

Minutes of the 3rd Meeting (2019 Series) of Unit Approval Committee in respect of SEZs & EOU of Tamil Nadu, Puducherry, Andaman & Nicobar Islands held on 26.03.2019

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	R. Gulzar Begum, IRS	Jt. Commissioner of Customs, MEPZ-SEZ	Member
5	R. Vasudevan	Asst. Commissioner of Customs, Custom House	Member
6	K. Harihara Subramanian, IRS	Asst. Commissioner, Air Customs, Air Cargo Complex, Chennai.	Member
7	N.J. Shelly	Superintendent of Customs, Customs (Preventive), Trichy	Member

The Unit Approval Committee confirmed and ratified the minutes of the UAC meeting held on 27.02.2019.

3.1 Request from M/s. Delta Electronics India Private Limited for setting up a new Unit :-

The proposal of M/s. Delta Electronics India Private Limited, for setting up their Unit for manufacture and export of DC Fan, AC Servo Motor, Industrial Electronic Products including measuring and control equipment, energy meters and Power Supplies (Power Supplies for ESDM Products) at Delta SEZ, Kurubarapalli, Krishnagiri District with a projected investment of ₹ 1,70,189 lakh and projected NFEE of ₹ 6,82,958 lakh over a period of 5 years with an employment generation for 2298 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.

3.2 Request from M/s. Schenker India Private Limited for setting up a new Unit :-

The proposal of M/s. Schenker India Private Limited, for setting up their Unit for Warehousing of goods and value added services at J. Matadee Free Trade Warehousing Zone, Mannur with a projected investment of ₹ 305 lakh and projected NFEE of ₹ 2,205 lakh over a period of 5 years with an employment generation for 60 persons was examined by the Unit Approval Committee. The Committee also noted that the same entity had obtained a LOA for setting up a Unit in the same FTWZ during the year 2011, but the entity had not started its operations. It was also noted that the entity was asked to explain the reasons for non commencement of its operations, but had not given any explanation so far. The representative of the entity present in the Committee meeting submitted that they were not aware about the letters seeking

explanation and he further stated that the earlier Unit could not be operationalised due to changes in the management of the Company and that now the present management is keen on setting up the unit afresh. The Committee discussed the matter and decided to cancel the LOA given to the same Company earlier. Further, the Committee, after deliberations, approved the present proposal of the Company to set up a new Unit in J. Matadee Free Trade Warehousing Zone, Mannur, in terms of the provisions contained in Rule 18(2) of SEZ Rules, 2006. The Value added services shall be restricted to those activities that are allowed under Rule 18(5) of SEZ Rules, 2006.

3.3 Request from M/s.Zifo Technologies Private Limited for setting up a new Unit :-

The proposal of M/s. Zifo Technologies Private Limited, for setting up their Unit for IT/ITES including BPO/KPO services across industries including Pharmaceutical/Clinical industry which includes Data Acquisition, Data cleaning, Data Migration, Coding, Developing Software applications, Technical support, Validation, Testing, Database development and systems development at DLF SEZ, Manapakkam with a projected investment of ₹ 973 lakh and projected NFEE of ₹ 35,809 lakh over a period of 5 years with an employment generation for 1,173 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.

3.4 Request from M/s. PCA Motors Private Limited for setting up a new Unit :-

The proposal of M/s. PCA Motors Private Limited, for setting up their Unit for IT/ITES (including Engineering & Design Services for automobiles and its parts/components, procurement support and supply chain management support services, IT enabled R & D services and testing of prototypes/protoparts developed based on R & D and engineering and design services at IG3 Infra SEZ, Thoraipakkam with a projected investment of ₹ 23,227 lakh and projected NFEE of ₹ 22,303 lakh over a period of 5 years with an employment generation for 426 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.

3.5 Request from M/s. DILOGY SOLUTIONS LLP for setting up a new Unit :-

The proposal of M/s. DILOGY SOLUTIONS LLP, for setting up their Unit at ELCOT-SEZ, Salem for Design and Development of web/mobile/embedded software, Design and development of electronic integrated circuits with a projected investment of ₹ 12 lakh and projected NFEE of ₹ 507 lakh over a period of 5 years with an employment generation for 10 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.



3.6 Request from M/s. Knowledge Lens Private Limited for setting up a new Unit :-

The proposal of M/s. Knowledge Lens Private Limited, for setting up their Unit at ELCOT-SEZ, Salem for Design and Development of Real-time Environmental Pollution Control software for industries and data acquisition and analytics online emission, ambient and effluent monitoring with a projected investment of ₹ 14 lakh and projected NFEE of ₹ 362 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.

