

SEEPZ SPECIAL ECONOMIC ZONE

ANDHERI (EAST), MUMBAI.

SUPPLEMENTARY AGENDA FOR

**MEETING OF THE UNIT APPROVAL COMMITTEE FOR EXPORT
ORIENTED UNITS UNDER THE JURISDICTION OF DEVELOPMENT
COMMISSIONER, SEEPZ-SEZ.**

VENUE : Conference Hall, BFC Building, 2nd Floor, Behind the
Office of the Development Commissioner, SEEPZ-SEZ,
Andheri (East), Mumbai.

DATE : 10th August, 2015.

TIME : 11.30 A.M.

**MEETING OF THE UNIT APPROVAL COMMITTEE FOR EXPORT
ORIENTED UNITS UNDER THE CHAIRMANSHIP OF DEVELOPMENT
COMMISSIONER, SEEPZ-SEZ ON 10th AUGUST, 2015.**

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Agenda Item No.	Subject
Supplementary Agenda item No. 01 : -	Application for setting up of New unit - M/s. Audax Protective Fabrics Pvt. Ltd.,
Supplementary Agenda item No. 02 :	Application for setting up of New unit - M/s. Tembey Shree Exports,
Supplementary Agenda item No. 03 :	Application for merger of STPI unit with EOU unit - M/s. Dana India Technical Centre Pvt. Ltd.

**OFFICE OF THE DEVELOPMENT COMMISSIONER,
SEEPZ SPECIAL ECONOMIC ZONE, GOVT. OF INDIA,
ANDHERI (E), MUMBAI**

AGENDA NOTE FOR CONSIDERATION OF UNIT APPROVAL COMMITTEE

a) Proposal :-

Application for Conversion of Existing DTA Unit into an EOU of M/s. Audax Protective Fabrics Pvt. Ltd.

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

Grant of Letter of Permission (LOP) for Conversion of Existing DTA unit into EOU.

c) Relevant Provision of FTP/HBP :-

Para 6.07 (a) of FTP 2015-2020 read with Para 6.01 (b) of Hand book of Procedure.

d) Other information: -

The applicant company has submitted the application for for Conversion of Existing DTA Unit into an EOU manufacture and export of HDPE/PP Coated and Printed Woven & Non Woven Fabrics at i) Survey No. 288/2, Unit No. A to D, Yogi Industrial Estate, Demini Road, Village Dadra, UT of D & N H – 396 193 ii) Survey No. 117/1 & 117/2, Vaghdhara Dunga Road, Agarwal Estate, Dadra, UT of D & N H – 396 193.

The Assistant Commissioner of Central Excise & Customs, Divison I, Silvassa, 1st Floor, Sahakar Bhawan, Opp. Hirwan Garden, Piparia, Silvassa UT of D & NH vide their letter dated 06.08.2015 has submitted the Inspection Report of the proposed premises and informed the both premises is on Leave on License basis. The lease period is for unit 1 is for 6 years and 7 months commencing from 01.02.2014 to 31.08.2020. The lease period is for Unit 2 is for 72 months commencing from 01.01.2015 to 31.12.2020.

INVESTMENT:

The proposed cost of the project is as follows:-

	Existing	Proposed
Land	-	Rs. 500.00 Lakhs
Building	-	Rs. 800.00 Lakhs
Plant & Machinery		-
Indigenous	Rs. 637.12 Lakhs	Rs. 1,200.00Lakhs
Imported	-	Rs. 2,000.00 Lakhs
Total	Rs. 637.12 Lakhs	Rs. 3,200.00 Lakhs

PROPOSED IMPORT/EXPORT:

The details of Foreign Exchange Balance Sheet is as follows:-

(Figs. Rs in Lakhs)

		1 st	2 nd	3 rd	4 th	5 th	Total	Total in US\$'00 0
XII	FOB value of exports in first five years	5299	6798	7844	8890	9413	38175	60500
XIII Foreign Exchange outgo on								
(i)	Import of Machinery	600	800	300	200	100	2000	3169
(ii)	Import of raw materials and components	3780	4914	5670	6426	6805	27598	43736
(iii)	Import of spares and consumables	5	5	5	5	5	25	39
(iv)	Repatriation of dividends and profits to foreign collaborators	-	-	-	-	300	300	475
(v)	Royalty	-	-	-	-	-	-	-
(vi)	Lump sum know how fee	-	-	-	-	-	-	-
(vii)	Design and drawing fee	-	-	-	-	-	-	-
(viii)	Payment of foreign technicians	-	-	-	-	-	-	-
(ix)	Payment on training of Indian technicians abroad	-	-	-	-	-	-	-
(x)	Commission on Export etc.	104	135	156	177	188	763	1210
(xi)	Foreign Travel	15	20	25	30	35	125	198
(xii)	Amount of interest to be paid on external commercial borrowing/deferred payment credit	-	-	-	-	-	-	-
(xiii)	Any other payments	104	135	156	177	188	763	1210
	Total (i) to (xiii)	4609	6011	6314	7017	7621	31575	50039

