

Minutes of the 4th Meeting of Unit Approval Committee (2020 Series) in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands held on 17.07.2020

The 4th Meeting of the UAC in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands was held on 17.07.2020 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	R. Anitha Nandhini, IFS	Dy. Development Commissioner, MEPZ SEZ	Member
4	Balasubramanian P	Dy. Development Commissioner, MEPZ SEZ	Member
5	M Divya , IRS	Deputy Commissioner (Customs), Chennai Customs, Chennai	Member
6	N. Kannan	Company Secretary, Tamil Nadu Industrial Guidance & Export Promotion Bureau, Chennai	Member
7	V. Kayalvizhi	Specified Officer, MEPZ SEZ	Member
8	S. 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 26.06.2020.

4.1 Request for approval of additional Specified Service by M/s. Horiaki India Private Limited

M/s. Horiaki India Private Limited, a Unit in MEPZ SEZ has sought the approval of the UAC to include 'Leasing of Motor Vehicles with/without operators' as an additional input service to avail exemption of IGST under the SEZ Rules for their authorised operations. The Unit has given justification that they are using Leased Cars/Vehicles for (1) Transportation of staff regularly to and from the Unit and (2) Transportation of Goods and thus the leasing of cars/vehicles will reduce the expenses and regular maintenance as the same will be covered under the lease.

The Committee was informed that this service had already been approved by the Unit Approval Committee to M/s. Renault Nissan Technology and Business Centre India Private Limited, a SEZ Unit in Mahindra World City SEZ for Auto Ancillaries.

R. Anitha

The request of the Unit was examined by the Unit Approval Committee. After deliberations, the Committee decided to approve the additional input service 'Leasing of Motor Vehicles with/without operators' for availing IGST exemption strictly for the authorised operations of the SEZ Unit.

4.2 Request from M/s. Brakes India Private Limited for inclusion of additional product under Broad banding

M/s. Brakes India Private Limited was issued a LOA No.8/18/2006/Mahindra SEZ dated 17.07.2006 for manufacture and export of Lined Shoe Assembly, Air Caliper Housing Assembly, Piston Housing Assembly and Drum Brake Assembly.

Now, the Unit has requested permission to broadband its authorised operations to manufacture 'Actuating Disc Machining' (HS Code 87083000). The Unit has also informed that at present due to excess manpower available and to utilise the idle capacity of machineries, they may be able to produce new product with the available infrastructure. The Unit has also confirmed that due to inclusion of this new product, there will be no change in the projections given by them. The Unit has also informed that they shall adhere to the environmental and pollution control norms.

The request of the Unit was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for broad banding in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006.

4.3 Request of M/s. DHL Information Services (India) LLP for acquiring additional space

The request for approval for acquiring additional space of 31,554 sq.ft in Module 6, warm shell – Magnum Block in 10th Floor in IG3 Infra SEZ, Thoraipakkam by M/s. DHL Information Services (India) LLP was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. DHL Information Services (India) LLP in view of the reasons stated by them.

4.4 Request from M/s. Perungudi Real Estates Private Limited for procurement of materials

M/s. Perungudi Real Estates Private Limited, Developer of Perungudi Real Estates SEZ, Perungudi, have submitted for approval of the Unit Approval Committee a list of materials (all indigenous) for a value of ₹ 107.27 lakh with a duty forgone value of ₹ 19.31 lakh to be procured for providing infrastructure facilities in the SEZ, as part of 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 materials in terms of provisions contained in Rule 12(2) of SEZ Rules, 2006.



4.5 Request of M/s. Wells Fargo EGS (India) Private Limited for surrender of space

The request for approval for surrendering 31,554 sq.ft space to the Developer by M/s. Wells Fargo EGS (India) Private Limited in the IG3 Infra SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the surrender of space by M/s. Wells Fargo EGS (India) Private Limited, in view of the reasons stated by them.

