

Minutes of the 15th Meeting of Unit Approval Committee (2020 Series) in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands held on 30.12.2020

The 15th Meeting of the UAC in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands was held on 30.12.2020 through Video Conferencing.

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	Balasubramanian. P	Dy. Development Commissioner, MEPZ SEZ	Member
4	Vikas Pal, IRS	Dy. Commissioner, Customs, MEPZ SEZ	Member
5	M. Divya, IRS	Dy. Commissioner (Customs), Chennai Customs, Chennai	Member
6	V. Kayalvizhi, IRS	Specified Officer, MEPZ SEZ, Chennai	Member
7	K. Sridhar, IRS	Specified Officer, Coimbatore	Member
8	N. Kannan	Company Secretary, Guidance, Industries Department, Govt. of Tamil Nadu, Chennai	Member
9	R. Sundara Raman	Asst. Director General of Foreign Trade, O/o Addl. DGFT, Chennai	Member

The Unit Approval Committee confirmed and ratified the minutes of the UAC meeting held on 16.12.2020.

15.1 Request of M/s. Unimoni Global Business Services Private Limited for surrender of space and acquiring of new space in the same SEZ

The request for approval for surrender of 37,628 Sq.ft in Block 2 on entire 1st Floor in DLF Info City Chennai Limited SEZ and acquiring new space of 4,405 Sq.ft in Ground Floor in Block-5 in the same SEZ by M/s. Unimoni Global Business Services Private Limited was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit in view of the reasons stated by them.

15.2 Monitoring the performance of 2 Units in SIPCOT Growth Centre SEZ, Oragadam

The performance of the following 2 Units in SIPCOT Growth Centre SEZ, Oragadam for the year 2019-20 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	NFEE (₹ in Lakh)
1	Vishay Precision Transducers India Pvt Ltd	4 th Year in the 2 nd Five Year Block	42,006
2	Lohmann Adhesive Tapes India Pvt Ltd	2 nd Year in the 3 rd Five Year Block	(-) 3,839

R. Shanmuga Sundaram

While M/s. Vishay Precision Transducers India Private Limited have achieved positive NFEE at the end of the period under review, the Committee wanted the ADC concerned to ascertain the reasons for the shortfall in achievement of exports, NFEE and employment from M/s. Lohmann Adhesive Tapes India Private Limited.

15.3 Monitoring the performance of 2 Units in SIPCOT Hi-Tech SEZ, Sriperumbudur

The performance of the following 2 Units in SIPCOT Hi-Tech SEZ, Sriperumbudur for the year 2019-20 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	NFEE (₹ in Lakh)
1	High Valley Insulations Pvt Ltd	2 nd Year in the 2 nd Five Year Block	459
2	FIH India Developer Pvt Ltd	2 nd Year in the 1 st Five Year Block	492

While the Committee noted that the cumulative NFEE of the Units was positive, the ADC was asked to find out the reasons for the shortfall in achievement of exports and NFEE from both the Units.

15.4 Monitoring the performance of 3 Units in DLF Inco City Chennai Limited SEZ, Chennai

The performance of the following 3 Units in DLF Inco City Chennai Limited SEZ for the year 2019-20 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	NFEE (₹ in Lakh)
1	Matrixcare India Pvt Ltd	4 th Year in the 1 st Five Year Block	4,610
2	WPP Marketing Communications India Pvt Ltd	2 nd Year in the 1 st Five Year Block	5,169
3	Societe Generale Global Solutions Pvt Ltd	1 st Year in the 2 nd Five Year Block	11,982

The Committee noted that the cumulative NFE was positive in respect of all the units.

15.5 Request from M/s. Objectfrontier India Private Limited for setting up an SEZ Unit in IG3 Infra SEZ

The proposal of M/s Objectfrontier India Private Limited, for setting up their unit in IG3 Infra Limited SEZ, Thoraipakkam for 'IT/ITES (Software Development and IT Enabled Services)' with a projected investment of ₹ 470 lakh and projected NFEE of ₹ 3,209 lakh over a period of 5 years with an employment generation for 1,020 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.

