s. Inga Pharmaceuticals for Broadbanding:-

M/s. Inga Pharmaceuticals, a Unit in MEPZ-SEZ have requested for inclusion of following products for inclusion in their authorised operations under broadbanding:-

- 1) IPECAC ORAL SOLUTION
- 2) NOSCAPINE BP/JP/USP/EP
- 3) TOLUBALSUM TINCTURE USP

The Unit has submitted copy of Drug Licence issued by the Director of Drug Control, Chennai and list of raw materials required for the production of the additional items along with the process flow chart. The Unit has stated that no additional Plant & Machinery is required for manufacture of these additional items. The request of the Unit was examined by the Unit Approval Committee. After deliberations, the Committee approved the request for inclusion of the above items under broadbanding in terms of the provisions contained in Rule 19(2) of SEZ Rules, subject to the condition that the Unit shall furnish the correct ITC HS Code for the above items.

9.9 Request from M/s. Wells Fargo EGS (India) Private Limited for setting up a new Unit :-

The proposal of M/s. Wells Fargo EGS (India) Private Limited, for setting up their ITES Unit for carrying out **Back Office processing** for their Parent Company, at SNP Infrastructure SEZ at Zameen Pallavaram with a projected investment of ₹ 5,485.78 lakh and projected NFEE of ₹ 59,833 lakh over a period of 5 years with an employment generation for 950 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.

9.10 Monitoring the performance of M/s. Enterprise Touch Private Limited:-

The performance of M/s. Enterprise Touch Private Limited, a unit in New Chennai Township SEZ for the year 2017-18 was reviewed by the Unit Approval Committee based on their APR in terms of Rule 54 of SEZ Rules, 2006. The Committee noted that the Unit has achieved a cumulative NFEE of ₹ 193.42 lakh at the end of 1st year in the 1st Five year Block period as against a Projection of ₹ 285 lakh. The Representative of the Unit informed the members that since they had started their operations in December 2017 and only 4 months of operations have been carried out in the current year under review(2017-18), there was shortfall in achievement of the export as projected by them. However, they have assured that they would do well in the years to come and would be able to achieve the projections given by them.

9.11 Monitoring the performance of 9 units in IG3 Infra SEZ:

The performance of the following 9 Units in IG3 Infra 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	Atos India Private Limited Unit-II	4 th Year in 2 nd Five Year Block	12,785
2	Avaap IT Solutions Private Limited	5 th Year in 1 st Five Year Block	1,967
3	Ford Business Services Centre Pvt Ltd	1 st Year in 3 rd Five Year Block	3,574
4	Hexaware Technologies BPS Unit	2 nd Year in 1 st Five Year Block	7,380
5	TCS Unit-I	2 nd Year in 3 rd Five Year Block	4,52,970
6	TCS Unit-II	3 rd Year in 2 nd Five Year Block	1,31,703
7	TCS Unit-III	1 st Year in 1 st Five Year Block	73,814
8	Vembu Technologies Private Limited	4 th Year in 1 st Five Year Block	4,208
9	QBrust Technology	1 st Year in 1 st Five Year Block	32

While the Committee noted that the cumulative NFEE of the units was positive, the ADC concerned has been asked to ascertain the reasons for the shortfall in employment against the projections given by M/s Avaap IT Solutions India Private Limited. The Representative of M/s. Vembu Technologies Private Limited informed that due to resignation of their marketing personnel, there was a shortfall in achievement of their export projections in their 3rd and 4th years. However, he has assured of improved performance in the 5th Year and achieving the export projections given by them. Similarly, on being questioned on the lower performance of M/s QBrust Technology, its Representative assured the members of improved performance in the years to come.

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

M/s. Infosys Limited, Co-Developer of the Mahindra World City SEZ for IT have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 1,323.33 lakh, to be Indigenously procured, with a duty forgone value of ₹ 238.20 lakh, for works/facilities related to their authorised operations, such as Chiller Plant, Education & Training Centre, Facility Blocks, Food Courts, Multi-level Vehicle Parking and Sewage Treatment Plant. 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.