3.7 Request from M/s. Stinsoft Technologies Private Limited for setting up a new Unit :-

The proposal of M/s. Stinsoft Technologies Private Limited, for setting up their Unit at ELCOT-SEZ, Salem for Design and Development of Enterprise softwares, Web apps and Mobile Apps with a projected investment of ₹ 11 lakh and projected NFEE of ₹ 397 lakh over a period of 5 years with an employment generation for 10 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.

3.8 Request from M/s. Mersicher Supply Chain Private Limited for setting up a new Unit :-

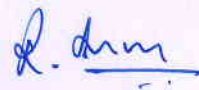
The proposal of M/s. Mersicher Supply Chain Private Limited, for labelling of Liquor bottles at AMRL Hi-Tech City, Nanguneri with a projected investment of ₹ 14 lakh and projected NFEE of ₹ 200 lakh over a period of 5 years with an employment generation for 10 persons was examined by the Unit Approval Committee. The Committee examined the proposal. After discussion, it was decided to defer the proposal for want of clarification on the requirement of Licences/Approvals for carrying on business related to Liquor/Alcohol.

3.9 Request of M/s. Cephas Medical Private Limited for diversification of manufacturing activity:-

M/s. Cephas Medical Private Limited have been issued with LOA No.8/528/2003/SEZ dated 18.03.2003 for manufacture and export of Latex Examination Gloves, Surgical Gloves, Male Contraceptive Condoms, Foley Balloon Catheters, Male external Catheters, Plastic injection moulded components, Dipped Covers and Industrial Gloves. Now, M/s. Cephas Medical Private Medical have requested for diversification of its manufacturing activity for manufacture and export of LED and Solar Lights. The new products with overall production capacity of 1,20,000 Nos, per annum with HS Code are given below:-

<u>Product Name</u>	<u>ITC HS Code</u>
1) LED Street Lights, Flood Lights	94054090
2) LED Solar Lights, lamps, Lanterns	94055040
3) LED with Internet of things (IOT)	90328990

In this connection, they have stated the following:-



They intend to manufacture the above items with their technical partner who has global expertise and they will manufacture these products for exports to overseas and a portion of the products will also be marketed in India.

The Unit has projected additional manpower to the extent of 20 persons.

They will import components and parts from China and also to use Indian made components and the Unit has also furnished Process Flow Chart and details of the Raw materials to be imported.

The proposal of the Unit for diversification of their manufacturing activity 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.

3.10 Change in constitution of the Unit:-

M/s. A.R. Exports, a Unit in MEPZ-SEZ having LOA No.8/84/2003/SEZ dated 22.03.2003 with validity up to 31.12.2017 has changed their constitution from Partnership firm to Private Limited, namely M/s. P.S. Exports & Consolidates Private Limited vide the Certificate of Incorporation dated 01.01.2014.

Since the Unit has filed their Export and Import documents in the name of A.R. Exports from 01/01/2014 to 31/12/2017, a Show Cause Notice dated 04/10/2018 was issued to the Unit.

As per the submission to the show cause notice and the explanation given by the representative of the Unit, Development Commissioner, MEPZ has concluded that the Unit has changed the constitution of their entity and ownership without obtaining the permission from the Unit Approval Committee and has misguided this office with contradictory submissions.

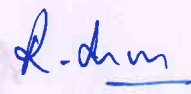
By exercising the powers vested with Development Commissioner as Adjudicating Authority under Section 11 of the Foreign Trade (Development & Regulations) Act, 1992 as amended, Development Commissioner, MEPZ-SEZ has imposed a penalty of ₹ 4,47,000/- on the Unit for contravening the provisions of SEZ Act and Rules made thereunder vide Order in Original dated 06.02.2019.

By accepting the Order in Original, the Unit has remitted ₹ 4,47,000/- by cheque No.645008 dated 20.02.2019 of Punjab National Bank remitted vide challan dated 25/02/2019 to Indian Bank, MEPZ-SEZ Branch, Chennai-600 045.

Accordingly, the following was placed before the Unit Approval Committee for its decision and approval:

- 1) Name change and change in the constitution of the entity from M/s. A.R. Exports, Partnership firm to M/s. P.S. Exports & Consolidates Private Limited w.e.f. 01.01.2014.
- 2) Regularising the exports and imports carried out by the Unit in the name of M/s. A.R. Exports, from 01/01/2014 to 31/12/2017.