4.6 Approval for setting up of Special Lab Facility by M/s. Robert Bosch Engineering and Business Solutions Pvt Ltd

M/s. Robert Bosch Engineering and Business Solutions Pvt Ltd was issued LOA No.8/1/2007/CHIL SEZ for IT/ITES and their LOA is valid up to 01.09.2023. The present request is for setting up a special lab facility (non-magnetic wooden house) within their exiting CHIL SEZ campus for testing the components and hardware in a magnetic interference free area to support their customer project. They are setting up a wooden house construction for this lab facility in 140.5 sqm (approx 1,600 sq.ft) in the open area within their CHIL Campus as part of their authorised operations. The planned cost for setting up of wooden house lab facility will be approximately ₹ 80 lakh (items are going to be procured locally for constructing this wooden house lab facility) which will be used for their Authorised Operations.

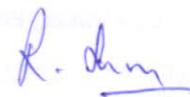
The request of the Unit for setting up of special lab facility (non-magnetic wooden house) within their campus by M/s. Robert Bosch Engineering and Business Solutions Private Limited was examined by the Unit Approval Committee. After deliberations, the Committee approved the same.

4.7 Renewal of LOA in respect of M/s. Tata Consultancy Services Limited - Unit II for their 3rd Five Year Block period

M/s. Tata Consultancy Services Limited, Unit-II was issued Letter of Approval vide No.8/2/2011/TCS-SEZ II dated 14.07.2010 for providing IT/IT Enabled Services in TCS SEZ, Siruseri. The Unit started its commercial production on 20.08.2010.

Now, the Unit has, on 24.06.2020, submitted an application for renewal of Letter of Approval for the 3rd Block of five year period from 20.08.2020 to 19.08.2025, i.e., less than 2 months before the expiry of its 2nd 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 24.06.2020, while their LOA is expiring on 19.08.2020. The Unit has achieved an NFEE of ₹ 32,06,445 lakh during the 2nd Five Year Block Period.



The request of M/s. Tata Consultancy Services Limited, Unit II for renewal of their LOA for the 3rd Five Year Block Period from 20.08.2020 to 19.08.2025 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 3rd Five Year Block Period from 20.08.2020 to 19.07.2025.

4.8 Renewal of LOA in respect of M/s. Syntel Private Limited for 3rd Five Year period from 24.08.2020 to 23.08.2025

M/s. Syntel Private Limited was issued Letter of Approval No. STPIC/SEZ/D002/U072/09/10/893 dated 22.03.2020 for setting up a Unit for providing IT/IT Enabled Services in Syntel International SEZ, Siruseri for IT. The Unit started its commercial production on 24.08.2010.

Now, the Unit has, on 27.06.2020, submitted an application for renewal of Letter of Approval for the 3rd Block of five-year period from 24.08.2020 to 23.08.2025, i.e., less than 2 months before expiry of its 2nd Five Year Block Period.

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 the 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 27.06.2020, while their LOA is expiring on 23.08.2020. The Unit has achieved an NFEE of ₹ 49,106 lakh during their 2nd Five Year Block Period.

The request of M/s. Syntel Private Limited for renewal of their LOA for the 3rd Five Year Period from 24.08.2020 to 23.08.2025 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 3rd Five Year Block Period from 24.08.2020 to 23.08.2025.

4.9 Monitoring the Half Yearly Report of M/s. Honeywell Technology Solutions Lab Pvt. Ltd

The Half Yearly Report submitted by M/s. Honeywell Technology Solutions Lab Private Limited, Co-Developer of TIDEL PARK, ELCOT-SEZ, Ilandhaikulam, Madurai for the period from October 2019 to March 2020 was reviewed by the Committee and the same was taken on record.

4.10 Change of Name of Company from M/s. BDS Vircon Private Limited to M/s. DBM Vircon Services (India) Private Limited

M/s. BDS Vircon Private Limited, a Company having an SEZ Unit in DLF Info City Chennai Limited SEZ was issued LOA No.8/186/2019-DLF SEZ dated 13.01.2020.