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

M/s. Wipro Limited, Co-Developer of ELCOT-SEZ, Sholinganallur have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 22,464.67 lakh (Import: ₹5,003.59 lakh and Indigenous procurement: ₹ 17,461.08lakh) with a duty forgone value of ₹ 4,889.10 lakh for works



related to their authorised operations, ie., Civil Infrastructure for new SDB 9 & 10 and Multi Level Car Parking. 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

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

M/s. Wipro Limited, Co-Developer of ELCOT SEZ, Coimbatore have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 455.36 lakh (Import : ₹ 87.32 lakh and Indigenous procurement: ₹ 368.04 lakh) with a duty forgone value of ₹ 103.05 lakh for works related to their authorised operations, ie., Construction of SDB Block-2. 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.

9.15 Request from M/s. Wipro Limited for setting up a new Unit :-

The proposal of M/s. Wipro Limited, for setting up their Unit for IT/ITES at ELCOT-SEZ, Coimbatore with a projected investment of ₹ 2,250 lakh and projected NFEE of ₹ 27,056 lakh over a period of 5 years with an employment generation for 700 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.

9.16 Request from M/s. Ford Motor Private Limited, Co-Developer for procurement of materials:-

M/s. Ford Motor Private Limited, Co-Developer of ELCOT-SEZ, Sholinganallur have submitted for approval of Unit Approval Committee, a list of materials to be imported for an estimated value of ₹ 301.41 lakh with a duty forgone value of ₹ 124.13 lakh for works/facilities related to their authorised operations, ie., procurement of Solar Panels and Laying of Mateflex tennis flooring in the SEZ. 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.

9.17 Request from M/s. Nimble Wireless Private Limited for setting up their SEZ Unit:-

The proposal of M/s. Nimble Wireless Private Limited, for setting up their new SEZ Unit for IT/ITES and Electronic Hardware & Software at Span Ventures SEZ, Coimbatore with projected investment of ₹ 10 lakh and projected NFEE of ₹ 3,673.20 lakh over a period of 5 years with an employment generation for 700 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.

9.18 Request from M/s. TRIL Infopark Limited, Developer for procurement of materials:-

M/s. TRIL Infopark Limited, Developer of IT/ITES SEZ at Taramani, Chennai, have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 15.41 lakh,, to be indigenously procured, with a duty forgone value of ₹ 2.81 lakh for works related to the operation& maintenance of the Zone. 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 and subject to Power Guidelines issued by Department of Commerce in respect of Item No.78 of the Procurement list (procurement of 2000 KVA Diesel Generator with accessories).

9.19 Request of M/s. Tidel Park Coimbatore Limited for approval of Banking Operations and Food Court:-

M/s. Tidel Park Coimbatore Limited, Co-Developer of ELCOT-SEZ, Coimbatore have requested for approval of allotment of space for the following activities:

- (a) Banking Operations by HDFC Bank Limited in Module GF-2 (463 Sq.ft)
- (b) Setting up of Cake Shop by M/s. The Cake Park in their Food Court (580 Sq.ft).

The request of the Co-Developer was examined by the Committee. After deliberations, the Committee approved the same in terms of the Instruction No.50 dated 15th March 2018 issued by Ministry of Commerce subject to the condition that no duty free materials shall be allowed for setting up or operating of these facilities.

9.20 For information of the UAC about M/s. Vedanta SEZ, Tuticorin:

It is submitted to the Unit Approval Committee, that approval was granted to M/s. Vedanta Limited, the Developer of M/s. Vedanta SEZ to continue the civil construction activities by using only duty paid materials during the course of de-notification period by the UAC in its meeting held on 21.07.2017.

The Unit Approval Committee in its meeting held on 24.08.2018 decided that in view of the closure of the Unit by the State Government, the approval given by the Committee to M/s. Vedanta Limited for procurement of duty paid materials for carrying on with the construction activities during the course of de-notification period is no more relevant and therefore, shall be kept in abeyance till further orders. The Committee also directed the Authorised Officer of the Zone to verify the list of materials submitted by the Developer to ensure that these are procured without any duty exemption and submit a report within 10 days.

The Authorised Officer vide letter dated 11.09.2018 has submitted that due to the closure of the Unit by the State Government, he is unable to verify the documents as directed by the UAC. M/s. Vedanta Limited, the Developer vide their letter dated 07.09.2018 have conveyed their inability to provide the

documents and have sought some more time. They have also stated that they undertake to provide the required documents once they get access to their Administrative Building. The above information was noted by the Unit Approval Committee and taken on record.