The matter was examined by the Unit Approval Committee. After deliberations, the Committee approved the name change and change in the constitution of the entity from M/s. A.R. Exports, Partnership



firm to M/s. P.S. Exports & Consolidates Private Limited w.e.f. 01/01/2014 and also regularised the exports and imports carried out by the Unit in the name of M/s. A.R. Exports from 01/01/2014 to 31/12/2017.

3.11 Request for Additional Service Activity under Broadbanding:-

M/s. The Association for Manufacturing Technology, a Unit in MEPZ-SEZ has submitted a Broadbanding request for inclusion of an additional service activity in the LOA issued to them. LOA No.8/143/2009/SEZ dated 30.11.2009 was issued to the Unit for the service activity "Providing display and demonstration services, support center services and field support services to USA AMT member companies".

The present request of additional service is for "Rendering support services to AMT, USA for development of software and web-based applications".

The proposal was examined by the Unit Approval Committee. After deliberations, the Committee approved the Broadbanding request for the inclusion of above additional service activity of the Unit in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006.


3.12 Inclusion of Additional Items in the LOA under Broadbanding:-

M/s. Sai Lalith Fragrances Private Limited, a Unit in MEPZ-SEZ has requested for inclusion of additional items in their LOA No.8/566/2003/SEZ dated 31.07.2003. They have been issued LOA for manufacture and export of the following items:-

1. Aldehyde C-16
2. Rose Oxide
3. Natural Oils
4. Perfumery Compound.

The Unit has stated that the items allowed to be manufactured by the Board of Approval vide letter No.D.6/19/2009-SEZ dated 21.08.2009 issued by MOC&I, New Delhi have not been updated in the LOA of the Unit and has now requested for updation of the same. Further, the Unit has also submitted that at present, the Unit exports Sandalwood Oil under the head 'Natural Oils' as mentioned in its LOA. But, at times, it faces problems in exporting the Sandalwood Oil under this head. Therefore, the Unit has now requested that the items Sandalwood Essential Oils and Other Essential Oils may be specifically mentioned in the LOA. The Committee examined the request of the Unit. After deliberations, the Committee approved the updation of the LOA with the following 2 items:-

- | | |
|--|-----------|
| 1) Sandalwood Oil and Other Essential Oils | 33012937 |
| 2) Sandalwood Chips, Dust and Powder | 12119050. |



3.13 Request of additional items to be included in the LOA for Trading:-

M/s. Barry Wehmiller International Private Limited, a Trading Unit in MEPZ-SEZ have been issued with LOA No.8/29/2003/SEZ dated 16.10.2003 and their LOA is valid up to 23.12.2023. Now, the Unit has requested for inclusion of additional items for trading in their LOA. The present request is for another 29 items and the list of items along with their ITC HS code has been furnished. The Unit has informed that there is no change in the projections of Exports & NFEE.

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 following additional items under Trading in terms of the provisions contained in Rule 19(2) of SEZ, Rules, 2006.

Sl.No.	Name of the Item	ITC Code No.
1	Bush	84833038
2	Distance Bush, Intermediate Ring	73269098
3	Ring, Washer, Disc. Washer, Sheet Metal, Reel, Roller, Distance Ring, Diverting Roller, Distance Washer	84419010
4	Belt Pulley	84835020

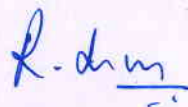
3.14 Request for approval for change of authorised operations:-

M/s. Tata Elxsi Limited has requested permission to change their authorised operations from Software Development Services to Engineering & Design Services.

The Unit was issued LOA on 02.01.2018 for Software Development Service activities. The reason the unit has stated for changing the authorised operations is that predominantly their nature of services and activities is "Engineering & Design Services".

The Unit has informed that their present activities is Engineering Services in the nature of Research and Design Services related to product engineering and solutions across industries including broadcast, communications and automotive which includes the technology services and product engineering, viz., Technology consulting and emerging market research, new product development, R & D incubation centres, leading edge IP portfolio for solution acceleration across industries, value engineering and cost optimization, emerging technology solutions (Cloud enablement, M2M Ecosystem coverage, Hybrid vehicle Technology, connected health) and End-to-End product design and development.

The proposal was examined by the Unit Approval Committee. The Representative of the Unit was asked to submit any documentary proof to the effect that they are rendering Engineering & Design Services only. The representative of the Unit sought time from the Committee for submitting the required documents. Therefore, the Committee deferred the proposal till submission of the required documents by the Unit.



3.15 Request from M/s. DLF Assets Private Limited, Co-Developer of DLF IT/ITES SEZ for approval for providing space to the Service Provider to operate Food Court in DLF SEZ:-

M/s. DLF Assets Private Limited, Co-Developer of DLF IT/IT SEZ, has requested to accord approval to allot space for the service provider, viz., M/s. Urban Roti Restaurant LLP to operate a Food Court in their SEZ. They have stated that they have earmarked and provisionally allotted retail built up space of 12,500 sqft in part of Ground Floor of Block 8 within their SEZ to M/s. Urban Roti Restaurant LLP to operate multicuisine food outlets.

