

Minutes of the 6th Meeting of Unit Approval Committee (2020 Series) in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands held on 17.08.2020

The 6th Meeting of the UAC in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands was held on 17.08.2020 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	Vikas Paul, IRS	Dy. Commissioner, Customs, MEPZ SEZ	Member
4	Balasubramanian P	Dy. Development Commissioner, MEPZ SEZ	Member
5	Ms. Divya, IRS	Deputy Commissioner (Customs)	Member
6	V. Kayalvizhi	Specified Officer, MEPZ SEZ	Member
7	N. Kannan	Company Secretary, Tamil Nadu Industrial Guidance & Export Promotion Bureau, Chennai	Member
8	S. Sundara Raman	Asst. Director General of Foreign Trade, O/o Addl. DGFT, Chennai.	Member
9	R. Mahendran	Asst. Commissioner of Customs, Air Cargo, Meenambakkam, Chennai-27	Member

The Unit Approval Committee confirmed and ratified the minutes of the UAC meeting held on 30.07.2020.

6.1 Request from M/s. Visaka Industries Limited for setting up a new Unit in Mahindra World City SEZ for Apparels and Fashion Accessories, Chengalpattu

The proposal of M/s. Visaka Industries Limited, for setting up a Unit in Mahindra World City SEZ for Apparels and Fashion Accessories, Chengalpattu for **“Manufacturing Fibre Cement Sheets (V-Boards) HSN code-68118200 – other sheets, tiles, panels, etc. non-containing asbestos”** (Authorised Operation) with a projected investment of ₹ 4,100 lakh and projected NFFEE of ₹ 5,628 lakh over a period of 5 years with an employment generation for 50 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.



6.2 Merger of two LOAs of M/s. Proadapt Solutions Private Limited

M/s. Proadapt Solutions Private Limited has been issued with two LOAs. Unit-I with vide LOA No. 8/15/2013/IG3 SEZ dated 4.2.2014 for BPO and ITES Service Activity and Unit-II with LOA No. 8/17/2015/IG3SEZ dated 27.04.2015 for providing ITES Service Activity respectively.

Now M/s. Proadapt Solutions Private Limited have approached this office for merger of their Unit-II LOA with that of Unit-I due to administrative reasons.. The Unit-I & II had started their Commercial Production w.e.f. 28.07.2014 and 11.8.2015 respectively. Both the units have achieved positive NFEE up to March 2020.

M/s. Proadapt Solutions Private Limited has submitted an undertaking to the effect that the Unit –I will take over the assets & liabilities of Unit-II.

M/s. Proadapt Solutions Private Limited Unit-I has also submitted the revised projections consequent to merger.

The request of M/s. Proadapt Solutions Private Limited for merging their Unit-II with Unit-I was examined by the Unit Approval Committee. After deliberations, the Committee approved the same in terms of provisions contained in para 19(2) (b) of SEZ Rules, 2006. The LoA of Unit-II is cancelled and the Unit after the merger shall have the LoA validity up to 27.07.2024.

6.3 Request of M/s. Amazon Development Centre India Private Limited for setting up a Pantry/Cafeteria Services

M/s. Amazon Development Centre India Private Limited, having a Unit in the Perungudi Real Estate P. Ltd. SEZ have proposed to set up a **Cafeteria** in the 19th Floor with an area of 48,150 sq.ft and in the 20th Floor with an area of 48,990 sq.ft. exclusively for the use of the employees working in the Unit.

The unit is having a leased building space at Tower A, 10th to 12th Floor and 14th to 28th Floor in the SEZ.

The unit has informed that they propose to run a cafeteria in the said area of the SEZ where pre-cooked food will be sourced from nearly 12 restaurants viz. Saravana Bhavan, Phoenix, Aishwarya, etc. exclusively to be served to the employees of their Unit. The unit further informed that the pantry has facilities to heat the pre-cooked foods like snacks, tiffin and other eatables sourced from various restaurants. The unit also informed that the caterers will pay all taxes for the foods served to the employees of the unit.

The unit has informed that the unit will not charge any rent or fees from the caterers and necessary electricity, water and housekeeping facilities will be provided to the caterers.

The unit further informed that the cafeteria will have fire alarm, fire detection, prevention and protection systems as prescribed by the National Building code.

The Authorised Officer of the SEZ has inspected the premises and submitted NOC for setting up the Pantry/ Cafeteria services.

The proposal of the unit to set up Pantry/ Cafeteria services to provide pre-cooked foods exclusively for their employees in a total space of 97,140 Sq.Ft. in the 19th and 20th floor of the SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for setting up a Pantry/Cafeteria Service in terms of Instruction 95 dated 11.6.2019 issued by Ministry of Commerce & Industry, New Delhi , subject to the condition that the Unit does not avail any Duty/Tax exemption in setting up or operating the Cafeteria.

6.4 Renewal of LOA in respect of M/s. Integra Software Services Private Limited, a Unit in IG3 Infra SEZ for their 2nd Five Year Block period:

M/s. Integra Software Services Private Limited, a Unit in IG3 Infra SEZ, Thoraipakkam was issued Letter of Approval vide No.8/19/2015-IG3 SEZ dated 2.6.2015 for providing "Service Activities, viz., IT and IT Enabled Services." The Unit started its commercial production on 01.10.2005.