9.21 Monitoring the performance of 10 units in Tidel Park SEZ, Coimbatore:

The performance of the following 10 Units in Tidel Park SEZ, Coimbatore 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	Texila Educational and Management Services Pvt Ltd	3 rd Year in 1 st Five Year Block	2,483
2	Skava Systems Pvt Ltd (Unit-II)	3 rd Year in 1 st Five Year Block	4,014
3	Skava Systems Pvt Ltd (Unit-I)	5 th Year in 1 st Five Year Block	15,683
4	Tuxfield Technologies Private Limited	1 st Year in 1 st Five Year Block	3
5	S & T Global Engineering Services Pvt Ltd	5 th Year in 1 st Five Year Block	4,850
6	Wipro Limited (Power Plant)	2 nd Year in 1 st Five Year Block	Nil
7	Visionary RCM Infotech (I) Pvt Ltd	3 rd Year in 1 st Five Year Block	15,522
8	GDKN Technologies India Pvt Ltd	2 nd Year in 1 st Five Year Block	258
9	SRJ Info Jnana System Pvt Ltd	3 rd Year in 1 st Five Year Block	1,595
10	Creoson Services Private Limited	2 nd Year in 1 st Five Year Block	170.63

While the Committee noted that the cumulative NFEE of the units was positive, the ADC concerned has been asked to ascertain the reasons from M/s. Texila Educational and Management Services Private Limited and M/s. GDKN Technologies India Private Limited for the shortfall in achievement of export, NFEE and employment against the projections given by them. The representative of M/s. Creoson Services Private Limited informed the Committee that since they spent lot of time in the initial 2 years for creating infrastructure for their Unit, they could not achieve the target. However, they have assured to improve their performance in the coming years. As regards power plant of M/s. Wipro Limited, the Unit Representative informed that they have not spent anything on procurement of materials for their power unit and also have not earned any revenue so far.

As regards the functioning of the Power Units approved by the Unit Approval Committee for various Developers, the Committee decided that the Authorised Officers of all the Zones should be asked to examine the functioning of the Power Units in their Zones established by the SEZ Developers under the Power Guidelines issued by Department of Commerce and furnish a report to the UAC in its next meeting.

9.22 Request of M/s. Jasmine Concrete Exports Private Limited for conversion of their DTA Unit to EOU:-

M/s. Jasmine Concrete Exports Private Limited, a DTA Unit engaged in manufacture and export of Extracts from Natural Flowers located at No.604/6, Jallipatti Pirivu, Jambudurai Kottai Village, Mettur Gate Post, Kodai Road, Dindigul have requested for conversion of their DTA Unit into EOU with a projected additional investment of ₹ 2,269 lakh and projected NFEE of ₹ 57,175 lakh over a period of 5 years with an employment generation for 57 persons. The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions contained in Para 6.19(a) of Foreign Trade Policy 2015-2020 read with Appendix 6-M of the Handbook of Procedures 2015-2020. The Committee also directed that the ADC concerned shall ensure submission of No Objection Certificate by the Unit from the Regional Authority (Addl. DGFT, Chennai) with regard to its pending Export Obligations against Advance Authorisation Licence.

9.23 Request from M/s. L & T MBDA Missile Systems Limited for setting up their SEZ Unit:-

The proposal of M/s. L&T MBDA Missile Systems Limited, for setting up their SEZ Unit for **Manufacture and Export of Launchers (Assembly, Integration and functional testing of Missile sub-systems and Missile Weapon Systems)** in Aspen Infra SEZ, Coimbatore, with a projected investment of ₹ 82,354 lakh and projected NFEE of ₹ 10,235 lakh over a period of 5 years with an employment generation for 70 persons was examined by the Unit Approval Committee. The Committee noted that as per the proceedings of the 83rd meeting of Board of Approval for SEZs held on 19.06.2018, it was decided that the proposal for grant of manufacture of Items covered under the Arms Act, 1959 by SEZ Units may be considered and approved by the Board of Approval, whereafter the Secretary, Department of Industrial Policy and Promotion would consider issuing the Licence under the Arms Act, 1959, Since the items proposed to be manufactured by M/s. L&T MBDA Missile System Limited falls under the purview of Arms Act, 1959, the Committee was of the view that the Unit shall obtain Licence under the Arms Act, 1959 from the Secretary, Department of Industrial Policy and Promotion through the Board of Approval. However, it was not sure as to whether the Unit should first obtain the Licence from the Secretary, Department of Industrial Policy and Promotion and then obtain LOA from the UAC or whether the UAC can grant the conditional approval for grant of LOA for setting up of the Unit and then obtain Licence from the Secretary, Department of Industrial Policy and Promotion. Since there is no clarity about this issue, it was felt that clarification may be sought from Department of Commerce in this regard. It was also decided that if DoC clarifies that the conditional LOA can be given by the UAC even before obtaining the Licence from the Secretary, Department of Industrial Policy and Promotion, then the conditional LOA may be given to the Unit since the Unit has satisfied the other eligibility conditions for setting up of the SEZ Unit. However if the DoC clarifies that the applicant should first obtain Licence from the Secretary, Department of Industrial