The company vide letter dated 22.06.2020 and Email dated 02.07.2020 has informed that they have changed the name of their company from M/s. BDS Vircon Private Limited to M/s. DBM Vircon Services (India) Private Limited. The change of name had been approved by their Board of Directors and also by the Registrar of Companies, Chennai. In this connection, they have submitted the following documents:

- 1) Copy of LOA issued to the SEZ Unit on 13.01.2020.
- 2) Board resolution for change in the name of the Company.
- 3) Certificate of Incorporation pursuant to change of name from M/s. BDS Vircon Private Limited.
- 4) Income Tax Pan Number in the new name of the company, viz M/s. DBM Vircon Services (India) Private Limited.
- 5) Copy of Shareholding Pattern of the new company.
- 6) Copy of IEC No.AAHCB6295L dated 10.07.2020
- 7) List of directors.
- 8) Memorandum and Articles of Association in the new name of the company.
- 9) Undertaking from the Unit for taking over the Assets and Liabilities consequent on the name change.

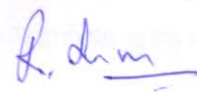
The proposal of the Unit for change of name from M/s. BDS Vircon Private Limited to M/s. DBM Vircon Services (India) Private Limited was examined by the Unit Approval Committee. After deliberations, the Committee approved the same in terms of provisions contained in Rule 19(2) of SEZ Rules, 2006.

4.11 Renewal of LOA in respect of M/s. Larsen & Toubro Infotech Limited for 2nd Five Year period from 19.08.2020 to 18.08.2025

M/s. Larsen & Toubro Limited Infotech Limited was issued LOA No.8/68/DLF/PVT.SEZ/2013 dated 17.10.2013 for providing IT and IT Enabled Services in DLF Info City Chennai Limited SEZ, Chennai. The Unit has commenced its operations on 19.08.2015.

Now, the Unit has, on 29.06.2020, submitted an application for renewal of Letter of Approval for the 2nd Block of five-year period from 19.08.2020 to 18.08.2025, i.e., less than 2 months before expiry of its 2nd Five Year Block Period.

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 the 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 26.06.2020, while their LOA is expiring on 18.08.2020.

The Unit has achieved an NFEE of ₹ 17,275 lakh during their 1st Five Year Block Period as per the CA certified APRs.

The request of M/s. Larsen & Toubro Infotech Limited for renewal of their LOA for the 2nd Five Year Period from 19.08.2020 to 18.08.2025 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 19.08.2020 to 18.08.2025.

4.12 Request of M/s. Mentor Printing and Logistics Private Limited to store Duty Deferred Import Shipment at SEZ Unit and clearance into DTA

M/s. Mentor Printing and Logistics Private Limited, a Unit in Plot No. DV/2, SIPCOT Hi-Tech SEZ, Sriperumbudur, Kancheepuram District was issued LOA and subsequent broad banding permissions to carry out the following activities:

- a) Service Activities: Support Services viz., Offset Printing of Retail boxes/instruction manuals, leaflets, booklets, brochures and for supply and assembling of package products, packing materials, CDs and DVDs (including cloning) as per MEPZ Letter No.8/26/ 2009/SIPCOT SEZ dated 02.09.2009.
- b) For undertaking Service/Logistics Activities including Warehousing and Trading as per MEPZ Letter dated 8/26/2009/SIPCOT SEZ dated 05.05.2010.
- c) Extending Service/Trading to DTA customers permitted vide MEPZ Letter No.8/26/2009/SIPCOT SEZ dated 05.08.2016.
- d) Service activities such as labelling, re-labelling, assorted packing of various approved products, BIS labelling, packing/re-packing related to warehousing and trading of IT/Telecommunication products permitted vide letter dated 31.10.2019.
- e) The items Wax Candles, Tapers, Glassware Jar, Iron, Tin, Ceramic Jar and Polypropylene Boxes approved for trading vide letter dated 03.02.2020.

Now, the Unit has requested for permission to serve as the custodian for importing Photo paper for one of their customers which is located in the DTA. The Unit will import the products with the IEC and AD Code of the Customer.

The Unit has further stated that their unit located in SEZ will receive the goods and the same would be warehoused. Subsequently, the imported goods/Photo paper will be shipped to the Customer located in the DTA after paying the import duty, IGST and other applicable Taxes/Duties.



The proposal of the Unit was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for providing warehousing services for storing Photo Paper for their DTA clients in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006 subject to the condition that the Unit shall receive foreign exchange for this service activity.

