

**Minutes of the 7<sup>th</sup> Meeting of Unit Approval Committee (2020 Series) in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands held on 31.08.2020**

The 7<sup>th</sup> Meeting of the UAC in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands was held on 31.08.2020 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	Vikas Pal, IRS	Dy. Commissioner, Customs, MEPZ SEZ	Member
3	Balasubramanian P	Dy. Development Commissioner, MEPZ SEZ	Member
4	V. Kayalvizhi	Specified Officer, MEPZ SEZ	Member
5	N. Kannan	Company Secretary, Tamil Nadu Industrial Guidance & Export Promotion Bureau, Chennai	Member
6	S. Sundara Raman	Asst. Director General of Foreign Trade, O/o Addl. DGFT, Chennai.	Member
7	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 17.08.2020.

**7.1 Request of M/s. Quintessence Business Solutions and Services Private Limited for surrender of space**

The request for approval for surrendering 77 seats in Modules DC-02, 03, 08 & 09 to TIDEL Park Coimbatore Limited, Co-developer of ELCOT SEZ, Coimbatore by **M/s. Quintessence Business Solutions and Services 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.

**7.2 Agenda Item No.7.2: Request for LOA Cancellation of LOA issued to M/s. MSteel Detailing Services**

**M/s. MSteel Detailing Services**, a Unit in ELCOT SEZ at Viswanathapuram in Hosur having LOA No. 8/4/2019-ELCOT SEZ/HOSUR, dated 19/03/2019 has requested for cancellation of their LOA. In this regard, the Unit stated that due to unexpected circumstances the foreign vendor, who had promised to give the projects, was not in a position to award the project to the Unit resulting in their inability to proceed further with the project. The Unit also stated that they have not carried out any business/transaction after allotment and not even occupied the allotted space so far. In this regard, they have submitted the following documents:



- ✓ Copy of in-principle allotment of space cancellation letter from the Developer.
- ✓ Copy of NOC from the Developer through email.
- ✓ Comments from the concerned Authorised Officer stated that they have not carried out any business/transaction after allotment.

From the AO comments, it is found that the Unit has not carried out any business transaction after allotment of space and not occupied the allotted space.

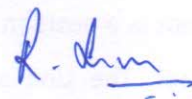
The request of the Unit for cancellation of the LOA was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit to cancel the LOA issued to it in view of the fact that they have neither occupied the space allotted to them nor carried out any business transaction as certified by the Authorised Officer.

### 7.3 Agenda Item No.7.3: Permission for Trading activities

**M/s. APA Engineering Private Limited**, an SEZ Unit in MEPZ SEZ was issued LOA No.8/18/2003/SEZ dated 25/07/2003 for Software Development & Manufacturing and Trading of Auto parts, Engine parts, Brake, clutch parts, accessories, etc. The present request is for 'trading' of the following items under broad banding and the list of items along with their ITC HS code is given below. The Unit has informed that there is no change in the projection.

Sl. No.	Name of the Item	HSN CODE	Annual Capacity
1.	Alkaline or carbon-zinc 9 volt battery	85068090	1lakh pcs in each category.
2.	Power Chain LED Power Adapter – 24 VDC – 60W	85044090	
3.	Magnifier Glass	90131090	

The proposal of the Unit for inclusion of additional items in their LOA for trading was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for trading of the above items under broad banding in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006 subject to the condition that the Unit shall maintain separate accounts for the trading activity and shall earn foreign exchange for the same. The Committee also instructed that the Unit shall obtain certificate for trading of Alkaline or carbon-Zinc 9 Volt battery from the Bureau of Indian Standards.





**7.4 Agenda Item No. 7.4: Broad banding permission**

**M/s. East Wind Footwear Company Limited - Unit II** was issued LOA vide No.8/3/2011/Cheyar SEZ dated 23.05.2011 for manufacture and export of 'Footwear' in the SEZ. They started their production activities on 30.04.2012.

Now, the Unit has requested permission to include manufacture of 'Branded Footwear of Lace Up Shoes, Slip on Shoes, Boot, Strap made up of leather, including partly processed footwear and sub-assemblies and components of footwear' with a capacity of 89,200 pairs under broad banding in the LOA.