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Net Foreign Exchange earnings in five years	619	786	1529	1872	1791	6600	10460
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EMPLOYMENT:

The employment proposed as follows:-

	Men	Women
Supervisory	120	-
Non-supervisory	300	-

LAST THREE YEARS EXPORT:

The export turnover of the applicant company of last 3 years is as follows:-

Years	Export (Rs. in Lakhs)
2013-14	Nil
2014-15	1076.45

It is further stated that the unit in its fact sheet has stated that they are holding five Advance Authorization. The Export Obligation is pending.

The proposal of the applicant company is placed before the Unit Approval Committee for consideration.

**OFFICE OF THE DEVELOPMENT COMMISSIONER,
SEEPZ SPECIAL ECONOMIC ZONE, GOVT. OF INDIA,
ANDHERI (E), MUMBAI**

AGENDA NOTE FOR CONSIDERATION OF UNIT APPROVAL COMMITTEE

a) Proposal :-

Application for setting up of New Unit of M/s. Tembey Shree Exports for manufacture and export of i) Silk Embroidery Scarves ii) Silk Pillow Covers with Embroidery iii) Silk bed Sheets

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

Grant of Letter of Permission (LOP) for New Unit

c) Relevant Provision of FTP/HBP :-

Para 6.07 (a) of FTP 2015-2020 read with Para 6.01 (b) of Hand book of Procedure.

d) Other information: -

The applicant company has submitted the application for Establishment of New Undertaking for manufacture and export of i) Silk Embroidery Scarves ii) Silk Pillow Covers with Embroidery iii) Silk bed Sheets at Gat No. 1096, 15KM Mile Stone, Wadki Saswad Road, Pune – 412 308.

The Inspection Report from Central Excise Authority is still awaited..

INVESTMENT:

The proposed cost of the project is as follows:-

	Existing	Proposed
Land	-	-
Building	-	-
Plant & Machinery		-
Indigenous	-	Rs. 222.00 Lakhs
Imported	-	Rs. 85.00 Lakhs
Total	-	Rs. 307.00 Lakhs

PROPOSED IMPORT/EXPORT:

The details of Foreign Exchange Balance Sheet is as follows:-

(Figs. Rs in Lakhs)

		1 st	2 nd	3 rd	4 th	5 th	Total	Total in US\$'00 0
XII	FOB value of exports in first five years	366	1,016	1,375	2,075	2,961	7,800	12,381

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XIII Foreign Exchange outgo on								
(i)	Import of Machinery	85	0	0	0	0	85	134
(ii)	Import of raw materials and components	-	-	-	-	-	-	-
(iii)	Import of spares and consumables	-	-	-	-	-	-	-
(iv)	Repatriation of dividends and profits to foreign collaborators	-	-	-	-	-	-	-
(v)	Royalty	-	-	-	-	-	-	-
(vi)	Lump sum know how fee	-	-	-	-	-	-	-
(vii)	Design and drawing fee	-	-	-	-	-	-	-
(viii)	Payment of foreign technicians	-	-	-	-	-	-	-
(ix)	Payment on training of Indian technicians abroad	-	-	-	-	-	-	-
(x)	Commission on Export etc.	-	-	-	-	-	-	-
(xi)	Foreign Travel	5	51	55	59	63	233	369
(xii)	Amount of interest to be paid on external commercial borrowing/deferred payment credit	-	-	-	-	-	-	-
(xiii)	Any other payments	-	-	-	-	-	-	-
	Total (i) to (xiii)	90	51	55	59	63	318	504
	Net Foreign Exchange earnings in five years	276	965	1,320	2,016	2,904	7,482	11,877

EMPLOYMENT:

The employment proposed as follows:-

	Men	Women
Supervisory	35	15
Non-supervisory	95	50

The proposal of the applicant company is placed before the Unit Approval Committee for consideration.

**OFFICE OF THE DEVELOPMENT COMMISSIONER,
SEEPZ SPECIAL ECONOMIC ZONE, GOVT. OF INDIA,
ANDHERI (E), MUMBAI**

AGENDA NOTE FOR CONSIDERATION OF UNIT APPROVAL COMMITTEE

a) Proposal :-

Application for Merger of STPI unit with EOU unit received from M/s. Dana India Technical Centre Pvt. Ltd.