The proposal was examined by the Unit Approval Committee. After deliberations, the Committee decided to approve allotment of space to M/s. Urban Roti Restaurant LLP in an area of 12,500 sqft to operate multicuisine restaurant as per Instruction No.50 dated 15th March 2010 issued by Ministry of Commerce subject to the condition that no duty free material shall be allowed for setting up and operating this facility.

3.16 Change of name of the implementing agency:-

M/s. Petrofac Information Services Private Limited was issued LOA on 19.04.2010 for setting up their Unit in DLF IT/ITES SEZ, Chennai.

Now, they have requested for change in the name of the implementing agency from M/s. Petrofac Information Services Private Limited to M/s. Petrofac Projects and Services Private Limited. The Unit has furnished the requisite documents in this regard.

The proposal of the Unit was examined by the Unit Approval Committee. After deliberations, the Committee approved the request of the Unit for change in the name of the implementing agency from M/s. Petrofac Information Services Private Limited to M/s. Petrofac Projects and Services Private Limited in terms of the provisions contained in Rule 19(2) of SEZ Rules, 2006.

3.17 Request of M/s. Prokarma Softech Private Limited for surrender of space:-

The request for approval for surrendering of 3,637 sqft of space in Ground Floor in Block-8 in DLF-SEZ by M/s. Prokarma Softech Private Limited, a Unit in the SEZ was examined by the Unit Approval Committee. After deliberations, the Committee approved the surrender of space by M/s. Prokarma Softech Private Limited, in view of the reasons stated by them.

3.18 & 3.19 Request of M/s. Xome Services India Private Limited and M/s. NSM Services Private Limited for inclusion of additional service:-

M/s. Xome Services India Private Limited and M/s. NSM Services Private Limited, units in DLF-SEZ, Ramapuram have requested for inclusion of Banquet Services for their authorised operations to avail GST

exemption. The proposal was examined by the Unit Approval Committee. The Committee was of the opinion that it is difficult to distinguish the banquet services used for the SEZ operations from its DTA operations. Therefore, the Committee did not approve the request of the Units.

3.20 & 3.21 Request for Trading of Raw materials & Accessories:-

M/s. Classic Linens International Private Limited and M/s. Zen Linen International Private Limited, Units in MEPZ have requested permission for trading of the Raw materials and Accessories. On examination of the proposal, the Committee found that the materials proposed to be "Traded" by the Units are actually excess raw materials and accessories that have been procured by the Units for their authorised operations and that the Units now propose to clear the goods in DTA on payment of necessary duty. The Committee noted that for such clearance, there is a specific provision under Rule 34 of SEZ Rules, 2006 and therefore, this activity need not be treated as a "Trading activity". The Committee advised the Units to clear the goods under the provisions of Rule 34 of SEZ Rules, 2006.

3.22 Request of M/s. Palmetto Industries (India) Private Limited, for change of ITC HS Code:-

M/s. Palmetto Industries (India) Pvt Ltd, a 100% EOU located at Pondicherry was issued LOP vide No.A/2015/020/EOU/PY dated 4.2.2016 for manufacture and export as below:-

Sl.No.	Item of Manufacture/Trade Name	Annual Capacity
1	FIBC Bags	6600 M.Tons
2	BOPP Bags	1300 M.Tons
3	PP Fibrillated Yarn	200 M.Tons

The Unit has claimed that the major product manufactured by them namely FIBC Bags (Flexible Intermediate Bulk Containers) earlier under Chapter 39, HSN Code 39232990 has been classified under HSN Code 63053200 (technical textiles) vide DGFT DES-V Section, case No.202. Therefore, the Unit has requested to change the HS code from 39232990 to HS Code 63053200.

The Unit has further claimed that product manufactured by them, shown in green card are trade names which are not matching with HSN description as per Customs Tariff. Therefore, the Unit has requested to change the name in Green Card as per HSN description as given below:-

Sl.No.	Already approved	ITS HS Code	Name Changes required item of manufacture
1	BOPP Bags	39269080	Polypropylene articles, not elsewhere specified or included
2	PP Fibrillated Yarn	39202090	Other Plates, Sheets, Films, Foil and Strip of plastics, non-cellular and not reinforced, laminated, supported or similarly combined with other materials.