R. d. m.

15.6 Request of M/s. Renault Nissan Technology Business Centre India Private Limited for merger of Units II and III with Unit-I

M/s. Renault Nissan Technology Business Centre India Private Limited having 3 Units in Mahindra World City SES has requested to merge their Units II and III with Unit-I.

The Unit-I had obtained LOA on 17.10.2007 and commenced its activities on 20.03.2008. The Unit is currently in their 3rd Year of the 3rd Five Year Block.

The Unit-II had obtained LOA on 5.3.2012 and commenced its activities on 15.07.2012. The Unit is currently in their 4th Year of the 2nd Five Year Block.

The Unit-III had obtained LOA on 28.2.2017 and commenced its activities on 1.7.2017. The Unit is currently in the 4th Year of the 1st Five Year Block.

The Unit has submitted the following reasons for their merger:

- 1) The three units were started at different intervals since 2008.
- 2) Recently Government has announced the new Income Tax Rates with a condition to forgo all tax benefits including 10AA. However, companies can choose existing tax regime by availing tax benefits or choose new rates at their choice.
- 3) After analysing the impact, they have chosen new tax rate which is beneficial to them.

All the 3 Units have submitted their APR for the period 2019-20 and have achieved positive NFFEE.

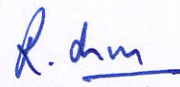
The request of the Unit for merger of their Units II and III with Unit-I was examined by the Unit Approval Committee. After deliberations, the Committee approved the same.

15.7 Request of M/s. Zoho Corporation Private Limited for setting up a Dormitory in the SEZ premises

M/s. Zoho Corporation Private Limited, having an SEZ Unit located in Estancia IT Park Private Limited SEZ, Potheri has requested permission for setting up Dormitories in their SEZ premises. The Unit has made following submissions in this regard.

a) M/s. Zoho Corporation Private Limited, a multinational group is engaged in developing software products for infrastructure management and cloud computing. They have provided employment to nearly 8,000 people who work out of their facility in the SEZ.

b) Due to outbreak of COVID-19 across the world, they have made it mandatory to their employees across locations to work remotely unless it is absolutely essential for the employees to be physically present in the office.



c) Now they have opened up their office campus providing their employees an option to work from office on need basis. They anticipate that their employees would opt for resuming work from office in the near future.

d) The employees are based in various locations (outside Chennai) who are settled in the vicinity for commuting to work. However, in the present situation, they are proposing to set up dormitories within the campus for the usage of their employees who will work from office. Their endeavour is to ensure that their employees have a friendly and safe work environment and to enable them stay motivated during these tough times of the pandemic.

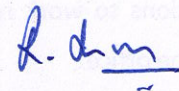
e) They will set up the dormitories in several locations/buildings within the campus and the same may not be in a particular building as they plan to have the facilities closer to the work location of the employees.

The request of the Unit for setting up Dormitories in the SEZ premises was examined by the Unit Approval Committee. The Committee noted that vide Instruction No. 95 dated 11th June 2019, the Department of Commerce has allowed setting up of Cafeteria, Crèche, Gymnasium and similar facilities in the premises of the Unit for the exclusive use of such Units subject to the following conditions:

- (a) The facilities as envisaged under the proviso to Rule 11(5) of the SEZ Rules could also be created by a Unit for its exclusive use subject to obtaining a NOC from the Developer as well as necessary NOCs/clearances/approvals from the relevant statutory authorities.
- (b) The Units shall not be eligible for any exemptions, drawback, concessions or any other benefit available under Section 7 or Section 26 of the SEZ Act, for creating or operating such facilities

The Committee also noted that under proviso to Rule 11(5) of the SEZ Rules, Canteens, public telephone booths, First Aid Centres, Creche and such other facilities as may be required for the exclusive use of the Units may be set up in the Processing Area of the Zone.

Therefore, under the provisions of Instruction No. 95 read with Rule 11(5) of the SEZ Rules 2006, the Committee approved the request of M/s Zoho Corporation Private Limited to set up Dormitories (considered as 'other facilities' as per Instruction No. 95) within the premises of the Unit for the exclusive use of its employees subject to the conditions specified under Instruction No. 95.