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

Merger of STPI unit with EOU unit located at Tata Communication IDC Building, Dighi Alandi Road, Dighi, Pune – 411 031.

c) Relevant Provisions of FTP/HBP :-

In terms of Para 6.38 (b) of HBP stipulates that, "Existing EHTP/STP/BTP units may also apply for conversion/merger to EOU and vice-versa. In such cases, units will continue to avail permissible exemption in duties and taxes as applicable under relevant scheme. EHTP/STP/BTP units desiring conversion as an EOU may apply to DC concerned through Officer designated by DeitY/DoBT in same manner as applicable to new units. Likewise, EOU desiring conversion into EHTP/STP/BTP may apply to officer designated by DeitY/DoBT through DC concerned".

d) Other Information :-

M/s. Dana India Technical Centre Pvt. Ltd., Pune-I, were issued LOP No. PER:SEEPZ-SEZ/EOU/03/2012-13/10920 dated 13.08.2012 for manufacture and export of i) IT Enabled Services : Engineering Design Services & Embedded Hardware & Software Development & IT Enabled Support Services, ii) Research & Development Services : Analysis, Testing including Prototype Development Services at Survey No. 279, Phase II, Rasoni Industrial Park, Village Mann, Hinjewadi, Taluka Mulshi, District Pune – 411 057.

The unit vide their letter dated 31.10.2014 submitted the application for merger of STPI unit with EOU unit and stated the following :-

- (i) They have been registered with SEEPZ as EOU unit for rendering services Design service other than interior decoration and fashion designing, Information technology software service and Technical testing and analysis service located at S.No.279/1, Rasoni Industrial Park, Hinjewadi, Phase II, Village Mann, Dist:Pune – 411 057 having LOP No. PER/SEEPZ-SEZ/EOU/03/2012-13/10920 dated 13th August, 2012.

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(ii) They have their STPI unit at 503, 5th floor and 301 to 308, 3rd Floor, Pride Silicon Plaza, Senapati Bapat Road, Pune 411016 having LOP No. STP/P/VIII(A)(1004)/2005/7344 dated 17.03.2005, further extended vide letter STP/P/VIII(A)(1004)/2005/7697 dated 15.04.2010. Due to the requirement of their business, they have added location of Dighi in as additional location having LOP number STPI/P/VIII(A)(1004)/2005/c-730 dated 10.10.2010 having address as Tata Communication IDC Building, Dighi Alandi Road, Dighi, Pune 411031.

(iii) The summary of location is as follows:

Unit	Location	LOP No & Date	Status as on date
STPI Additional Location	Tata Communication IDC Building, Dighi Alandi Road, Dighi, Pune 411031.	STPI/P/VIII(A)(1004)/2005/C-730 dated 10.10.2010	To be merged with EOU.
EOU	S.NO.279/1, Raisoni Industrial Park, Hinjewadi, Phase II, Village Mann, Dist. Pune - 411057	LOP No. PER/SEEPZ-SEZ/EOU/03/2012-13/10920 dated 13 th August, 2012.	Exiting EOU

(iv) The unit located at Dighi only kept at STPI unit for the purpose of disaster management. It is kind of additional location stored at the servers available at this location. No. service is provided from this location. Therefore no revenue is generated from this location. There is no inflow of foreign exchange in STPI unit. Copy of final de-bonding letter and no dues from excise is enclosed with the letter. They have achieved cumulative positive NFE in both the units. Copy of audited APR for STPI & EOU for the period 2013-14 is enclosed with the letter.

(v) They have to follow compliances for STPI unit and EOU & monitor the NFE separately, therefore the management of the company has decided to merge the STPI located at dighi with the EOU Unit and hence the company is making formal request towards merger. Existing EHTP/STP units may also apply for conversion/merger to EOU unit and vice-versa. In such cases, units will remain in bond and avail exemptions in duties and taxes as applicable further as per Para 6.32 of the Hand Book of Procedures, the Jurisdictional Development Commissioner has authority to approve the conversion of STPI unit into EOU or vice versa.

(vi) In order to reduce the compliances and administrative hassles, the management has decided to merge the STPI Unit into EOU. Accordingly all the assets at this location will be transferred to EOU. In other words there will not be any de-bonding of any assets in this process. List of capital goods at Dighi location is enclosed with the letter.