The request of the Unit for change of ITC Code and description of items of manufacture was examined by the Unit Approval Committee. After deliberations, the Committee approved both the requests of the Unit.

3.23 Request for extension of validity of LOP of M/s. Sar Ispat Private Limited:-

M/s. Sar Ispat Private Limited, a 100% EOU located at Pondicherry was issued LOP vide A/2016/001/EOU-PY dated 4.2.2016 to manufacture and export of TMT Bars, SS Cladded Bars, SS Cladded Structural & Structural with the condition that the LOP is valid for 2 years from the date of issue of LOP within which the Unit should implement the project and commence production and would automatically lapse if an application for the extension of validity is not made before the end of the said period. The date of commencement of production shall be intimated to the Development Commissioner.

The Unit vide their letter dated 12.03.2018 has requested for extension of validity of the LOP for a further period of 1 year for the reasons that they could not implement the project within the stipulated time for the reasons mentioned in their letter. Based on the Unit's request, the validity of the LOP was extended for a period of 1 year from 4.2.2018 to 3.2.2019 which is within the powers of Development Commissioner.

Now the Unit has requested for extension of validity of the LOP for another one more year stating that the construction work and the imported machineries have been installed to the tune of 85%. The Unit has furnished the Chartered Engineer Certificate in this regard and photographs of the work completed and the machines installed.

Para 6.01(ii) reads that "subsequent extension of one year may be given by the UAC subject to the condition that two thirds of activities including construction, relating to the setting up of the Unit are complete and Chartered Engineer's Certificate to this effect is submitted by the Unit".

The request of the Unit for extension of validity of LOP for one more year was examined by the Unit Approval Committee. After deliberations, the Unit Approval Committee decided to extend the validity of the LOP of the Unit for another 6 months from 3.2.2019 with the condition that no further extension of the validity of the LOP will be considered.

3.24 Request for broadbanding:-

M/s. Lucid Imaging Private Limited, a Unit in ELCOT-SEZ, Tidel Park, Coimbatore, has requested for broadbanding permission for "Inspection Systems" classified under Sub-Heading 90318000. The Unit has also requested permission to import Test Equipment for demo/testing purpose and Raw materials for building inspection systems.

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

3.25 Request of M/s. e-Mudhra Limited for acquiring additional space:-

The request for approval for acquiring additional space of 2,989 sqft of built up space in ELCOT-SEZ, Coimbatore by M/s. e-Mudhra 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. e-Mudhra Limited, in view of the revised projections given by the Unit.

3.26 Allotment of space at Food Court, Gatewas Office Parks SEZ, Chennai:-

M/s. Gateway Office Parks Pvt. Ltd, the Developer of the SEZ, Perungalathur, Chennai has requested for allotment of space in the Food Court of the SEZ as under :

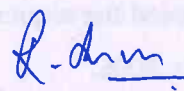
S.No.	Name of the Operator	Facility at Food Court	Area Sqft.
1.	AD Kitchen & Foods	Mad Fries	80
2.	Siva Canteen Services	Canteen Services	300
3.	Ramanathan & Lakshmi Agro and Hospitality Private Limited	Baskin Robbins	100
4.	PVR Foods	Cinema Cafe	136
5.	Mr. Potato	Potato Services	80
6.	Madras Diet Factory	Chick Stack	110

The request was examined by the Unit Approval Committee. After deliberations, the Committee approved the same in terms of the provisions contained in Instruction No.50 dated 15.3.2010 issued by Department of Commerce subject to the condition that no duty free material shall be allowed for setting up and operating this facility.

3.27 Cancellation of LOA issued to M/s. Indo Cool Composites Private Limited, SIPCOT, Ranipet consequent to non-implementation of the SEZ Project:-

M/s. Indo Cool Composites Private Limited, SIPCOT, Ranipet was issued LOA on 16.10.2014 for setting up a Unit in the Engineering SEZ at SIPCOT, Ranipet for manufacture and export of 'Wind Turbine nacelle covers and its parts'. The validity of LOA was extended for a further period up to 15.10.2016.

The Unit has neither executed BLUT nor has intimated Date of commencement of production. The validity of the LOA issued to them expired on 15.10.2016. A Show Cause Notice was issued to the Unit as to why the LOA should not be cancelled for non-implementation of the project. The Unit has replied that they are forced to surrender the SEZ plot allotted to them due to lack of export orders. Hence, the Unit has requested to cancel the LOA issued to them.



The Authorised Officer, SIPCOT, Ranipet has also informed that as per the report furnished by the Project Officer, SIPCOT, Ranipet, M/s. Indo Cool Composites Private Limited have surrendered the land to SIPCOT.

