

**SEEPZ SPECIAL ECONOMIC ZONE
ANDHERI (EAST), MUMBAI.**

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AGENDA FOR

**MEETING OF THE APPROVAL COMMITTEE FOR
SECTOR SPECIFIC SPECIAL ECONOMIC ZONE FOR
IT/ITES AT PUNE OF M/S. EON KHARADI
INFRASTRUCTURE PVT.LTD.PHASE I-SEZ.**

Via Video Conferencing

DATE : 03.02.2021

TIME : 03.30 P.M.

**MEETING OF THE APPROVAL COMMITTEE FOR SECTOR
SPECIFIC SPECIAL ECONOMIC ZONE FOR IT/ITES AT PUNE,
UNDER THE CHAIRMANSHIP OF DEVELOPMENT
COMMISSIONER, SEEPZ-SEZ ON 03.02.2020.**

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Agenda Item No.	Subject
Agenda Item No. 01 :-	Confirmation of the Minutes of the meeting held 07.01.2021
Agenda Item No. 02 :-	Application for Revision in Projection by M/s. Eaton Technologies India Pvt. Ltd.

**GOVT. OF INDIA,
OFFICE OF THE ZONAL DEVELOPMENT COMMISSIONER,
SEEPZ – SEZ (PUNE CLUSTER)**

**AGENDA NOTE FOR CONSIDERATION OF THE UNIT APPROVAL
COMMITTEE**

a) Proposal:

Request of M/s. Eaton Technologies Pvt. Ltd., an IT/ITES unit located at EON Kharadi Infrastructure Pvt. Ltd. -SEZ for revision of projection as a result of reduction in employment

b) Specific Issue on which decision of UAC is required:

Approval of the UAC for revision in projection under Rule 19(2) of SEZ Rules, 2006, as detailed below :

(i) Approved export-projections: (Rs. in Lacs)

Sr. No		2017-18	2018-19	2019-20	2020-21	2021-22	Total
1.	FOB Value of exports	86,098	86,057	77,470	70,028	46,088	3,65,741
2.	Foreign Exchange outgo	4,774	4,743	4,364	3,972	2,773	20,626
3.	Net Foreign Exchange	81,324	81,314	73,106	66,056	43,315	3,45,115
4.	Employment						
	Men	1667	1641	1576	1519	1274	
	Women	612	603	578	558	467	
5.	Investment-Plant and Machinery/Capital Goods						
i.	Indigenous	17	11	58	8	9	103
ii.	Imported	67.29	44.33	82.22	33.57	37.23	264.64

(ii) Revised export-projections: (Rs. in Lacs)

Sr. No		2017-18	2018-19	2019-20	2020-21	2021-22	Total
1.	FOB Value of exports	78,618	69,733	63,611	58,164	40,610	3,10,736
2.	*Foreign Exchange outgo	2,970	7,164	5,777	6,739	5,253	27,903
3.	Net Foreign Exchange	75,648	62,569	57,834	51,425	35,357	2,82,833

4.	Employment						
	Men	1621	1591	1503	1290	1094	
	Women	613	622	588	502	421	
5.	Investment-Plant and Machinery/Capital Goods						
i.	Indigenous	55	67	266	299	207	894
ii.	Imported	593	669	484	142	111	1999

c) Relevant provisions:

As per first proviso to Rule 19(2) of SEZ Rules, 2006 "Provided that the Approval Committee may also approve proposals for broad- banding, diversification, enhancement of capacity of production, change in the items of manufactures or service capacity, if it meets the requirements of Rule 18"

d) Other Information:

- LOA No. SEEPZ-SEZ/NEWSEZ/EON/01/2006-07/1790, Dtd. 19.04.2017
- Date of commencement of operations: 19.04.2007
- LOA valid up to: 18.04.2022
- Location: Cluster C, Wing 1, EON Free Zone, Plot No.1, Survey No.77, MIDC Kharadi Knowledge park, Kharadi, Pune-411014.
- Existing Block Period -2017-18 to 2021-22
- The unit in their application has also stated that the revised projections submitted is considering phased out reduction in space in future to the tune of 49,000 sq.ft.

e) Reason for revision in projection :

The unit has stated that as per their global agreement their Hydraulics division is being transferred and taken over by Danfoss A/s, hence around 277 employees are being transferred from their unit to Danfoss A/s. as on the closing date which is a major headcount reduction in FY 2020-21.

f) Reason for higher import as compared to projected import

With regard to higher imports during the period 2017-18 to 2019-20 as compared to projections, the unit has stated that earlier they had decided to take the IT assets such as laptop/desktops on lease but later decided to procure the same basis cost benefit analysis and other benefits of techno commercial nature such as life of the asset, warranty cost and other maintenance cost.

Further they have stated that the Software licenses & Cisco phones which were not considered in earlier projections as per Eaton Corporation's policy of centralized procurement but later on the same were procured as per business need at SEZ unit. The unit has also stated that as on date they have bond balance of Rs. 4.84 Crores

g) ADC's Observations :

- During the Period 2017-18 to 2019-20, the unit has procured considerably higher value of capital goods as compared to their projections submitted to the extent of projected procurement of Rs. 82.22 lakhs to Rs. 1746 lakhs in case of imported C.G. and Rs. 86 lakhs to that of 388 lakhs in case of Indigenous C.G. **The unit has given justification for the said import which is discussed in point No. (f) above.**
- Unit Approval Committee may like to consider proposal of the Unit for revision in projection on account of reduction in employment under Rule 19(2) of SEZ Rules, 2006.