15.8 Monitoring the performance of 5 Units in CHIL-SEZ, Coimbatore

The performance of the following 5 Units in CHIL SEZ, Coimbatore for the year 2019-20 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	NFEE (₹ in Lakh)
1	Robert Bosch Engineering & Business Solutions Private Limited	2 nd Year in the 3 rd Five Year Block	2,22,293
2	Hella India Automotive Private Limited	3 rd Year in the 1 st Five Year Block	7,759
3	Logix Health Solutions Private Limited	4 th Year in the 1 st Five Year Block	9,819
4	Ebix Software India Private Limited	5 th Year in the 2 nd Five Year Block	7,464
5	Carboline (India) Private Limited	1 st Year in the 1 st Five Year lock	--

While the Committee noted that the cumulative NFEE of the Units was positive, the ADC concerned was asked to find out the reasons for the shortfall in achievement of exports, NFEE and employment from M/s. Logix Health Solutions Private Limited and M/s. Ebix Software India Private Limited. The Committee also observed that M/s. Carboline (India) Private Limited have started their operations only on 16.03.2020 and their performance can be taken up for monitoring in the next year.

15.9 Monitoring the performance of Tata Consultancy Services Limited in their 2nd SEZ at Siruseri

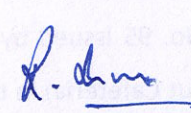
The Committee noted that M/s. Tata Consultancy Services Limited, having an SEZ Unit in their 2nd SEZ at Siruseri have started their operations only on 27.03.2020 and hence, their performance can be taken up for monitoring in the next year. The Committee also decided that monitoring the performance of the Units which have started their operations in the last quarter of the financial year need not be taken up for review in that financial year and can be monitored in the next financial year.

15.10 Monitoring the performance of 2 Units in TCS-SEZ, Siruseri

The performance of the following 2 Units in TCS SEZ, Siruseri for the year 2019-20 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	NFEE (₹ in Lakh)
1	Tata Consultancy Services Limited, Unit-II	3 rd Year in the 3 rd Five Year Block	21,25,547
2	Tata Consultancy Services Limited, Unit-II	5 th Year in the 2 nd Five Year Block	32,06,444

The Committee noted that the cumulative NFEE of both the Units was positive at the end of the period under review.



15.11 Monitoring the performance of 8 Units in J. Matadee Free Trade Warehousing Zone, Sriperumbudur

The performance of the following 8 Units in J. Matadee Free Trade Warehousing Zone, Sriperumbudur for the year 2018-19 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	NFEE (₹ in Lakh)
1	DHL Logistics Private Limited	4 th Year in the 2 nd Five Year Block	18,295
2	TVS Toyata Tsusho Supply Chain Solutions Ltd	4 th Year in the 1 st Five Year Block	550
3	Seaways Shipping Logistics Limited	5 th Year in the 1 st Five Year Block	4,025
4	FM Global Logistics India Private Limited	4 th Year in the 1 st Five Year Block	450
5	Kerry Indev Logistics Private Limited	1 st Year in the 2 nd Five Year Block	3,831
6	OECL Shipping and Logistics Private Limited	1 st Year in the 1 st Five Year Block	32
7	LOM Supply Chain India Private Limited	5 th Year in the 1 st Five Year Block	1,628
8	V Unit	1 st Year in the 1 st Five Year Block	0

The Committee noted that the cumulative NFEE of all the Units was positive at the end of the period under review. The Committee decided that ADC concerned may ascertain the reasons for the shortfall in achievement of exports, NFEE and employment from M/s. Seaways Shipping Logistics Limited, M/s. FM Global Logistics India Private Limited and abysmal performance from M/s. V Unit.

15.12 Request from M/s. Astromar Logistics Private Limited in J. Matadee Free Trade Warehousing Zone, Sriperumbudur

The proposal of **M/s Astromar Logistics Private Limited**, for setting up their unit in J. Matadee Free Trade Warehousing Zone, Sriperumbudur for 'Trading, Warehousing Services including Value Added Services such as labelling, packing or repacking' with a projected investment of ₹ 26 lakh and projected NFEE of ₹ 292 lakh over a period of 5 years with an employment generation for 12 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 Committee also decided that LOA may be issued to the Unit only after they furnish a copy of IEC to this office.

