SEEPZ SPECIAL ECONOMIC ZONE ANDHERI (EAST), MUMBAI.

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SUPPLEMENTARY AGENDA FOR

MEETING OF THE APPROVAL COMMITTEE FOR SECTOR SPECIFIC SPECIAL ECONOMIC ZONE FOR IT/ITES FOR MIDC AT HINJAWADI PHASE III, PUNE

Via Video Conferencing

DATE : 22.02.2022

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 22.02.2022

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Agenda Item No.	Subject
Agenda Item No. 01 :-	Approval for addition of area along with revision in projections by M/s. Designtech Systems Pvt. Ltd.

SUPPLEMENTARY AGENDA NOTE FOR CONSIDERATION OF THE UNIT APPROVAL COMMITTEE

a) Proposal:

Application filed by M/s. Designtech Systems Pvt. Ltd., an IT/ITES unit located in MIDC-Pune-SEZ, for addition of area admeasuring 18,445.29 sq.ft. along with revision in projections.

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

Approval of UAC for

- 1) Addition of area admeasuring 18,445.29 sq.ft. to the existing area of 2,845 sq.ft. and
- 2) Revision of projection on account of addition of location, in terms of Rule 19(2) of SEZ Rules, 2006

c) Relevant Provisions: -

As per 1st proviso to Rule 19(2) of SEZ Rules, 2006.

"Provided that the Approval Committee may also approve proposals for broadbanding, diversification, enhancement of capacity, if it meets the requirements of rule 18"

d) The details of the present and revised projections is as detailed below: Location / area proposed to be added:

(i) Location / area proposed to be added:

Existing Area	Area proposed to be added	Total Area after addition
Gr. Floor, J. K. Tech Square, Plot No. 25/4	development rights w.r.t. construction of G+2 floor i.e. equivalent	Plot No. 25/4 AND Plot area with development rights w.r.t. construction of G+2 foor i.e. equivalent to built-up area to tune of 18,445.29 sq.ft. on
MIDC-IT-ITES-SEZ, Rajiv	Gandhi Infotech Park, Ph	ase III, Hinjawadi, Pune 411057
2,845 sq.ft.	18,445.29 sq.ft.	21,290.29 sq.ft.

(ii) Revision in Projection: (Rs. in Lacs)

Sr. No	Item	Existin Projec		Total Revised Projection		
1.	Employment	Men	Women	Men	Women	
		30	5	100	25	
	Total	•	35		125	
2.	Investment-Plant & Machinery/Capital Goods					
i.	Indigenous		58.24		1609.97	
ii.	Imported		39.36		249.97	

		Total	97.60	1859.94
3.	Input Services			
i.	Indigenous		219.24	753.02
ii.	Imported		0.00	39.00
		Total	219.24	792.02

Approved Export Projection:

(Rs.	in	Lacs)	
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Sr.		2020-21	2021-22	2022-23	2023-24	2024-25	Total
1.	FOB Value of exports	10.80	108.00	216.00	327.00	378.00	1039.80
2.	Foreign Exchange outgo	24.00	0.96	3.84	9.60	0.96	39.36
3.	Net Foreign Exchange	(13.20)	107.04	212.16	317.40	377.04	1000.44

Revised Projection:

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Sr. No		2020-21	2021-22	2022-23 (revised)	2023-24 (revised)	2024-25 (revised)	Total
1.	FOB Value of exports	0.89	197.96	450.00	600.00	900.00	2148.85
2.	Foreign Exchange outgo	0.00	0.00	138.16	108.81	42.00	288.97
3.	Net Foreign Exchange	0.89	197.96	311.84	491.19	858.00	1859.88

e) Other Information: -

- LOA No. SEEPZ-SEZ/MIDC-SEZ/JKB-CO-DEV/DSPL/79/2019-20 dated 09.03.2020
- Location: Gr. Floor, J K Tech Square, Plot No. 25/4, MIDC-IT-ITES-SEZ, Rajiv Gandhi Infotech Park Phase III, Hinjawadi, Pune 411057
- Date of Commencement: 27.03.2020
- Validity of LOA: 26.03.2025
- PReason submitted by the Unit for obtaining additional location: The Unit has submitted that since they have also received approval as Co-Developer and therefore, in order to expand their operations to their own campus, they have applied for addition in the same SEZ in their Co-Developer Plot. They have submitted that they have also obtained offer-letter/letter of intent. Further, they have submitted that once construction and fit-out work of said building is completed, they shall be moving their operations from existing Unit-premises to the said added location and thereafter, apply for deletion of existing location separately.
- Reason for lower projections with higher capital investment: The Unit has submitted the reason for lower export projections that they are into 3rd financial year and therefore, they are left over with only two more financial years though construction cost will be capitalized during this period only, however, revenue will be there only for 2 years and hence capital investment is on a higher side which is for longer duration and actual exports realization out of said addition of location will be reflected in their next block projections.
- The unit has submitted the following documents with the application:
 - 1. Copy of application submitted in SEZ online

- 2. Copy of letter of intent from the Developer
- 3. Copy of LOA
- 4. Copy of Form F submitted during setting up of new Unit
- 5. Copy of revised Form F
- 6. List of imported and indigenous capital goods

f) ADC's Scrutiny report: -

> Increase in

(i)	Area by	648.34 %
(ii)	Employment by	257.14%
(iii)	Investment in capital goods by	1805.68%
(iv)	Export revenue by	106.66%
(v)	Input services by	261.26%

- ➤ The Unit is currently located in Co-Developer's premises (J. K. Tech Square). Their company has also been granted conditional approval as a Co-Developer by Board of Approval.
- ➤ The Co-Developer has agreed to lease out 10,474 sq.ft. of Plot area with development rights wherein the Unit will be constructing approx. 18445.29 sq.ft. (G+2 Floors) built-up area.
- ➤ Further, construction other then G+2 Floor will be with their Co-Developer Company, in other words, the property constructed 18,445.29 sq.ft. will be under the ownership of Designtech Systems Pvt. Ltd.(Unit)
- ➤ The proposal of the unit for addition of area with revision in projection in terms of Rule 19(2) of SEZ Rules, 2006, is submitted before UAC for consideration.