Minutes of the 11th Meeting of Unit Approval Committee (2021-22 Series) in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands held on 24.09.2021

The 11th Meeting of the Unit Approval Committee in respect of SEZs & EOUs of Tamil Nadu, Puducherry and Andaman & Nicobar Islands was held on 24.09.2021 through Video Conferencing.

The following members were present:

SI. No.	Name (Shri/Smt.)	Designation	Position in the Committee
1	Dr. M.K. Shanmuga Sundaram IAS	Development Commissioner, MEPZ SEZ	Chairperson
2	Balasubramanian P	Dy. Development Commissioner, MEPZ SEZ	Member
3	Prabu Kumar K	Dy. Development Commissioner, MEPZ SEZ	Member
4	A. Dhileeban IRS	Joint Commissioner (Customs Preventive), Trichy Commissionerate, Trichy	Member
5	Supriya Chandran IRS	Dy. Commissioner, Customs, Chennai IV Commissionerate, Chennai	Member
6	V. Kayalvizhi IRS	Specified Officer, MEPZ SEZ	Member
7	K. Sridhar IRS	Specified Officer, MEPZ SEZ	Member
8	Y.S. Murthy IRS	Asst. Commissioner (Customs), Air Cargo, Chennai	Member
9	A. Vijayanthimala ITS	Asst. DGFT, O/o Addl. DGFT, Chennai	Member

11.1 Request from M/s. Cheyyar SEZ Developers Private Limited, Tiruvannamalai for procurement of materials

M/s. Cheyyar SEZ Developers Private Limited, Developer of the SEZ at Tiruvannamalai, has submitted for approval of Unit Approval Committee, a list of indigenous materials for an estimated value of ₹ 1.60 lakh with a duty forgone value of and ₹ 0.49 lakh for its authorised operations viz., Telecom and other Communication facilities including internet connectivity in the SEZ. 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.

11.2 Request from M/s. Cheyyar SEZ Developers Private Limited, Bargur for procurement of materials

M/s. Cheyyar SEZ Developers Private Limited, Developer of the SEZ at Bargur, has submitted for approval of Unit Approval Committee, a list of indigenous materials for an estimated value of ₹ 0.99 lakh with a duty forgone value of and ₹ 0.30 lakh for its authorised operations viz., Telecom and other Communication facilities including internet connectivity in the SEZ. The list of materials has been certified

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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.

11.3 Request of M/s. Ensono Technologies LLP, an SEZ unit in IG3 Infra Limited SEZ, Chennai for approval of revised projections

M/s. Ensono Technologies LLP, an SEZ Unit in IG3 Infra Limited SEZ, Thoraipakkam, Chennai has requested this office to approve the revised projections submitted by them on account to their decision to procure new IT equipment post pandemic which is given below:-

(₹ in lakh)

Particulars	Existing Projections	Revised Projections
Exports	17,831	22,893
F.E. Outgo	1,040	421
NFEE	16,791	22,472
Investment on Machinery	755	1,455

The Unit has also revised their employment of people from 130 persons to 407 persons.

The request of the Unit for approval of the revised projections was examined by the Unit Approval Committee. After deliberations, the Committee approved the revised projections of the Unit and taken on record.

11.4 Request of M/s. Tech Mahindra Limited, Chennai for setting up a new SEZ Unit in Tidel Park, Coimbatore in ELCOT-SEZ, Coimbatore

The proposal of M/s. Tech Mahindra Limited, Chennai for setting up a new SEZ Unit in Tidel Park, Coimbatore in ELCOT SEZ, Coimbatore for providing 'Information Technology (IT) Consulting and Support Services – CPC Code: 8313' with a projected investment of ₹ 370 lakh and projected NFEE of ₹ 7,777 lakh over a period of 5 years with an employment generation for 146 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.

11.5 Request of M/s. Wipro Enterprises Private Limited, an SEZ Unit in SIPCOT Engineering SEZ, Perundural for Business Transfer Agreement and name change of the company

M/s. Wipro Enterprises Private Limited, an SEZ Unit functioning in SIPCOT Engineering SEZ, Perundural has requested this approval for Business Transfer Agreement and change in the name of the Unit from M/s. Wipro Enterprises Private Limited to M/s. Ariya Hi-Tech Pipe and Component Private Limited.

The Unit has informed that with a view to promote the ease of doing business, they would like to re-organise and enter into business transfer arrangement with M/s. Ariya Hi-Tech Pipe and Component Private Limited, whose registered Office is in Plot No.11, SIPCOT Industrial Estate, Perundurai.