4.13 Renewal of LOA in respect of M/s. Lycatel BPO Private Limited for 3rd Five Year period from 01.04.2020 to 31.03.2025

M/s. Lycatel BPO Private Limited was issued LOA No. STPIC/SEZ/D007/C001/U005/08-09/826 dated 09.02.2009 for providing IT and IT Enabled Services in DLF Info City Chennai Limited SEZ, Chennai. The Unit has commenced its commercial operations on 01.04.2010.

Now, the Unit has, on 29.06.2020, submitted an application for renewal of Letter of Approval for the 3rd Block of five-year period from 01.04.2020 to 31.03.2025, i.e., nearly 3 months after the expiry of its 2nd Five Year Block Period.

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 the 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 29.06.2020, while their LOA expired on 31.03.2020.

The Unit has achieved an NFEE of ₹ 1,00,31 lakh during their 2nd Five Year Block Period as per the CA certified APRs.

The Unit has stated that in view of the unforeseen COVID-19 Lock down and delay occurred in getting their internal approvals, there was a delay in submission of the application for renewal of the LOA.

In view of the outbreak of COVID-19, the consequent lockdown announced by the Government and in accordance with the direction given by DoC vide their letter dated 30.03.2020, the LOA issued to the Unit has temporarily been extended up to 30.06.2020 as approved by the Development Commissioner.

The request of M/s. Lycatel BPO Private Limited for renewal of their LOA for the 3rd Five Year Period from 01.04.2020 to 31.03.2025 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 3rd Five Year Block Period from 01.04.2020 to 31.03.2025.

4.14 Change in Share-holding pattern in respect of M/s. AG Resources India Private Limited

M/s. AG Resources India Private Limited is a Company having an SEZ Unit in the TIDEL PARK, ELCOT SEZ Coimbatore having LOA No. 8/7/2012/Tidel Park /ELCOTSEZ/CBE dated 01.10.2012. Their LOA is valid up to 30.09.2022.

The Unit informed that there is a change in the share holding pattern of the company. In this regard the Unit has furnished the following details.

The present shareholding pattern of the company is as below:

Sl. No	Name and Address of the Share Holders	Type of Shares	No of Shares	% of holding	Amount Per share
1.	M/s. Evan ELon Green, So. Norman Erwin Green 2770 S, Las Vegas Blvd, # 3908, Las Vega, NV 89109 USA	Equity	1	0.01	10
2.	M/s. AGR Manila Operations Inc., 6 th Floor, Aeon Centre Building North Bridegay Ave, Alabang Metro Manila 1781, Philippines	Equity	1	0.01	10
3.	M/s. Eclipse Global Holding LLC, 8601, Ranch Road, 2222, Building One, Suit 450, Austin TX 78730, USA		9998	99.98	10
Total			10,000	100%	10

The proposed change of shareholding pattern of the company is as below:

Sl. No	Name and Address of the Share Holders	Type of Shares	No of Shares	% of holding	Amount Per share
1.	M/s. Evan ELon Green So. Norman Erwin Green 2770 S, Las Vegas Blvd, # 3908, Las Vega, NV 89109 USA	Equity	1	0.01	10
2.	M/s. AGR Manila Operations Inc. 6 th Floor, Aeon Centre Building North Bridegay Ave, Alabang Metro Manila 1781, Philippines	Equity	1	0.01	10
3.	M/s. Personiv Contact Centers LLC, 8601, Ranch Road, 2222, Building One, Suit 450, Austin TX 78730, USA		9998	99.98	10
Total			10,000	100%	10

The request of the Unit for approval of change in the shareholding pattern of the company was examined by the Unit Approval Committee. After deliberations, the Committee approved the change in the shareholding pattern of the company in terms of Instruction No.90 dated 03.08.2018 issued by Department of Commerce.

4.15 Request of M/s. EY Global Delivery Services India LLP for acquiring additional space

The request for approval for acquiring additional space of 29,017 Sq.ft on part of 8th Floor in Block 3 in DLF Info City Chennai Limited SEZ by M/s. EY Global Delivery Services India LLP was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. EY Global Delivery Services India LLP in view of the reasons stated by them.