- (vii) They have enclosed herewith revised projection of Export & Import for next 5 years and revised NFE sheet for next 5 years after merger of STPI and EOU location. Further they permission for import of capital goods up to \$1,40,09,000 as per their LOP granted to EOU. Therefore they have not applied for further enhancement of imported capital goods limit.

Further, the unit vide their letter dated 20.03.2015 stated the following :-

- (i) The unit has submitted a copy of NOC issued by the Director of STPI STIPM/PUN/ESG/S/728/Sana/STP_Conversion_EOU/16906 dated 19.03.2015 for merger of EOU and STPI along with confirmation w.r.t. fulfilment of export obligation under STPI unit.
- (ii) The existing unit located at Tata Communication IDC Building, Dighi Alandi Road, Dighi, Pune - 411 031 will be the additional location of existing EOU having LOP NO. PER/SEEPZ-SEZ/ EOU/03/2012-13/10920 dated 13.08.2012 after merger of STP unit into EOU.

The Director STPI Pune in his letter dated 19.03.2015 has stated that the STP unit has fulfilled the Export Obligation with positive NFE under STP Scheme. He has further stated that they have no objection for conversion of STP unit into EOU unit subject to undertaking of taking over all assets and liabilities of your STP unit by EOU unit and fulfilling the Customs and Central Excise formalities in this regards.

The unit vide letter dated 15.07.2015 submitted letter of undertaking as per STPI letter dated 19.03.2015 and also list of Capital Goods imported under STP Scheme and to be converted into EOU Scheme duly certified by Central Excise Authority.

The unit has submitted the revised projection of export & import for next 5 years and revised NFE sheet for next 5 years after meter of STPI and EOU location is as follows:-

(1 US \$ = ₹ 60/-)

क्र. सं. Sl. No.		प्रस्तुत 5 वर्ष का (अनुमोदित) Existing of 5 years (approved) 2013-14 to 2017-18		प्रस्तावित 3 वर्ष का Proposed for 3 years 2015-16 to 2017-18	
		लाख रु में Rs. In Lakhs	हजार अम. डालर में US'000	लाख रु में Rs. In Lakhs	हजार अम. डालर में US'000
1.	निर्यात का एफओबी मूल्य FOB value of exports	44,553	85,269	29,192	48,653

.....4/-

2.	मशीनरी का आयात Import of Machinery	7,320	14,009	806	1,344
3.	कच्चे माल का आयात Import of Raw Material	-	-	-	-
4.	अतिरिक्त पुर्तों का आयात Import of Spares & Consumables	220	420	-	-
5.	Repatriation of dividends and profits to foreign collaborates	-	-	-	-
6.	Royalty	-	-	-	-
7.	तक. ज्ञान का एक मुश्त शुल्क Lumpsum Know how fee	-	-	-	-
8.	Design & Drawing fees	-	-	-	-
9.	भारतीय तकनीशियनों को विदेश में प्रशिक्षित करवाने का भुगतान Payment on training of Indian tech. abroad	668	1,279	60	100
10.	निर्यात पर दलाली Commission on export	-	-	-	-
11.	विदेश यात्रा Foreign Travel	446	853	259	432
12.	Amount of interest to be paid on ECB	2,400	4,593	216	360
13.	Any other payment	4,488	8,588	36	59
14.	कुल योग (2 से 13 तक का) Total (2 to 13)	15,540	29,742	1,377	2,295
15.	शुद्ध विदेशी मुद्रा लाभ (1-14) NFE (1-14)	29,013	55,527	27,815	46,358

5 वर्ष के प्रालिखित खंड में निर्यात निष्पादन निम्नानुसार हैं :-

The Export Performance in the current block of 5 years is as follows:-

(आंकड़े लाख रुपये में) / (Figs. in Lakhs)

निर्यात EXPORT			आयात IMPORT CG/RM.				
वर्ष YEAR	प्रोजेक्ट PROJECT ED	वास्तविक ACTUAL	वर्ष YEAR	प्रोजेक्ट PROJECTED		वास्तविक ACTUAL	
				CG	RM	CG	RM
2013-14	7,237	6,625	2013-14	500	0	2,618	29
2014-15	8,411	6,670	2014-15	6,033	0	267	0.26
2015-16	9,181	-	2015-16	138	0	-	-
2016-17	9,597	-	2016-17	330	0	-	-
2017-18	10,127	-	2017-18	319	0	-	-
कुल TOTAL	44,553	13,296	कुल TOTAL	7,320	0	2,885	29.76

The unit has achieved positive NFE of Rs. 10,970.92 in the year 2014-15 (with amortization).

The proposal of the unit for merger of STPI unit with EOU and to consider their location as additional location is placed before the Unit Approval Committee for consideration.
