Minutes of the 13th Meeting of Unit Approval Committee (2020 Series) in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands held on 2.12.2020

The 13th Meeting of the UAC in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands was held on 2.12.2020 through Video Conferencing.

The following members were present:

SI.	Name (Shri/Smt.)	Designation	Position
No.			
1	Dr. M.K. Shanmuga Sundaram, IAS	Development Commissioner, MEPZ SEZ	Chairperson
2	D. Anandan, IAS	Jt. Development Commissioner, MEPZ SEZ	Member
3	F.D. Initha	Jt. Director General of Foreign Trade, Chennai	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	Specified Officer, MEPZ SEZ, Chennai	Member
7	K. Sridhar	Specified Officer, Coimbatore	Member
3	N. Kannan	Company Secretary, Guidance, Industries Department, Govt. of Tamil Nadu, Chennai	Member
9	C. Mahendran	Assistant Commissioner, Customs , Chennai Airport	Member

The Unit Approval Committee was informed that the minutes of the UAC meeting held on 18.11.2020 will be taken up for confirmation and ratification in the next meeting to be held on 16.12.2020.

13.1 Cancellation of LOA issued to M/s. Wells Fargo EGS (India) Private Limited

M/s. Wells Fargo EGS (India) Pvt. Ltd. was issued LOA No.8/2/Embassy Pvt. SEZ on 08.10.2018 for IT/ITES services in M/s. SNP Infrastructure LLP SEZ. They have executed BLUT and the same was accepted by this office on 20.12.2018. The Unit had got extension of the validity of its LOA up to 31.08.2020.

Now the unit has stated that they intend to exit from SEZ scheme since they could not commence their production within the prescribed time limit of August 31, 2020. In this regard, the unit has submitted NOC from the Developer and No Dues Certificate from the Authorised Officer.

The proposal was examined by the Unit Approval Committee. After deliberations, the Committee decided that the LOA issued to the Unit may be cancelled in terms of provisions contained in Section 16 of SEZ Act, 2005.

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13.2 Request of M/s. Enterprise Touch Private Limited for regularisation and approval for running a Canteen in their premises

M/s. Enterprises Touch Private Limited, a Unit in New Chennai Township SEZ (Multi Services) was issued LOA vide LOA No.8/5/2016/NCTL/MS/SEZ dated 12.07.2016.

The Unit has made a request to accord approval for operating 'Canteen and Dining' facilities in an area of 2,156 sq.ft. exclusively for their employees/staff working in their Unit. The Unit has furnished the consent letter dated 12.06.2020 from the Developer stating that the allotment of Canteen space is well within the office premises of total allotted area of 16,277 sq.ft to the Unit.

The Authorised Officer of the Zone has submitted a report stating that the Unit was running the Canteen and dining facility in the Office premises from July 2020. He has also stated that the Unit has availed duty exemption of ₹ 3,982/- for purchasing the Blue Star Cooler for storing the vegetables, Milk, etc., in the Canteen. Subsequently, the Unit refunded the IGST for the exemption availed on Blue Star Cooler. The Unit has further submitted an undertaking that they will not avail any exemption, drawback, concessions or any other benefits for operating this Canteen.

The Unit has submitted the following reasons for not obtaining prior permission from the UAC for running the canteen:

- 1) As the SEZ is in a remote place (away from City), they used to provide accommodation and food for their employees/staff. Initially they were supplying prepared food at the different service apartments in non-processing zone where employees stay to their employees.
- Subsequently due to operational difficulties, they have engaged local food vendors by allocating a small dining space and pantry.
- 3) Due to COVID-19 lockdown situation they were facing issues in sourcing food from outside vendors due to their unavailability and safety reasons.
- 4) They were in a position to provide food for their staff by employing a chef and started the canteen operations. Further, they decided to continue the full-fledged canteen operations which will ease their operations and increase productivity.

In view of the above, the Unit has requested to regularise and grant permission for running the canteen facility in their Unit's premises.

The proposal was examined by the Unit Approval Committee. After deliberations, the Committee regularised and accorded approval for operation of the Canteen in their premises in terms of the provisions contained in Instruction No.95 dated 11.06.2019 issued by Department of Commerce.

13.3 Request from M/s. Larsen & Toubro Infotech Limited, Unit-III for acquiring additional space

The request for approval for acquiring additional space of 12,257 Sq.ft in Block-4, Part of 10th Floor in DLF Info City Chennai Limited SEZ, Ramapuram, by **M/s. Larsen & Toubro Infotech Limited, Unit-III** was

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examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by M/s. Larsen & Toubro Infotech Limited, Unit-III in view of the revised projections submitted by them.

13.4 Request from M/s. Pulses Health LLP for surrendering of space and acquiring new space in the same SEZ

The request for approval for surrendering 20,160 Sq.ft. of space in Block 9A, Part of 1st Floor and acquiring new space of 13,237 sq.ft. in Block-5, Part of 2nd Floor in DLF Info City Chennai Limited SEZ, Ramapuram, by M/s. Pulses Health LLP was examined by the Unit Approval Committee. After deliberations, the Committee approved both surrendering of space and acquiring of new space by M/s. Pulses Health LLP in view of the reasons stated by them.

13.5 Request of M/s. Vee Technologies for surrender of space

The request for approval for surrender of space of 13,821.65 sq.ft in 1st Floor of Tower-3, West Wing (Part) in IG3 Infra SEZ, Thoraipakkam by **M/s.** Vee Technologies was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for surrendering the space in view of the reasons stated by them.