4.16 Request of M/s. Ernst & Young LLP – Global Shared Services Division for surrender of space


The request for approval for surrendering 29,017 sq.ft of space on part of the 8th Floor in Block 3 of DLF Info City Chennai Limited SEZ to the Developer by M/s. Ernst & Young LLP-Global Shared Services Division was examined by the Unit Approval Committee. After deliberations, the Committee approved the surrender of space by M/s. Ernst & Young LLP-Global Shared Services Division, in view of the reasons stated by them.

4.17 Request of M/s. Imedoc Software India Private Limited for name change

M/s. Imedoc Software India Private Limited, is a company having an SEZ unit in ELCOT,SEZ. Tidel Park Coimbatore vide LOA No.8/12/2020/ELCOT-SEZ/TP/CBE dated 28/02/2020 and the Unit had declared DCP on 01.04.2020. Now the Unit has requested for approval for change of name of the company from M/s. Imedoc Software India Private Limited to M/s. Imeddoc Software India Private Limited. In this regard they have submitted the following documents:-

- Copy of ROC certificate incorporating the change of name of the company.
- Copy of List of Directors prior to and after the name change.
- Copy of Board Resolution
- A Letter of Undertaking to the effect that all the assets & Liabilities of M/s. Imedoc Software India Private Limited will be taken over by M/s. Imeddoc Software India Private Limited.

From the documents furnished, it is found that there is no change in the Directors and in the pattern of shareholding. The Unit has also informed that the paid up capital of the Company has been increased from ₹ 1,00,000 to ₹ 18,76,750. The Unit is presently in their 1st Five Year Block Period from 01/04/2020 to 31/03/2025.



The request of the Unit for name change from M/s. Imedoc Software India Private Limited to M/s. Imeddoc Software India Private Limited was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for name change in terms of provisions contained in Instruction No.89 dated 17.05.2018 and clarification dated 03.08.2018 issued by Department of Commerce.

4.18 Request from the Developer, ELCOT-SEZ, Vadapalanji, Madurai for handing over their IT Building inside the SEZ to the District Disaster Management Authority, Madurai for establishment of COVID Care Centre

A copy of the letter dated 09.07.2020 from MD, ELCOT addressed to The Chairman, District Disaster Management Authority and District Collector, Madurai has been received by the DC's Office. As a Developer of the IT/ITES SEZ at Vadapalanji, Madurai, they have responded to the letter received from the District Collector, Madurai regarding permission to establish COVID Care Centre in the Buildings located in the SEZ. ELCOT has informed the District Collector, Madurai that the SEZ being a notified area, they need to get permission from the DC, MEPZ SEZ before handing over the building for the said purpose and to inform the following units inside the SEZ:

1. M/s. Neeyamo Enterprise Solutions Pvt. Ltd.;
2. M/s. Neeyamoworks Technologies Pvt. Ltd.;
3. M/s. DBI Digitalization and Implementation Ltd; and
4. M/s. ChainSys Software Export Pvt. Ltd.

It is also seen that ELCOT has given their consent for the establishment of COVID Care Centre for a maximum period of 3 (three) months subject to the approval of the DC, MEPZ SEZ and the consent of the allottee companies.

Though there is no provision in the SEZ Act and Rules, for granting such permission, under Section 34(a) read with Section 65 of the Disaster Management Act, 2005, the District Authority can take over any resources including premises available with any Government Department or local authority in the District for the purpose of Disaster Management. Further Section 72 has given an overriding effect to the Disaster Management Act over other Acts/Laws. Accordingly, it can be inferred that the Disaster Management Act, 2005 would have an overriding effect on the SEZ Act and Rules, 2005. Further, the existing four units may be requested to make use of the provision for 'Work From Home', for a period of 3 months under Rule 43(d)(i) of SEZ Rules, amended in 2019.

In view of the above and the increasing pandemic situation in and around Madurai, the request of the District Administration, Madurai and the Developer was examined by the Unit Approval Committee.