In this regard, the Unit has informed that there is no change in their Foreign Exchange projections as the additional activity is not of very significant value. The Unit has also submitted a write up for the additional products.

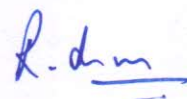
The request of the Unit for inclusion of additional items viz. 'Branded Footwear of Lace Up Shoes, Slip on Shoes, Boot, Strap made up of leather, including partly processed footwear and sub-assemblies and components of footwear' in the LOA under Broadbanding was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit to include additional items 'Branded Footwear of Lace Up Shoes, Slip on Shoes, Boot, Strap made up of leather including partly processed footwear and sub-assemblies and components of footwear' with a capacity of 89,2000 pairs in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006.

**7.5 Request of M/s. Atos Global IT Solutions and Services Private Limited, Unit-I for surrender of space**

The request for approval for surrendering 16,971 sq.ft. at 5<sup>th</sup> Floor, B-Wing, SDB-3, H-7 & H-8 to Syntel SEZ, Siruseri, Developer of SEZ by **M/s. Atos Global IT Solutions and Services Private Limited (Unit-I)**, an SEZ Unit in the SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit since it has stated that they would aim to optimise its resources by accommodating more people in the downsized area and increase exports.

**7.6 Request of M/s. Atos Global IT Solutions and Services Private Limited, Unit-II for acquiring additional space**

The request for approval for acquiring additional space of 16,971 sq.ft at 5<sup>th</sup> Floor, B-Wing, SDB-3, H-7 & H-8 from the Developer M/s. Syntel SEZ, Siruseri, by **M/s. Atos Global IT Solutions and Services Private Limited, (Unit-II)**, an SEZ Unit in the SEZ, was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. Atos Global IT Solutions and Services Private Limited, Unit-II in view of the reasons stated by them.





**7.7 Request for change in entrepreneur by M/s. Atos Global IT Solutions and Services Private Limited (Unit II) to M/s. Syntel Private Limited**

The Unit has requested for approval for change in entrepreneur of the Unit from **M/s Atos Global IT Solutions and Services Private Limited (Unit II)** to **M/s. Syntel Private Limited**. In view of the above, the Unit has stated as reasons that “with view of combine resources, maximise synergies, reduce costs and enable a focused management, the management of M/s. Atos Global IT Solutions and Services Private Limited (Unit II) to M/s. Syntel Private Limited entered into a ‘Scheme of Arrangement’ w.e.f 01.04.2019 under Section 230-232 of the Companies Act, 2013.”

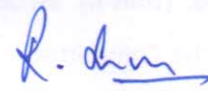
Based on the above clauses, the SEZ Unit of Atos Global IT Solutions and Service Pvt. Ltd. (Unit-II) has been taken over by the Syntel Private Limited as its entrepreneur along with the assets and liabilities related to SEZ Unit, as at the appointed date. The Unit further has stated that even after the transfer under the scheme, the SEZ Unit would continue to operate as it is currently operating.

Moreover, Syntel Pvt Ltd, in the capacity of incoming entrepreneur, undertakes to abide by the terms and conditions subject to which LOA was initially granted to Atos Global IT Solutions and Services Pvt. Ltd. (Unit-II). The Unit has also submitted the details of change in the shareholding pattern after change in entrepreneurship and Directors.

The request of the Unit for change of entrepreneur from M/s. Atos Global IT Solutions and Services Private Limited (Unit-II) to M/s. Syntel Private Limited was examined by the Unit Approval Committee. After deliberations, the Committee approved the same in terms of the provisions contained in Rule 74(A) of SEZ Rules, 2006 and change in the shareholding pattern of the company and Directors thereof.

**7.8 Ratification of the approval granted by MEPZ for acquiring additional space by M/s. Comprehend IT Solutions (OPC) Private Limited**

**M/s. Comprehend IT Solutions (OPC) Private Limited**, a Unit in Tidel Park, ELCOT SEZ, Coimbatore having LOA No. 8/122/2017-ELCOT-SEZ/TDL.PK/CBE, dated 27.03.2017 had requested this office on 19.03.2020 for permission for acquiring additional 20 seats in the Development Centre (DC-06) in the 4<sup>th</sup> Floor at TIDEL Park, Coimbatore. Though a UAC meeting was scheduled to be held on 25.03.2020, due to breakdown of COVID-19, the meeting could not take place and approval was given by this office to the Unit on 24.03.2020 for acquiring additional space of 20 seats. The approval given by the Office was ratified by the Unit Approval Committee.