15.13 Request of M/s. Redington Gulf FZE for approval of Dining facility in the Processing Area

M/s. Redington Gulf FZE, having an SEZ Unit in Gateway Office Parks SEZ, Perungalathur has submitted a request for approval of the Dining facility provided to their employees in their Unit under Instruction No. 95 issued by DoC. In this regard, they have stated that they are providing dining facility alone (without Cafeteria) in their office premises to their employees in an area of 3,586 Sq.ft. The Unit has

submitted No Objection Certificate dated 3.11.2020 from the Developer for setting up this facility. The Unit has also stated that they are having this facility since November 2012. The Unit has further stated that they have not availed any SEZ benefits for setting up this facility.

The Unit's request for regularising the Dining facility under Instruction No.95 issued by Department of Commerce was examined by the Unit Approval Committee. The Committee noted that Instruction No. 95 allows setting up of Cafeteria, Gym, Crèche and similar facilities in the premises of the Unit for the exclusive use of the Unit subject to the condition that the Unit shall not be eligible for any exemptions, drawback, concessions or any other benefit available under Section 7 or Section 26 of the SEZ Act, for creating or operating such facilities.

In this case, the Unit has provided only Dining facility to its employees without setting up a Cafeteria. The Committee also noted that there are many Units under MEPZ SEZ which have provided Dining facilities alone (without Kitchen/Cafeteria) for their employees to have their food brought from home. Providing such a Dining facility is a basic essential requirement for the employees since consuming food from the work desk is not advisable. Bringing the Dining facility (without Kitchen/Cafeteria) under Instruction No. 95 would result in the Unit becoming ineligible for any benefits under the SEZ Act. Therefore, the Committee decided to take up this matter with the DoC to allow such Dining facility (without Kitchen/Cafeteria) within the premises of the Unit by availing the benefits under the SEZ Act.

In view of this, the Committee decided to defer this proposal for now and to take appropriate decision after receiving clarification from DoC.

15.14 Request from M/s. Acidus Management Solutions Private Limited for setting up a Unit in ELCOT-SEZ, Tidel Park, Coimbatore

The proposal of **M/s Acidus Management Solutions Private Limited**, for setting up a new SEZ unit at ELCOT-SEZ, Tidel Park, Coimbatore for "IT/ITES" with a projected investment of ₹ 22 lakh and projected NFEE of ₹ 170 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.

15.15 Request from M/s. V Unit in NDR Infra FTWZ, Nandiyambakkam Village, Minjur, Ponneri

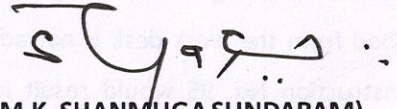
The proposal of **M/s V Unit**, for setting up a new SEZ Unit in NDR Infra FTWZ, Nandiyambakkam Village, Minjur, Ponneri Taluk, Tiruvallur for "Warehousing Services including Value Added Services such as labelling, packing or repacking" with a projected investment of ₹ 24 lakh and projected NFEE of ₹ 267 lakh over a period of 5 years with an employment generation for 12 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 Committee also decided that LOA may be issued to the Unit only after the registration of the Partnership firm with the Registrar of Firms.

15.16 Request from M/s. Sai Krishna Logistics in NDR Infra FTWZ, Nandiyambakkam Village, Minjur, Ponneri

The proposal of **M/s Sai Krishna Logistics**, for setting up a new SEZ Unit in NDR Infra FTWZ, Nandiyambakkam Village, Minjur, Ponneri Taluk, Tiruvallur for 'Warehousing & Logistic Services including permissible Value Added Services' with a projected investment of ₹ 30 lakh and projected NFEE of ₹ 349 lakh over a period of 5 years with an employment generation for 15 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 Committee also decided that LOA may be issued to the Unit after they furnish a copy of IEC to this office.

The meeting concluded with a Vote of thanks with the information that the next UAC meeting will be held on 12th January 2021.



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