Now, the Unit has submitted an application on 03.08.2020 for renewal of Letter of Approval for the 2nd Block of five year period from 1.10.2020 to 30.09.2025, i.e., less than 2 months before the expiry of its 3rd Five Year Block.

As per amendment to SEZ Rules, 2006 dated 19.09.2018 issued by Department of Commerce, an SEZ Unit shall apply for renewal of LOA at least 2 months before the expiry of its LOA, failing which such cases will be placed before the Unit Approval Committee for consideration. In the instant case, the Unit had applied for renewal on 03.08.2020, while their LOA is expiring on 30.09.2020. The Unit has achieved an NFFEE of ₹ 6,270 lakh during the 1st Five Year Block Period.

The request of M/s Integra Software Services Private Private Limited for renewal of their LOA for the 2nd Five Year Block Period from 01.10.2020 to 30.09.2025 was examined by the Unit Approval Committee. After deliberations, the Committee condoned the delay in submission of the request of the renewal of LOA by the Unit and decided to renew their LOA for the 2nd Five Year Block Period from 01.10.2020 to 30.09.2025.

6.5 Request of M/s. Caterpillar India Private Limited for acquiring additional space

The request for approval for acquiring additional space of 23,910 sq. ft in the 1st Floor of Tower A in Perungudi Real Estates SEZ, by M/s. Caterpillar India 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. Caterpillar India Private Limited in view of the reasons stated by them.

6.6 Request of M/s. Enterprise Touch Private Limited for acquiring additional space

The request for approval for acquiring additional space of 5,724 sq.ft in the same floor area (i.e) Adjacent to the existing space in Tower 1, Amirta IT Park, New Chennai Township Multi Services SEZ, by M/s. Enterprise Touch 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. Enterprise Touch Private Limited in view of the reasons stated by them.

6.7 Change of Shareholding pattern by M/s. Coda Software Solutions Private Limited

M/s. Coda Software Solutions Private Limited having a Unit in the India Land Tech Park Private Limited, CHIL SEZ Coimbatore having LOA No. 8/3/2020/CHIL-SEZ dated 12/03/2020. Their LOA is valid upto 30/03/2025. They have informed that they have changed the share holding pattern of the company and have given the details of Shareholders before the Change and After the Change.

The request for change in the Share Holding pattern by M/s. Coda Software Solutions Private Limited was examined by the Unit Approval Committee. After deliberations, the Committee approved the same in terms of Instruction No.89 dated 17.05.2018 issued by Department of Commerce.

6.8 Request of M/s. Attar Mohamed Dawood & Company for Broadbanding its authorised operations

M/s. Attar Mohamed Dawood & Company was issued LOA No.8/569/2003/SEZ dated 11/04/2003 for manufacture and export of "Attars, Perfumery Compounds Fragrance (EDT,EDP), Essential Oils Agarbathis, Dhoop Powder, Bakhur Incense, Hair Oil, Cream Talc, Cosmetic & Toiletries etc". The Date of Commencement of Production is 01/01/2003. The validity of LOA is up to 31/12/2022. The Unit has now requested for broadbanding its authorised operations to include Trading in the following items:

Sl.No.	Name of the Item	HSN CODE	Annual Capacity
1.	Non-Woven packing Bags	63053900	50000 Pcs
2.	Non Corrugated Boxes	48191010	50000 Pcs

The unit has informed that there is no change in the projections of Exports & NFE even after broadbanding. As per the SEZ Rules 2006, the unit has to maintain separate account for trading & should earn foreign currency.

The proposal of the unit for broadbanding its authorised operations to include Trading in the aforementioned items was examined by the Unit Approval Committee. After deliberations, the Committee approved the Proposal in terms of Para 19(2) of SEZ Rules 2006 subject to the condition that the Unit shall maintain separate accounts for the Trading activity.

6.9 Merger of Two Units of M/s. Infosys Limited in ELCOT-SEZ, Coimbatore.

Consequent upon the Business Transfer Agreement between M/s. Skava Systems Pvt. Ltd. and M/s Infosys Limited, which was approved by the Unit Approval Committee in its meeting held on 17th July 2020, the ownership of the two SEZ Units of M/s Skava Systems Pvt Ltd in ELCOT SEZ, Coimbatore were changed to M/s. Infosys Limited. Now, M/s Infosys Limited have requested permission for merger of the Unit-II having No. LOA No.8/37/2015/ELCOT-SEZ/Tidel-CBE dated 06.08.2015 with that of Unit-I having LOA No. 8/9/2012-Tdl.Park/Elcot SEZ/ CBE dated 04.09.2012.

The Unit-I had started their commercial production w.e.f. 07/03/2013 and Unit-II has started their commercial production w.e.f 22.10.2015. The authorised operations allowed for both the Units are IT/ITES (Mobile Web Applications- Software Services) and both the Units have achieved positive NFEE. The Company has also submitted the revised projections after the merger of the two Units.