Policy and Promotion and only then the UAC can consider grant of LOA, then it was decided to advise the applicant to first approach the Board of Approval for grant of Licence under the Arms Act, 1959 by the Secretary, Department of Industrial Policy and Promotion.

9.24 Request from M/s. Mott MacDonald Private Limited for setting up their new SEZ Unit:-

The proposal of M/s. Mott MacDonald Private Limited, for setting up their new ITES SEZ Unit for **Back Office Processing for their parent company** at DLF Home Developers SEZ, Chennai with a projected investment of ₹ 75 lakh and projected NFEE of ₹ 3,476 lakh over a period of 5 years with an employment generation for 36 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.

9.25 Request from M/s. J. Matadee Free Trade Warehousing Zone, Developer for procurement of materials:-

M/s. J. Matadee Free Trade Warehousing Zone, Developer of FTWZ at Mannur have submitted for approval of UAC, a list of materials for an estimated value of ₹ 743.25 lakh (Import ₹ 56.78 lakh and Indigenous procurement ₹ 686.47) for construction of all Types of Buildings in Processing Area and Warehouses as a part of their authorised operations. 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.

9.26 Request from M/s. Wall Street English India Private Limited for the change in percentage of shareholding among the existing shareholders:-

M/s. Wall Street English India Private Limited, a Unit in DLF IT/ITES SEZ, Chennai have informed that there is a change in shareholding pattern due to increase in Share Capital of the Company. On account of infusion of investment by way of additional shares allotted among the existing shareholders, the revised Capital Structure as on date is given below:-

Sl.No.	Shareholders	No. of Share	Value of shares (₹10/- per share)	% of shareholding
1	Gamma Master China Limited	499	4990	0.07
2	WSE Hong Kong Limited	7,08,249	70,82,490	99.93

At the time of application for LOA, the following were the Capital Structure and Shareholding pattern:-

Sl.No.	Shareholders	No. of Share	Value of shares (₹10/- per share)	% of shareholding

1	Gamma Master China Limited	499	4990	49.90
2	WSE Hong Kong Limited	501	5010	50.10

The Unit has informed that this is merely an infusion of investment by way of additional shares and allotment of additional shares to the existing shareholders. The Committee approved the change in the Shareholding pattern of the Company under Instruction No. 89 dated 17th May 2018 issued by Department of Commerce.

9.27 Request from M/s. DLF Assets Private Limited, Co-Developer of DLF Home Developers SEZ for setting up of Kiosk:-

M/s. DLF Assets Private Limited, Co-Developer of DLF Home Developers, Chennai have sought approval for operating a Kiosk in the SEZ to allow E Commerce agencies [1) Amazon, 2) Flipkart, 3) Myntara, 4) Snapdeal to deliver couriers/packages to the employees working the SEZ, as an Employee Welfare measure.

The request of the Co-Developer was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Co-Developer for setting up of a Kiosk for the benefit of the employees working in the SEZ, under Instruction No. 50, subject to the condition that the Operators of the Kiosk shall not avail any duty benefits for setting up or operating the facility.

9.28 Request from M/s. Foxconn Technology (India) Private Limited for re-locating their Unit in the same SEZ:-

M/s. Foxconn Technology (India) Private Limited, a Unit in SIPCOT Hi-Tech SEZ, Sriperumbudur have requested for permission to re-locate/transfer their existing operating unit (LOA No.8/8/2007/Sipcot SEZ) from A07 Building to A05 Building First Floor within the same SEZ. It is further stated that proposed transfer of location will not lead to any change in their projections of Exports/NFEE.

A copy of consent letter dated 3.9.2018 from M/s. FIH India Developer Private Limited, Co-Developer of the SEZ has also been furnished. It is also mentioned that they would be renting out the space subject to the approval of the Unit Approval Committee. It may be noted that M/s. FIH India Private Limited, the other Unit in the SEZ is the current tenant. They have given their request for surrendering 8,880 Sq.mt which is also placed before the Unit Approval Committee for consideration.