The request of the Unit for cancellation of LOA was examined by the Unit Approval Committee. After deliberations, the Committee decided that the LOA issued to them may be cancelled as per Section 16(1) of SEZ Act, 2005.

3.28 Cancellation of LOA issued to M/s. Bavina Cars India Limited, SIPCOT, Ranipet, consequent to non-implementation of the SEZ Project:-

M/s. Bavina Cars India Limited, SIPCOT, Ranipet was issued LOA on 04.06.2009 for setting up a Unit in the Engineering SEZ at SIPCOT, Ranipet for manufacture and export of "Electrically Operated Cars".

The validity of the LOA issued to the Unit expired on 04.06.2010. The Unit has neither sought extension of validity of LOA nor executed BLUT. A Show Cause Notice was issued to the Unit as to why the LOA should not be cancelled for non-implementation of the Project. No reply was received from the Unit. The Show Cause Notice was returned undelivered.

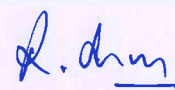
The Authorised Officer, SIPCOT, Ranipet has also informed that as per the report furnished by the Project Officer, SIPCOT, Ranipet, the allotment of Plot to the Unit was automatically cancelled due to non-payment of Plot Deposit within the stipulated time by M/s. Bavina Cars India Limited.

The proposal for cancellation of LOA issued to the Unit was examined by the Unit Approval Committee. After deliberations, the Committee decided that the LOA issued to them may be cancelled as per Section 16(1) of SEZ Act, 2005.

3.29 Cancellation of LOA issued to M/s. Manuli Hydraulics Manufacturing India Private Limited, SIPCOT, Ranipet consequent to non-implementation of the SEZ Project:-

M/s. Manuli Hydraulics Manufacturing India Private Limited, SIPCOT, Ranipet was issued LOA on 04.05.2012 for setting up a Unit in the Engineering SEZ at SIPCOT, Ranipet for manufacture and export of 'Steel Hydraulic Connectors'.

The Unit has not executed BLUT and the validity of the LOA issued to them has expired on 03.05.2013. A Show Cause Notice was issued to the Unit as to why the LOA should not be cancelled for non-implementation of the project. Reply was received from one of the Directors that the Company has amalgamated into M/s. Manuli Hydraulics India Private Limited as per Hon'ble High Court of Madras Order dt.18.10.2016, the Company has abandoned the project and the land allotted for SEZ project was also surrendered to SIPCOT and hence, requested for cancellation of LOA.



The Authorised Officer, SIPCOT, Ranipet has also informed that as per the report furnished by the Project Officer, SIPCOT, Ranipet, M/s. Manuli Hydraulics Manufacturing India Private Limited have surrendered the land to SIPCOT.

The proposal for cancellation of the LOA issued to the Unit was examined by the Unit Approval Committee. After deliberations, the Committee decided that the LOA issued to them may be cancelled as per Section 16(1) of SEZ Act, 2005.

3.30 Monitoring the performance of 26 units in MEPZ-SEZ:

The performance of the following 26 Units in MEPZ-SEZ for the year 2017-18 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	Cumulative NFEE (₹ in Lakh)
1	HMX Exports Private Limited	5 th Year in 3 rd Five Year Block	515
2	King Chains (Private) Limited	5 th Year in 3 rd Five Year Block	169
3	DXC Technology India Private Limited	5 th Year in 3 rd Five Year Block	2,10,102
4	Horiaki India Private Limited	5 th Year in 3 rd Five Year Block	2,853
5	Harmony Musical Instruments(Madras) Pvt Ltd.	5 th Year in 3 rd Five Year Block	781
6	Aapt Distribution Private Limited	5 th Year in 3 rd Five Year Block	102
7	Agile Electric Sub Assembly Private Limited	4 th Year in 3 rd Five Year Block	47,983
8	Air Filters	3 rd Year in 3 rd Five Year Block	391
9	Anabond Limited	3 rd Year in 3 rd Five Year Block	1,740
10	Barry-Wehmiller International	4 th Year in 3 rd Five Year Block	659
11	Cephas Medical Private Limited	5 th Year in 3 rd Five Year Block	2,848
12	Flow Well Auto Products (India) Private Limited	5 th Year in 3 rd Five Year Block	1,791
13	Forza Industries Private Limited	5 th Year in 3 rd Five Year Block	3,782
14	Gislen Software Private Limited	5 th Year in 3 rd Five Year Block	4,726
15	G.G.Organics Exports Private Limited	1 st Year in 2 nd Five Year Block	2,004
16	Hexagon Nutrition Exports Private Limited	4 th Year in 3 rd Five Year Block	14,004
17	Swabs India Private Limited	5 th Year in 3 rd Five Year Block	671
18	Trishiraya Recycling India Private Limited	5 th Year in 3 rd Five Year Block	1,062
19	Attar Mohd. Dawood & Bros (Madras)	5 th Year in 3 rd Five Year Block	153
20	Attar Mohd. Dawood & Company	5 th Year in 3 rd Five Year Block	10,975
21	A.V. Thomas Leather & Allied Products Pvt Ltd	5 th Year in 3 rd Five Year Block	13,014
22	BPS Industries	5 th Year in 3 rd Five Year Block	9,476