Further, M/s. Wipro Enterprise Private Limited has informed that the Unit will not be opting out of the SEZ consequent to name change and business transfer agreement. They have submitted the following documents:

- 1) Certificate of incorporation of both the Units.
- 2) Memorandum and Articles of Association of both the Units.
- 3) List of Directors and their address proof.
- 4) Copy of Business Transfer Agreement duly signed by them.
- 5) Copy of Board Resolution for change in the Business Transfer Agreement.

The transferee Unit M/s. Ariya Hi-Tech Pipe and Component Private Limited has also submitted an undertaking to take over all liabilities of M/s. Wipro Enterprises Private Limited and agreed to achieve NFEE at the stipulated time.

The proposal of M/s. Wipro Enterprises Private Limited for business transfer agreement and name change to M/s. Ariya Hi-Tech Pipe and Component Private Limited was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of Instructions No.89 issued by the Department of Commerce, New Delhi.

11.6 Request of M/s. Accenture Solutions Private Limited, a SEZ Unit in Gateway Office Parks SEZ, Perungalathur for surrender of space

The proposal of **M/s.** Accenture Solutions Private Limited, an SEZ Unit in Gateway Office Parks SEZ, Perungalathur for surrender of 1,93,447 sq.ft. of space located at Ground, 3rd, 4th, 5th and 2nd Floors of Tower B, B6 Block and 8th Floor at Tower X, Block A1 in the SEZ was examined by the Unit Approval Committee. The Unit has also intimated that there is no change in the revenue projections and employment due to the surrendering of the above mentioned operational area. After deliberations, the Committee approved the proposal in terms of the provisions contained in SEZ Rules, 2006.

11.7 <u>Cancellation of LOA issued to M/s. Esquire Express India Private Limited in J Matadee Free Trade</u> <u>Warehousing Zone, Sriperumbudur</u>

M/s. Esquire Express India Private Limited was issued LOA in 2014 for setting up their Unit in J Matadee Free Trade Warehousing Zone, Sriperumbudur. The validity of their LOA was extended for a further period of one year i.e., up to 2016.

As per the records of this office, the Unit has neither executed BLUT nor commenced their activities. A show Cause Notice was issued by this Office to the Unit on 1.10.2018 for non-implementation of their project. The Unit vide their letter dated 10.10.2018 has informed their inability to implement the project and agreed for cancellation of the LOA.

The Authorised Officer of the FTWZ has confirmed that the Unit has not commenced their operations and no lease deed was executed by them. Further, he has stated that they have not availed any duty benefits.

The proposal for cancellation of LOA of **M/s**. **Esquire Express India Private Limited** 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 the provisions contained in Section 16 (1) of the SEZ Act, 2005.

11.8 Approval of increase in space occupied by M/s. Citicorp Services India Private Limited, an SEZ Unit in DLF Info City Chennai Limited, Ramapuram consequent to revised measurement of the area by the Developer

M/s. Citicorp Services India Private Limited was issued LOA No.8/182/2019-DLF SEZ dated 03.10.2019 to set up their Unit at 6th Floor, Block 7 and Ground to 3rd Floor of Block 12 at DLF Info City Chennai Limited SEZ, Chennai-89. They have commenced their operations on 20.01.2020.

The Developer, M/s. DLF Info City Chennai Limited has provisionally allotted space of 2,24,950 Sq.ft., on entire Ground Floor to 3rd Floor, Block 12 in the same SEZ for carrying out their authorised operations and the same was approved by the UAC in its meeting held on 12.01.2021 and 11.06.2021.

The Unit has now informed that there is a small revision in the area allotted to them by the Developer. The area finally allotted to them would be 2,27,049 sq.ft instead of 2,24,950 sq.ft. In this regard, they have also submitted the consent letter issued by the Developer for the revised area. The Unit has informed that there is no change in the projections.

The proposal of the Unit for revision of the area from 2,27,049 sq.ft., to 2,24,950 sq.ft., consequent to revised measurement of the area by the Developer was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions of SEZ Rules, 2006.

11.9 Merger of M/s. Wolters Kluwer ELM Solutions Private Limited, Unit-II with Unit-I in Tril Info Park SEZ, Taramani

M/s. Wolter Kluwer ELM Solutions Private Limited, Unit-I was issued LOA on 05.02.2013 for setting up their Unit in Tril Info Park SEZ, Taramani. They have commenced their operations on 30.12.2013 and are currently in their 3rd year of the Second Five Year Block period.

They were also issued LOA for Unit-II in the same SEZ on 01.09.2014 and commenced their operations on 28.02.2015. The Unit is currently in the second year of the 2nd Five Year Block period.