The proposal of the unit M/s. Foxconn Technology (India) Private Limited for re-locating/transfer of their Unit to A05 Building First Floor (8,880 Sqmt) within the same SEZ was examined by the Unit Approval Committee. After deliberations, the Committee decided that the Unit may approach UAC for approval of change of area after the final exit of M/s. FIH India Private Limited from SEZ Scheme.

9.29 Request from M/s. FIH India Private Limited, a Unit in SIPCOT Hi-Tech SEZ, Sriperumbudur for surrender of space:-

M/s. FIH India Private Limited, a Unit in SIPCOT Hi-Tech SEZ, Sriperumbudur have made a request for surrendering of their operating area admeasuring 8,880 Sq.mt. The Unit was issued LOA on 30.03.2007 and commenced its operations on 7.4.2008. The Unit is in the process of exit from the SEZ Scheme and had recently reduced its area from 19,536 Sq.mt to 9,240 Sq.mt with the approval of Unit Approval Committee. After the said approval, the Unit's present operating space is reduced to 9,240 Sq.mt.

Their present request is for surrender of another 8,880 Sq.mt out of 9,240 Sq.mt and retaining the remaining area of 360 Sq.mt in the Ground Floor East Side. The remaining space will be utilised to store certain equipment and accessories. The request of the Unit was examined by the Unit Approval Committee. The Committee directed the Unit to expedite the process of final exit from the SEZ Scheme instead of surrendering the area on piecemeal basis.

9.30 Agenda for Cancellation of LOP of M/s. Saketh India Limited at Hosur:-

M/s. Saketh India Limited was issued LOP No.PER:11(90)/E.O.295(89)/Misc. dated 5.3.1990 by SIA, New Delhi for setting up 100% EOU at Hosur Industrial Complex, Dharmapuri District, Tamil Nadu for manufacture and export of Polished Granite Tiles and Polished Granite Monuments.

The Unit had obtained approval for renewal of LOP for the 5th Five Year period from 15.2.2011 to 14.2.2016. After execution of LUT, a Green Card No.2113/MEPZ was issued to the Unit with its validity up to 14.2.2016.

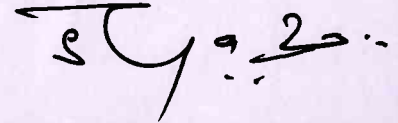
The Unit had not submitted Annual Performance Report for the financial years from 2012-13 to 2017-18(both online APR and CA certified APR). Moreover, after expiry of the LOP, the Unit has neither applied for renewal of LOP nor applied for exit from EOU Scheme. Since the Unit had not submitted APR for the years from 2012-13 to 2017-18, the NFEE could not be calculated. The Assistant Commissioner of Central Excise, Hosur-I Division, vide letter dated 10.03.2015 informed that the Unit is not functioning.

In view of the above, a Show Cause Notice dated 10.08.2018 was issued to the Unit to their Registered Office address and to their Managing Director and Executive Directors' residential addresses. All the letters have been returned as 'No Such person'.

The Show Cause notices were also issued through emails and the same has been returned undelivered. Several attempts were also made to contact the Unit or its representatives through phone numbers available in the file and also taken from website. But none of the phone numbers is in working condition.

The matter was examined by the Unit Approval Committee. After deliberations, the Committee decided that LOP issued to the Unit may be cancelled. It was also decided to inform the Jurisdictional Customs Authorities about the cancellation of the LOP and to ask them to take action for recovery of dues, if any, from the Unit and further necessary action, as deemed fit.

The meeting concluded with a vote of thanks.



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

The first part of the paper is devoted to the study of the properties of the function $f(x)$ which is defined by the equation $f(x) = \int_0^x f(t) dt$. It is shown that $f(x)$ is a continuous function and that it satisfies the differential equation $f'(x) = f(x)$. The second part of the paper is devoted to the study of the properties of the function $g(x)$ which is defined by the equation $g(x) = \int_0^x g(t) dt$. It is shown that $g(x)$ is a continuous function and that it satisfies the differential equation $g'(x) = g(x)$.

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The third part of the paper is devoted to the study of the properties of the function $h(x)$ which is defined by the equation $h(x) = \int_0^x h(t) dt$. It is shown that $h(x)$ is a continuous function and that it satisfies the differential equation $h'(x) = h(x)$.