After deliberations, the Committee approved the request of the Developer for handing over the building in the ELCOT SEZ, Vadapalanji, Madurai to the District Disaster Management Authority, Madurai for establishment of COVID Care Centre for a period of 3 months only, subject to making alternative arrangements to the aforementioned 4 SEZ Units.

4.19 Request for approval of Business Transfer Agreement by M/s. Skava Systems Private Limited

M/s. Skava Systems Private Limited, having two SEZ Units (Unit-I and Unit-II) functioning in TIDEL Park, ELCOT SEZ, Coimbatore, have submitted a request for approval of Business Transfer Agreement in accordance with Instruction No.89 and Instruction No.90 issued by the Department of Commerce, New Delhi.

The Unit informed that with a view to promote the ease of doing business, they would like to re-organise and enter into a Business Transfer Agreement with M/s. Infosys Limited, Bangalore, their Parent Company, to transfer their SEZ Unit situated at TIDEL Park, Coimbatore.

Further, M/s. Skava Systems Private Limited has given an undertaking that the Unit will continue to be an SEZ Unit and shall not opt out or exit out of the SEZ Scheme as per the conditions mentioned in Instruction 89 of Department of commerce, New Delhi. The Unit has also informed that they would abide by the Rules and Regulations of SEZ in force and issued from time to time.

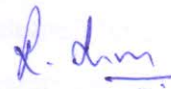
In this connection, the following documents have been submitted:

- a) Certificate of incorporation of both Companies.
- b) Memorandum and Articles of Association of both Companies.
- c) List of Directors.
- d) Address proof of Directors.
- e) Copy of Business Transfer Agreement duly regd/notarized by the Notary Public.
- f) Copy of Board resolutions for change in the Business Transfer Agreement.

The request of M/s. Skava Systems Private Limited, Unit I and Unit-II was examined by the Unit Approval Committee. After deliberations, the Committee approved the Business Transfer Agreement to transfer the SEZ Units at ELCOT SEZ, Coimbatore, to M/s. Infosys Limited, Bangalore in terms of the instruction No.89 issued by Department of Commerce.

4.20 Request for additional Specified services in respect of M/s. HCL Technologies Limited

M/s. HCL Technologies Limited having SEZ Units in Chennai and Madurai have sought the approval of the UAC to include the following two Services to avail exemption of IGST under the SEZ Rules for the authorised operations of these SEZ Units:



- 1) Promotion or marketing of service provided by the client.
- 2) Provision of service on behalf of the Client.

The Company has stated that they are engaged in the business of Software/Software Products and providing services to overseas clients,

- that they have engaged overseas vendors in carrying out certain promotion and marketing activities for the Software/Software products/Services which are developed/owned by the SEZ units,
- that such promotional/marketing activities will help the Company in getting export orders for their Software products/Services and that for providing these services by their vendors, the company is required to pay service charge.

The Company has further stated that the services of the vendors are exclusively for the SEZ Units and do not in any way relate to their DTA Units.

The Unit Approval Committee examined the request of the Unit in detail. After deliberations, the Committee approved the inclusion of the service 'Promotion or marketing of service provided by the client' as an additional service for availing exemption from payment of IGST under the broad category of 'Business Auxiliary Services', subject to the condition that the services availed by the Units shall be exclusively for the authorised operations of the Units.

As regards the provision of service on behalf of the client, the Company has stated that it relates to the service offered by the vendors engaged by the Company for business visa processing and complying with various procedural formalities for the overseas travel of the Company employees. In the UAC meeting held on 26.06.2020, the Company was already allowed an additional service, i.e., 'Travel Agent Services for foreign travels' related to authorised operations of the SEZ Units. Since the service requested now by the Company for processing of visa is similar to that of Travel Agent Service, the Committee decided that the present request of the Company can be covered under the service already approved by the Committee in its meeting held on 26.06.2020.

4.21 Change of name of the implementing agency due to Business Transfer Agreement

M/s. Trianz Holding Private Limited, a unit functioning in M/s Gateway Office Parks SEZ, Perungalathur, Chennai -600 063, have submitted a request for approval of Business Transfer Agreement and Change in the Implementing Agency of the unit from M/s. Trianz Holdings Private Limited to M/s. Novaark Digital Consulting Private Limited in accordance with Instruction No. 89 and Instruction No.90 issued by the Department of Commerce, Govt. of India.



