Minutes of the 53<sup>rd</sup> Meeting of the Approval Committee held on 25.08.2014 under the Chairmanship of Joint Development Commissioner for Mihan Specific Special Economic Zone, developed by M/s. Maharashtra Airport Development Company Ltd., at Nagpur.

1. Name of the SEZ

MIHAN SEZ.

2. Sector

Multi-Product.

3. Meeting no.

53.

4. Date

25.08.2014.

## Members Present:

1. Shri. S. B. Akashi Joint Commissioner

Nominee of the Commissioner Central Excise, Customs, Nagpur.

2. Shri. K. S. More Industries Inspector, BMR Mumbai. : Nominee of Development Commissioner, Industries

3. Smt. S. R. Motwani Asstt. DGFT

: Nominee of Zonal DGFT, Mumbai.

4. Shri S. Sitaarasu G. M. Marketing

: Nominee of Developer.

## Agenda Item No. 1: Confirmation of Minutes of the meeting held on 21.05.2014.

The Minutes of the 52<sup>nd</sup> Meeting held on 21.05.2014 were confirmed.

## Agenda Item No.02: Approval of Additional List of Services under Notification No. 12/2013-ST dated 01.07.2013.

In terms of Notification No. 12/2013-ST dated 01.07.2013 the list of services required for authorized operations by the Developer/Codevelopers/units are to be approved by the Approval Committee for the Special Economic Zone.

The Department of Commerce, Ministry of Commerce & Industry has approved a Default list of 63 services which may be permitted by all UACs as default authorized services. As per MOC & I letter dated 19.06.2014 the following services have been added in the List of default authorized services

- 1. Accommodation Service
- 2. Business Support Service
- 3. Transport Passengers by Air

<u>Decision:-</u> The Committee approved the above 3 services mentioned in the Ministry's list as default list of services.

Agenda Item No.03: Approval of setting up of a new unit - M/s. ADCC Infocom Pvt. Ltd.

The Committee noted that application has been submitted on **11.06.2014** for GIS Services, CAD Services, Engineering Solutions Provider & Software Development.

It was noted that the proposal envisages FOB value of Exports of Rs. 8936 Lakhs, NFE of Rs. 7149 Lakhs and employment of 200 persons during their Five year projection period.

Relevant Rule Provision: - In terms of Rule 17 & 18 of SEZ Rules, 2006.

Decision: - The Committee approved the proposal.

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Supplementary Agenda Item No. 1:- Request of unit for consideration for relaxation/amendment of LOA - M/s. Diet Food International.

The representative of the unit stated that while granting LOA, a specific condition has been stipulated, i.e. "All the pulses will be imported from outside India and no procurement will be made from DTA till prohibition on exports continue in Foreign Trade Policy"

Subsequently, by Public Notice No. 37/2009-2014 (RE-2013) dated 14th November, 2013, issued by DGFT permits Advance Authorization for export for an item, which is otherwise prohibited for export. The effect of this Public Notice is that items which are otherwise prohibited for exports, but, which has been permitted for export under Advance Authorisation Scheme have been specific along with conditions applicable for such exports. Further, Notification No. 51(RE-2013)/2009-2014 dated 14-11-2013 of the DGFT amends paragraph No. 6.2(a)(i) of the Foreign Trade Policy as per which, in respect of an EOU, permission to export a prohibited item may be considered by BOA, provided such raw materials are imported and there is no procurement of such raw material from DTA. The effect of this Notification is that the BOA can consider requests for export of a prohibited item from an EOU.

The Committee noted that the Public Notice No. 37/2009-2014 (RE-2013) dated 14<sup>th</sup> November, 2013, specifies pre-import condition for export and therefore, an advance license holder has to import, process and export and no access to DTA is envisaged.

The representative of the unit stated that in so far as the advance license is concerned, the pre-import condition exists and therefore, like the case of SEZ unit, advance license holder can import, process and export only. However, since the advance license holder is a DTA unit, as a DTA unit, he can procure such goods for processing and supply to DTA. In this manner, a DTA unit is able to export, using the Advance License Scheme whenever he has export orders or use his facilities for processing of DTA procured pulses for supply thereafter to the DTA, which keeps his capacity utilization to the maximum extent. In the case of an SEZ unit, he can only import and export without any access to DTA. Therefore, the capacity utilization is only 30 to 35% as the export orders are seasonal.

<u>Decision:</u> The Committee noted that each export promotion scheme is specific. As per the SEZ regime, access to DTA is not permissible. Accordingly, the request was rejected.

Supplementary Agenda Item No. 2:- Approval of setting up of a new unit - M/s. Dr. M Hope Software Pvt. Ltd.

The Committee noted that application has been submitted on 10.06.2014 for Development of Hospital Software for US Market.

It was noted that the proposal envisages FOB value of Exports of Rs. 6469302 Lakhs, NFE of Rs. 4558336.20 Lakhs and employment of 200 persons during their Five year projection period.

Relevant Rule Provision: - In terms of Rule 17 & 18 of SEZ Rules, 2006.

Decision: - The Committee approved the proposal.

Chairperson – cum – Joint Development Commissioner

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