23	Caretech Solutions (India) Private Limited	1 st Year in 1 st Five Year Block	756
24	J.B. Perfumery (JB Enterprises Unit-1)	2 nd Year in 2 nd Five Year Block	391
25	J.B. Enterprises Unit-2	3 rd Year in 1 st Five Year Block	441
26	India Sales Corporation	5 th Year in 3 rd Five Year Block	1,634

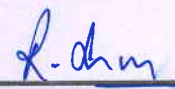
While the Committee noted that the cumulative NFEE of the units was positive, Mrs. Usha Ramesh, Assistant was asked to ascertain the reasons for the shortfall in achievement of export, and employment projections from M/s. DXC Technology India Private Limited, Agile Electric Sub Assembly Private Limited (exports), M/s. Air Filters, M/s. Barry Wehmiller International (Exports), M/s. Flow Well Auto Products (India) Private Limited (Exports), M/s. G.G. Organics Exports Private Limited, M/s. Swabs India Private Limited (Exports), M/s. Trishiraya Recycling India Private Limited, M/s. Attar Mohd. Dawood & Bros (Madras) and M/s. India Sales Corporation,

M/s. H.M.X Exports informed that since they have started another unit in Surat SEZ, their exports in MEPZ-SEZ has come down. They also informed that due to delay in clearance of consignments from MEPZ-SEZ, they are diverting their business to Surat SEZ. The representative of M/s. King Chains Private Limited informed that they would make the shortfall in the coming years with improved performance. M/s. Harmony Muscial Instruments (Madras) Private Limited informed that due to time taken in getting CITES approval from the Ministry of Environments & Forests, their performance has come down during the period under review. However, they have assured of improved performance in the years to come. M/s. Aapt Distribution Private Limited informed that due to space constraint, they could not achieve the projections in exports. However, they have assured to improve their performance with the trading of Tyres in the years to come. M/s. Forza Industries Private Limited informed that due to increase in the cost of raw materials of their products, there was a fall in the exports. However, they have assured to make up the shortfall in the years to come. M/s. Hexagon Nutrition (Exports) Private Limited informed that due to dip in orders from their customers, there was shortfall in the exports. With orders from more customers, they have assured of improved performance in the coming years. M/s. J.B. Perfumery informed that due to a fire accident in their Unit in the year 2015, there was a stoppage of production for nearly 2 years and hence, they could not achieve the projections. However, they have assured to make up the shortfall in the coming years.

3.31 Monitoring the performance of 10 units in IG3 Infra SEZ:

The performance of the following 10 Units in IG3 Infra SEZ, Thoraipakkam for the year 2017-18 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	Cumulative NFEE (₹ in Lakh)
1	IG3 Infra Limited (Power Unit)	2 nd Year in 1 st Five Year Block	501



2	Integra Software Services Private Limited	3 rd Year in 1 st Five Year Block	2,712
3	Icon Clinical Research India	1 st Year in 1 st Five Year Block	22,219
4	Comcast India Engineering Centre I LLP	2 nd Year in 1 st Five Year Block	6,954
5	Proadapt Solutions P Limited, Unit-I	4 th Year in 1 st Five Year Block	31,175
6	Proadapt Solutions P Limited, Unit-II	3 rd Year in 1 st Five Year Block	7,051
7	State Street HCL Services India Private Limited	2 nd Year in 1 st Five Year Block	(-) 10
8	Wells Fargo India Solutions Private Limited	1 st Year in 1 st Five Year Block	5,620
9	Videocon Telecommunication Limited	2 nd Year in 1 st Five Year Block	34,174
10	Vee Technologies Private Limited	2 nd Year in 1 st Five Year Block	6,897

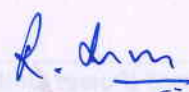
While the Committee noted that the cumulative NFEE of the units was positive, Shri Sriram, ADC, was asked to ascertain the reasons for the shortfall in achievement of export, and employment projections from M/s. State Street HCL Services India Private Limited and M/s. Videocon Telecommunications Private Limited.