The request of M/s. Infosys Limited for merger of their Unit-II with Unit-I was examined by the Unit Approval Committee. After deliberations, the Committee approved the same in terms of provisions contained in Rule 19(2) of SEZ Rules, 2006. The LoA of Unit-II is cancelled and the Unit after the merger shall have the LoA validity up to 06.03.2023.

6.10 Renewal of LOA in respect of M/s. Air Filter System for their 4th Five Year Block period

M/s. Air Filter System was issued Letter of Approval vide No.8/73/2005/SEZ dated 07.03.2005 for manufacturing of "Non Woven Filter Media in Rolls, 150m long, Non Woven Filter Media Laminated with Metal Mesh, 275m". The Unit started its commercial production on 19.08.2005.

Now, the Unit has submitted an application on 30.07.2020 for renewal of Letter of Approval for the 4th Block of five year period from 19.08.2020 to 17.08.2025. As per amendment to SEZ Rules, 2006 dated 19.09.2018 issued by Department of Commerce, an SEZ Unit shall apply for renewal of LOA at least 2 months before the expiry of its LOA, failing which such cases will be placed before the Unit Approval Committee for consideration. In the instant case, the Unit had applied for renewal on 30.07.2020, while the validity of LOA is to expire on 18.08.2020, ie., less than two months before expiry of its LOA. The Unit has achieved an NFEE of ₹ 607 lakh during the 3rd Five Year Block Period.

The request of M/s. Air Filter System for renewal of their LOA for the 4th Five Year Block Period from 19.08.2020 to 17.08.2025 was examined by the Unit Approval Committee. After deliberations, the

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Committee condoned the delay in submission of the request of the renewal of LOA by the Unit and approved the renewal of their LOA for the 4th Five Year Block Period from 19.08.2020 to 17.08.2025.

6.11 Request of M/s. Yercaud Granites Pvt Ltd (EOU) for importing the rough Granite block as a free issue materials

M/s. Yercaud Granites Pvt Ltd (EOU), Madhurandhagam was issued LOP Vide No. A/2013/07/EOU-TN for manufacturing and export of Monuments made of Granite, Marble, Limestone and Travertine. The DCP of the Unit is 23.09.2013. The LOP is valid upto 22.9.2023.

Now, the Unit has intimated that their buyers want to send rough granite blocks (raw material as free issue) as import to India supported with the invoice mentioning the value only for commercial purpose for processing in M/s Yercaud Granites Pvt Ltd (EOU) at Madhurandhagam and get back the finished monuments as exports from India. The EOU would raise the processing charges alone in their Invoice to their customers.

The Unit has stated that due to Covid -19 issues, it is facing difficulties in getting the granite blocks (raw materials) locally and to overcome the financial crunch, the Unit is interested to accept the free issue raw materials from the buyers as proposed. The unit has requested permission for the import and processing of free-issue material as stated above in addition to their authorised operations.

Para 6.01 (d) (i) of FTP 2015-2020 states that, 'Unit shall also be permitted to import goods including capital goods required for approved activity free of cost or on loan/lease from clients. Import of capital goods will be on a self-certification basis. Goods imported by a unit shall be with actual user condition and shall be utilised for export production'.

The request of the EOU for importing and processing free issue raw materials (Rough Granite Blocks) was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit in terms of Para 6.01 (d) (i), subject to the conditions specified therein. Further the Committee instructed that the import of Rough Granite Blocks by the Unit would be subject to the Restrictions/Prohibitions, if any, as imposed by DGFT.

6.12 Request of M/s. CCCL Pearl City Food Port SEZ for procurement of Diesel from CPCL

M/s. CCCL Pearl City Food Port SEZ Limited, Developer of Pearl City Food Port SEZ, Tuticorin have requested permission for procurement of 12000 Litres of Diesel from M/s CPCL (C/o Indian Oil Corporation) without payment of taxes and duties for storage and distribution to the units for the default authorised operations in the SEZ. The Developer has submitted the details of the previous procurement, the actual

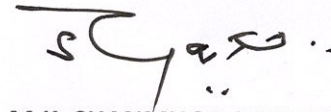
usage and the balance quantity of the diesel. They have also submitted Chartered Engineer Certificate in support of consumption of Diesel already issued.

The request of the Developer for procurement of 12,000 Litres of Diesel was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Developer to procure 12,000 Litres of duty free Diesel from M/s CPCL (C/o Indian Oil Corporation) in terms of Rule 27(1) of SEZ Rules, 2006 and Instruction No.50 dated 15th March 2010 issued by Department of Commerce. However, the Committee instructed that the Approval Letter shall be issued only after receipt of Chartered Engineer Certificate certifying the present requirement of Diesel for Authorised Operations.

6.13 Request of M/s. Zan Computech India Private Limited for surrender of space

The request for approval for surrendering 20 seats in Modules DC-40 to TIDEL Park Coimbatore Limited, Co-developer of ELCOT-SEZ, Coimbatore by M/s. Zan Computech Private Private Limited, an SEZ Unit in the SEZ 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.

The meeting concluded with a Vote of Thanks and with the information that the next meeting will be held on 31st August 2020.



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