They have stated that the main reason for the restructuring of business is that majority of their customers are in US. Due to COVID, the perspective of the clients is taking a new trend and the clients are more inclined towards sharing business opportunities to companies head quartered in US so that economic environment of their vendors is not different from that of theirs. The restructuring is primarily to ensure that there is no loss in the business due to changing client dynamics in light of COVID.

M/s. Novaark Digital Consulting Pvt. Ltd., the transferee unit, has given an Undertaking to take over all the assets and liabilities of M/s. Trianz Holding Pvt. Ltd. on such reorganisation and NFEE obligations will be achieved at the stipulated time.

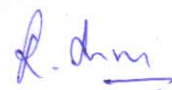
In this connection, they have submitted the following documents:

1. Certificate of incorporation of both units.
2. Memorandum and Articles of Association of both units.
3. List of Directors.
4. Address proof of Directors.
5. Copy of Business Transfer Agreement duly signed by them.
6. Copy of Board resolutions for change in the Business Transfer Agreement.

The request of the Unit for change in the Implementing Agency of the SEZ Unit due to the Business Transfer Agreement was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit as per Instruction No.89 and 90 issued by Department of Commerce.

4.22 Request from M/s. Integrated Chennai Business Park (India) Private Limited for procurement of materials

M/s. Integrated Chennai Business Park (India) Private Limited, Developer of Integrated Chennai Business Private Limited Free Trade & Warehousing Zone located in Vallur & Edayanchavadi Villages, Ponneri Taluk, Tiruvallur district have submitted for approval of the Unit Approval Committee a list of indigenous materials for a value of ₹ 70,638 lakh with a duty forgone value of ₹ 12,714 lakh and imported materials for a value of ₹ 14,550 lakh with a duty forgone value of ₹ 4,510 lakh to be procured for Development, Construction and Operation and Maintenance of FTWZ Warehouses, buildings, road, Container Stations, Gen Sets, UPS Engineering, Maintenance including electrical and mechanical works, heating, ventilation and air condition (HVAC) Systems, Internet connection, Fire Detection & alarm systems, water supply, storm drainage and sewage disposal, building upkeep hall, parking area utility area, garbage and scrap disposal, horticulture, pest control, façade cleaning services, security service, fire & life safety measures in the SEZ, as part of 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 materials in terms of provisions contained in Rule 12(2) of SEZ Rules, 2006.

4.23 Renewal of LOA in respect of M/s. MMG Impex, Unit-II for 2nd Five Year period from 01.06.2020 to 31.052025

M/s. MMG Impex, Unit-II, a Unit located in MEPZ SEZ has submitted an application for renewal of their LOA.

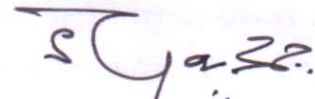
The Unit had obtained LOA vide No.8/171/2013/SEZ dated 20.10.2014 for manufacture and export of 'Sandalwood Handicrafts, Sandalwood Machine made products, Sandalwood Chips and Powder & Sandalwood flakes/Scrap & waste'. The Unit started its commercial production on 01.06.2015.

Now, the Unit has, on 14.07.2020, submitted an application for renewal of Letter of Approval for the 2nd Block of five-year period from 01.06.2020 to 31.05.2025, i.e., nearly 2 months after expiry of its 1st Five Year Block Period.

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 the 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 14.07.2020, while their LOA expired on 31.052020. The Unit has achieved an NFEE of ₹ 3,421 lakh during their 1st Five Year Block Period.

The request of M/s. MMG Impex, Unit-II for renewal of their LOA for the 2nd Five Year Period from 01.06.2020 to 31.05.2025 was examined by the Unit Approval Committee. After deliberations, the Unit Approval Committee condoned the delay in submission of the request for renewal of LOA by the Unit and decided to renew their LOA for the 2nd Five Year Block Period from 01.06.2020 to 31.05.2025.

The meeting concluded with a Vote of Thanks.



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