3.32 Monitoring the performance of 4 units in AMRL Hi-Tech SEZ:

The performance of the following 4 Units in AMRL Hi-Tech City, Nanguneri for the year 2017-18 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	Cumulative NFEE (₹ in Lakh)
1	Excel Hydro Pneumatics (India)	2 nd Year in 2 nd Five Year Block	3,008
2	Hansa Green Technologies Private Limited	3 rd Year in 1 st Five Year Block	(-) 493
3	Lucky Impex	5 th Year in 1 st Five Year Block	1,543
4	Color Sports India Private Limited (FTWZ Unit)	1 st Year in 1 st Five Year Block	0.13

While the Committee noted that the cumulative NFEE of the units was positive, M/s. Hansa Green Technologies Private Limited informed that due to stiff competition from China, they could not achieve the projections. However, they have assured to improve their performance in the coming years with broadbanding of new products. M/s. Color Sports India Private Limited, informed that since they started their commercial production only in September 2017 and completed only 6 months of operations, there was a shortfall in achievement of the projections. They have assured of improved performance in the years to come. Shri Rajalingam, Assistant, has been asked to ascertain the reasons for the shortfall in achievement of exports, NFEE and employment from M/s. Lucky Impex.



3.33 Request from M/s. Cheyyar SEZ Developers Private Limited, Developer for procurement of materials:-

M/s. Cheyyar SEZ Developers Private Limited, Developer of the Footwear SEZ, Tiruvannamalai have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 2.61lakh (Indigenous procurement of ₹ 2.61 lakh) with a duty forgone value of ₹ 0.23 lakh for works/facilities related to their authorised operations ,viz., Electrical materials. 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.

3.34 Request from M/s. Infosys Limited, Co-Developer for procurement of materials:-

M/s. Infosys Limited, Co-Developer of Mahindra World City SEZ for IT, Chingleput have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 392 lakh (Indigenous procurement of ₹ 392 lakh) with a duty forgone value of ₹ 70.16 lakh for works/facilities related to their authorised operations, viz.,Chiller Plant, Education & Research Block, Employee Care Centre, Facility Block, Food Court, Multi-Level Parking, Play Court and Sewage Treatment Plant. 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.

3.35 Request from M/s. Ford Motors Private Limited, Co-Developer for procurement of materials:-

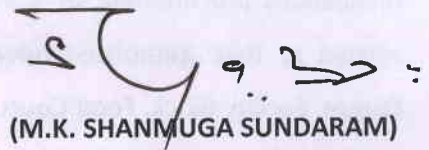
M/s. Ford Motors Private Limited, Co-Developer of ELCOT-SEZ, Sholinganallur have submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 911.84 lakh (Imported materials ₹ 324.50 lakh and Indigenous procurement of ₹ 587.34 lakh) with a duty forgone value of ₹ 298.10 lakh for works/facilities related to their authorised operations, viz.,Kitchen equipments and Gym equipments. 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.

3.36 Request from M/s. India Land Tech Park Private Limited, Co-Developer for procurement of materials:-

M/s. India Land Tech Park Private Limited Limited, Co-Developer of CHIL SEZ, Coimbatore has submitted for approval of Unit Approval Committee, a list of materials for an estimated value of ₹ 5,915.17 lakh (Indigenous procurement of ₹ 5,915.17 lakh) with a duty forgone value of ₹ 1,064.73 lakh for works/facilities related to their authorised operations, viz.,Civil Maintenance Material, Electrical

Maintenance Material, Mechanical Maintenance Materials, IBMS and Admin including ₹525 lakhs towards the purchase of Diesel. The Committee noted that the materials to be procured are for the maintenance of the 2 Towers constructed by the Co-Developer in the Processing Area. As regards the procurement of duty free diesel for running the DG sets, the Committee decided that the Co-Developer should set up a separate Unit for the purpose of generation of power as per the Power Guidelines issued by the Department of Commerce for availing duty exemption on both capital expenditure and operational expenditure. Therefore, the Committee did not approve the procurement of duty free diesel as proposed by the Co-Developer.

Further, the Committee noted that some of the goods procured by the Co-Developer earlier are remaining unutilised beyond a period of one year without getting approval for extension from the Specified Officer. The Committee directed the Co-Developer to get the due approval within 10 days from the Specified Officer for the materials which are lying unutilised for more than a year. As regards the rest of the materials required (₹ 5390.17 lakh) for the Authorised Operations of the Co-Developer, the Committee approved the same in terms of provisions contained in Rule 12(2) of SEZ Rules, 2006.



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