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Now, the Unit has made a request to this office for merger of their Unit-II with their Unit-I for the following reasons:

- 1) Maintenance of combined books of accounts.
- 2) Enhanced managerial controls and reporting and supervision.
- 3) Cost efficiency towards the economies of scale.
- 4) Reliable and judicious compliance with the statues and the timelines as amended. The Unit has submitted revised projections on account of merger of their Unit-II with Unit-I which is given below:-

(₹ in lakh)

Particulars	Existing Projections	Revised Projections
Exports	12,156	23,799
FE Outgo	1,133	956
NFEE	1,527	3,353

The Unit has also revised their employment from 126 persons to 414 persons.

The proposal of merger of M/s. Wolters Kluwer ELM Solutions Private Limited, Unit-II with Unit-I was examined by the Unit Approval Committee. After deliberations, the Committee approved the proposal in terms of the provisions contained in Rule 19(2) of the SEZ Rules, 2006 subject to the condition that the LOA issued to Unit-I will only be in operation henceforth.

11.10 Request of M/s. DLF Power & Services Limited for procurement of materials

M/s. DLF Power & Services Limited, Co-Developer of DLF Info City Chennai Limited SEZ, has requested permission for procurement of indigenous materials for a value of ₹ 1.80 lakh with a duty forgone value of ₹ 0.32 lakh for Fire & Safety Security Operations as a part of their authorised operations in the SEZ. This was examined by the Unit Approval Committee in its meeting held on 13.08.2021 and the Committee deferred the proposal since it was observed that the proposal/material i.e., three Electric Scooters requested by the Co-Developer was not related to their authorised operations.

The Co-Developer has again requested this office to reconsider their proposal with the justification that the issue is related to safety and security of the Employees and assets of the Company, hence it has become necessary to have certain facilities like Electric Scooter to reach the incident location in case of any emergency happened within their SEZ Campus without compromising of any delay to safe guard/rescue the life of their employees and secure the assets of their Company. The Co-Developer has also submitted that the SEZ of DLF has been spread in approximate 3 km radius of which Security Team of safety have to move around on daily basis apart from the emergency cases to check the preventive measures to ensure the security and safety for the Authorised operations duly approved by the Board of Approval, Ministry of Commerce. R-dy

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The proposal of the Co-Developer was again taken up by the Unit Approval Committee. After deliberations, the Committee decided that the Co-Developer may procure the Electric Scooters by duly paying the necessary duty since it was observed that it is not related to their authorised operations and it will be difficult to monitor the usage of vehicle as to whether it is used only for authorised operations by the Co-Developer.

11.11 Request of M/s. Salcomp Manufacturing India Private Limited, an SEZ Unit in Nokia Telecom SEZ, Sriperumbudur for broad-banding

M/s. Salcomp Manufacturing India Private Limited, having an SEZ Unit in Nokia Telecom SEZ, Sriperumbudur was issued LOA No.08/02/2006/Nokia SEZ dated 12.06.2006 for manufacture and export of 'Power Supplies, Electronic goods mainly Chargers for Mobile Phones and Electronic handheld devices and Telecommunication Equipments and other related accessories'. The LOA is valid up to 03.06.2022.

Now, the Unit has made a request for manufacturing of additional product of the following item under broad-banding:

SI. No.	Name of the Item	HSN Code	Annual Capacity
1	Communication Kit*	85176290	70,000 Pieces

The Unit has submitted revised projections on inclusion of the above items as under:

(₹ in lakh)

Particulars	Existing Projections	Revised Projections
Exports	2,80,742	1,24,750
FE Outgo	2,53,264	1,24,191
NFEE	27,478	559

The request of the Unit for manufacturing the above additional product under broadbanding was examined by the Unit Approval Committee in its meeting held on 25.08.2021 and the same was deferred for want of additional details.

The proposal of the Unit for manufacture of additional item under Broad-banding was again taken up 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.

11.12 Request from M/s. All Port Logistics Private Limited for setting up a new FTWZ SEZ Unit in NDR Infrastructure Free Trade Warehousing Zone in Ponneri

The proposal of M/s. All Port Logistics Private Limited for setting up a new FTWZ Unit in NDR Infrastructure Free Trade Warehousing Zone, Ponneri, Tiruvallur district for providing 'warehousing

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Services including services such as Labelling, Packing or Re-packing as permitted under SEZ Act, 2005 and SEZ Rules, 2006' with a projected investment of ₹ 50 lakh and projected NFEE of ₹ 578 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.

The meeting concluded with a Vote of Thanks.

The next meeting of the UAC will be held on 08/10/2021.

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