13.6 Request of M/s. Kavin Engineering and Services Private Limited for diversification

M/s. Kavin Engineering and Services Private Limited, a Unit in TIDEL Park, Coimbatore has a valid LOA No.8/15/2013-TDL.Park/ELCOT SEZ/CBE dated 08.04.2013. The Unit has commenced its commercial operations on 08.07.2013 and the authorised operations of the Unit are ITES and Engineering Design Services. The Unit is in the 3rd year of the 2nd Five Year Block period and achieved a positive NFE of ₹ 2,078.81 lakh so far.

The Unit has stated that due to the recent crash/fluctuations in the crude prices, compounded by the Corona virus pandemic, their business has taken a serious beating. They have not been able to get any major work orders in the current financial year (2020-21). They are currently executing work orders booked in the previous year and they apprehend that in the days to come, they will be without work and thereby revenue.

To reduce the possibility of landing into a 'No Business' situation, they would like to expand their activities from their SEZ Unit. Currently, they have identified an opportunity to export Liquid & Gas Analyzers to a client in Nigeria from whom they have got an immediate order to the tune of USD 100,000. Since they are not into manufacturing business, they propose to procure these Liquid & Gas Analyzers from established Indian Manufacturers and export them to their foreign client which means, they will be entering into Trading business.

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In this regard, the Unit has submitted a request for diversification of their authorised operations for undertaking Trading. The Unit has obtained NOC from the Co-Developer for the specific operations for the additional activity and submitted revised projections for the same.

The proposal was examined by the Unit Approval Committee. After deliberations, the Committee decided to defer the request of the Unit for the following reasons:

- (i) The Unit intends to export the traded goods directly from the Supplier's premises without bringing them into the SEZ. The Customs Division should check whether this can be allowed or not as per the SEZ Act and Rules.
- (ii) Though the Developer has given NOC to the Unit for carrying on trading activities, it is presumed that the NOC must have been given on the understanding that the Unit would not bring the goods into the Zone.

13.7 Request of M/s. HCL Technologies Limited, Unit - IV for surrender of space

The request for approval for surrendering 1,552.23 sqm in SDB-5 & SDB-7 (Part) in ELCOT-SEZ, Sholinganallur by M/s. HCL Technologies Limited, Unit-IV was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for surrendering the space in view of the reasons stated by them.

13.8 Request of M/s. HCL Technologies Limited, Unit-II for surrender of space

The request for approval for surrendering 573.35 sqm in SDB-3 (Part) in ELCOT-SEZ, Sholinganallur by M/s. HCL Technologies Limited, Unit-II was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for surrendering the space in view of the reasons stated by them.

13.9 Request of M/s. HCL Technologies Limited, Unit-I for surrender of space

The request for approval for surrendering 1,572.86 sqm in SDB-I at 4th Floor (Part) in ELCOT-SEZ, Sholinganallur by **M/s. HCL Technologies Limited, Unit-I** was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for surrendering the space in view of the reasons stated by them.

13.10 Request of M/s. Pearson India Support Services Private Limited for surrender of space

The request for approval for surrendering 8,226 sq.ft at SDB 2 in 7th Floor(Part) in ELCOT-SEZ, Sholinganallur by M/s. Pearson India Support Services Private Limited was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for surrendering the space in view of the reasons stated by them.

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13.11 Request from M/s. J. Matadee Free Trade Warehousing Zone for procurement of materials

M/s. J. Matadee Free Trade Zone Private Limited, Developer of Free Trade Warehousing Zone, have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 110 lakh (all indigenous materials) with a duty forgone value of ₹ 19.80 lakh for procuring 4 Nos. of 50 KLD Al Type Hecs-Daiki Packaged Sewage Treatment Plant for construction of STP as a part of their authorized 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.

13.12 Request from M/s. Wave Online Infoway Private Limited for setting up their new Unit in CHIL-SEZ

The proposal of M/s. Wave Online Infoway Private Limited, for setting up their unit in CHIL SEZ, Coimbatore for 'IT/ITES – Medical Transcription and Revenue Cycle Management (RCM)' with a projected investment of ₹ 3 lakh and projected NFEE of ₹ 2,808 lakh over a period of 5 years with an employment generation for 75 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.

13.13 Request from M/s. HCL Technologies Limited, Unit-X for acquiring additional space

The request for approval for acquiring additional space of 1572.86 sqm at SDB1 (part) in 4th Floor, 573.35 Sq.mt at SDB-3 (part) in 5th Floor, 731.88 Sq.mt at SDB5 (part) in 2nd Floor and 820.35 sqm at SDB7 (part) in 4th Floor in ELCOT-SEZ, Sholinganallur, by **M/s. HCL Technologies Limited, Unit-X** was examined by the Unit Approval Committee. After deliberations, the Committee approved the acquiring of additional space by **M/s. HCL Technologies Limited, Unit-X** in view of the reasons stated by them.

13.14 Request of M/s. Cloud Assert Technologies India Private Limited for surrender of space

The request for approval for surrendering 16 seats in Module DC-35 at 4th Floor to TIDEL Park Limited, Coimbatore Co-Developer of ELCOT-SEZ, Coimbatore by **M/s.** Cloud Assert Technologies Private Limited was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for surrendering the space in view of the reasons stated by them.

The meeting concluded with a Vote of thanks with the information that the next UAC meeting will be held on 16th December 2020.

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