**7.9 Change of name of the company in respect of M/s. Comprehend IT Solutions (OPC) Pvt. Ltd.**

**M/s. Comprehend IT Solutions (OPC) Private Limited**, a Unit in ELCOT SEZ. Tidel Park Coimbatore having LOA No.8/122/2017/ELCOT-SEZ/TDL.PK/CBE dated 27/03/2017 and the Unit has started DCP on 29.05.2017. Now the Unit has submitted a request vide letter dated 26/08/2020 change of status of their company name from M/s. Comprehend IT Solutions (OPC) Private Limited to M/s. Comprehend IT Solutions Private Limited. OPC denotes One Person Company. With this request, they have submitted the following documents:

- Copy of ROC certificate incorporating the change of name of the company.
- Copy of List of Directors as entered in ROC.
- Address Proof of the Directors.
- GST Certificate.

Consequent to the name change of the Company, the Directors and Regd. Office of the Company also got changed. The Unit has submitted the necessary details.

The request of the Unit for change of name from M/s. Comprehend IT Solutions (OPC) Private Limited to **M/s. Comprehend IT Solutions Private Limited** was examined by the Unit Approval Committee. After deliberations, the Committee approved the name change and change in the shareholding pattern and addition of a Director.

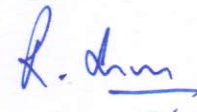
**7.10 Request for Broad banding, Capacity Enhancement & NFE Projections**

**M/s. Delta Electronics India Pvt. Ltd.**, an SEZ Unit in the DELTA SEZ, Kurubarapalli, Krishnagiri district was granted LOA No. 8/171/2019-Delta SEZ dated 05.04.2019 and commenced its operations on 27.03.2020. The Unit, in its letter dated 10.08.2020, has requested for the approval of the following-

- (a). Inclusion of 6 products under broad banding.
- (b). Capacity enhancement and Product name amendment of previously approved products.
- (c). Approval for revision of NFEE.

**(a) Proposal for Broad banding of Authorised operations:**

In order to enhance their manufacture products in their SEZ Unit and to utilise the maximum production capacity, Unit would like to include the following of list of products in their LOA.



Sl No	Description of additional Products	HSN Code	Annual production capacity (Nos.)	Category
1	Transformer	85043100	20,000,000.00	Power supplies
2	Choke	85045090	20,000,000.00	Power supplies
3	Network Camera	85258020	1,000,000.00	Industrial Automation Products
4	NIC-Network Interface Card	85171890	2,000,000.00	Industrial Automation Products
5	Control Board	84189900	10,000,000.00	Power supplies
6	HMI Touchscreen	85439000	100,000.00	Industrial Automation Products

**(b) Capacity enhancement, Product name amendment to the previously approved products.**

In order to make to synchronise with the overall nomenclatures maintained as per the overseas exporting data and to match their overseas client documents, the name of their finished goods has been modified and also enhanced in their capacities, The Unit has placed their request as under:

Enhancement of capacity & Product name description amendment for earlier approved products						
Sl. No. in the Approval letter dated 05.02.2020	Description of the Products (already approved under broad banding)	HSN Code	Production Capacity (already approved)	Category	Production Capacity (Revised)	Amended Description
7	Industrial Control Device (AC servo drive)	90328990	29,747	Industrial Automation Products	2,50,000	Industrial Control Device (AC Servo drive) - Temperature control





53	Inverter (Other types of static converters)	85044090	52,00,000	Power supplies	2,00,00,000	NIL
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(c) **Revision of NFEE Projections:** The Unit has revised the NFEE projections submitted, due to impact of Covid-19 & subsequent lock downs which have serious effect on import of raw materials; thereby performance of the current year and also the performance of upcoming years are affected. Therefore, the Unit has requested for approving their revised NFEE projections as under:

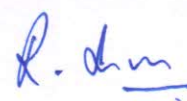
Description	A/u	Earlier Projections	Revised Projections	Remarks
FOB Value of Export	Lakh	1792335.51	887175.92	Projections are revised as about 50% of their approved projections.
F E Out Go	Lakh	1109377.79	544666.00	
NFEE	Lakh	682958.43	342509.92	
Investment	Lakh	170189.80	170189.80	
Employment	Nos	2298	2298	

The requests of M/s. Delta Electronics Ltd, SEZ Unit of Delta SEZ, Kurubarapalli for approval of new products in their LOA under broad banding, capacity enhancement of the products already approved and revision of NFEE projections was examined by the Unit Approval Committee. After deliberations, the Committee approved the above in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006.

**7.11 Request of M/s. YCH Logistics for undertaking additional service activities under broad banding**

M/s.YCH Logistics (India) Private Limited, a Unit in Plot No. DVI, SIPCOT Hi-Tech SEZ, Sriperumbudur 602 106, Kanchipuram District, Tamil Nadu was issued LOA No. 8/10/2007/SIPCOT SEZ dated 14.09.2007 and authorised Service activity of 'End to End Supply Chain Management Services and Warehousing'.

M/s. YCH Logistics (India) Private Limited has informed that some of the customers of M/s. Dell International Pvt. Ltd. required specific software to be downloaded and installed in the Laptops and Desktops intended for them. Because of this requirement, M/s Dell International Pvt. Ltd. (Dell) requested M/s. YCH to take up the assignment of downloading and installing customer specific customised software in





Laptops and Desktops as additional service/activity along with the existing service of Supply Chain Management and Warehousing. Process flow of the proposed activity of installation of software is below:

1. M/s. YCH Logistics (India) Private Limited will receive Laptops and desktops required specific software to be installed from Dell manufacturing factory, which is in the same SEZ, so this transfer is 'intra Zone transfer'.
2. M/s. YCH Logistics (India) Private Limited will perform download and install customer specific software into the Laptops and desktops received for the purpose at M/s. YCH Unit.
3. The customised software required to install will be provided by M/s. Dell.
4. After installation of the software, Laptops and Desktops to be returned to Dell factory.
5. M/s. YCH Logistics (India) Private Limited will charge Service charges for these activities like handling, storage and software installation charges.

The Unit has also confirmed that there is no change in the NFEE projection.

The request of the Unit for broad banding an additional activity to include the above activity of 'Software Installation Service' to serve the Company's existing customer M/s Dell International Pvt. Ltd. was examined by the Unit Approval Committee. After deliberations, the Committee approved the same in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006 subject to the condition that the Unit shall maintain separate accounts for this service activity and shall earn foreign exchange for the same.

**7.12 Request of M/s. Span Ventures SEZ, Coimbatore for procurement of materials and transfer of the assets of M/s. Daemon Software and Service Limited**

M/s. Span Ventures, Developer of Span Ventures SEZ, Coimbatore have submitted for approval of Unit Approval Committee, a list of materials for a value of ₹ 3,228.11 lakhs (all indigenous) with a duty forgone value of ₹ 520.89 lakh for building construction for IT/ITES Development (Civil and Infrastructure Development), Civil façade and interior works 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 same in terms of provisions contained in Rule 12(2) of SEZ Rules, 2006.

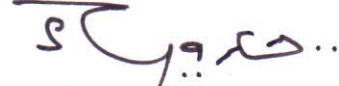
The Developer has also requested permission for transfer of assets (building works, Interior works & furniture) as per the list (54 Items with a cost of ₹ 68,05,913/-), certified by the Chartered Engineer for the above said infrastructure development from M/s. Daemon software and Service Limited an SEZ Unit, as willing to hand over their assets, as the Unit has proposed to exit from Span Ventures SEZ. The request of the Developer was examined by the Unit Approval Committee. After deliberations, the



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Committee approved the request of the Developer to take over the assets of M/s. Daemon Software and Service Limited in the SEZ subject to final exit of the Unit from the SEZ Scheme.

The meeting concluded with a Vote of Thanks with the information that the next meeting will be held on 14.09.2020.



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