

**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  
ENGINEERING SECTOR AT PUNE OF MIDC-PHALTAN-  
SEZ.**

Via Video Conferencing

DATE : 27.06.2023

TIME : 03.30 P.M.

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**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 27.06.2023**

**INDEX**

<b>Agenda Item No.</b>	<b>Subject</b>
<b>Agenda Item No. 01 :-</b>	Confirmation of the Minutes of the meeting held on 26.07.2022
<b>Agenda Item No. 02 :-</b>	Application for Approval of Broad Banding of Services submitted by M/s. Cummins India Ltd

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Minutes of the 22 <sup>nd</sup> Meeting of the Approval Committee held under the Chairmanship of Development Commissioner SEEPZ-SEZ for Sector Specific Special Economic Zone for Manufacturing Sector of MIDC-Phaltan-SEZ, held on 26.07.2022 via video conference		
1	Name of the SEZ	MIDC-Phaltan-SEZ
2	Sector	Manufacturing
3	Meeting No.	22 <sup>nd</sup>
4	Date	26.07.2022

**Members present**

Sr	Name and Designation (S/Shri.)	Department
1	Smt. Mital S. Hiremath Joint Development Commissioner	Pune Cluster-SEZ, Pune
2	Smt. Pradnya R. Gholap DCIT (TDS) Pune	Nominee of Income Tax, Pune
3	Dr. Dileeraj Dabhole Dy. DGFT	Nominee of DGFT, Pune
4	Krishnadas Nair FTDO	Nominee of DGFT, Pune
5	Bhuvaneshwar Pandit Superintendent	Nominee of Customs, Pune

**Special Invitee**

Sr	Name and Designation	Department
1	Shri B. Ajay Kumar Specified Officer	MIDC-Phaltan-SEZ

**Agenda Item No. 01: Confirmation of the Minutes of the 21<sup>st</sup> meeting held on 28.12.2021**

The Committee was informed that the performance of M/s. Cummins India ltd. was earlier placed before the UAC meeting held on 28.12.2021, wherein the monitoring of performance and revision in Projection was approved. However, the Committee directed that;

- Show cause notice be issued to the unit for violation of Rule 22 of SEZ Rules 2006 read with Instruction No. 72 issued by MOC&I for their failure to execute additional BLUT / check or monitor their BLUT utilisation and for procuring goods without having any balance in their BLUT.
- The unit obtain and submit a copy of approval granted by AD Bank with regard to pending remittance realisation.

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Similarly in the Case of Revision in Projections by M/s. Cummins Technologies India Pvt. Ltd., the Committee directed DC office for issuance of Show Cause notice to the unit for gross violation of the provisions of SEZ Rules read with Instructions issued in the matter, and for imposition of penalty in terms of Foreign Trade (Development and Regulation) Act, 1992.

As directed by the Committee, SCN's was issued to both the units on 04.03.2022 for violation of provisions of Rule 22 of the SEZ Rules, 2006, as discussed above. Adjudication of the SCN's are kept on held for want of clarification from MOC&I.

The Committee, after deliberation confirmed the minutes of the 21<sup>st</sup> meeting of the Approval Committee meeting held on 28.12.2021

**Agenda Item No. 02: Monitoring of performance submitted by M/s. Cummins India Ltd.**

The Committee observed that as reported by the Specified Officer, the unit has procured goods / raw material and services to the tune of Rs. 80.24 Cr. Without having sufficient balance in BLUT. In this regard, it was informed to the Committee that as per directions of the UAC in its meeting held on 28.12.2021 (Agenda No. 01 above), the unit has been issued with a Show Cause Notice for procurement of goods and services without having sufficient balance in BLUT, which has been covered upto the period November 2021. Since the period for which the present monitoring is being done i.e. 2020-21 a SCN has already been issued on 04.03.2022 for the same violation, no action is warranted in the instant case for the said violation.

After deliberation, Committee monitored the performance of the Unit for FY 2020-21 of 2<sup>nd</sup> block period in terms of Rule 54 of SEZ Rules, 2006 and noted that the unit has achieved export of Rs. 47645.22 lacs of export revenue in FY 2020-21 and has achieved positive NFE of Rs. 109334.79 Lacs on cumulative basis as on 2020-21 with employment of 246 as on 31.03.2022.

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**Agenda Item No. 03: Monitoring of performance submitted by M/s. Cummins Technologies India Pvt. Ltd.**

The Committee observed that as reported by the Specified Officer, the unit has procured goods / raw material and services to the tune of Rs. 246.24 Cr. Without having sufficient balance in BLUT. In this regard, it was informed to the unit has already been issued with a Show Cause Notice for procurement of goods and services without having sufficient balance in BLUT, which has been covered upto the period November 2021. Since the period for which the present monitoring is being done i.e. 2020-21 a SCN has already been issued on 04.03.2022 for the same violation, no action is warranted in the instant case for the said violation.

After deliberation, Committee monitored the performance of the Unit for FY 2020-21 of 2<sup>nd</sup> block period, in terms of Rule 54 of SEZ Rules, 2006 and noted that the unit has achieved export of Rs. 95142.12 lacs of export revenue in FY 2020-21 and has achieved positive NFE of Rs. 96652.03 Lacs on cumulative basis as on 2020-21 with employment of 551 as on 31.03.2022.

The meeting ended with vote of thanks to the Chair.

(Signed Jyoti Shinde, IAS)  
Chairman-cum- Development  
Commissioner  
Date: 31.07.2022 19:44:26  
Reason: Approved

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

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

**a) Proposal: -**

Application of M/s. Cummins India Ltd., SEZ Unit located at MIDC-Phaltan-SEZ, for approval for Broad Banding of Additional Services without revision in projection.

**b) Specific Issue on which decision of Approval Committee is required: -**

Approval of Approval Committee for

- i. broad banding of additional items of service in the existing LOA as authorized operations as detailed below:

<b>Current Approved Operations</b>	<b>Proposed additional Operations</b>
<ul style="list-style-type: none"> <li>Generator-ITC/CPC-85021100</li> <li>Generating set 75KVA to 375K-ITC/CPC-85021100</li> <li>Internal combustion Piston Engines-ITC/CPC-84099199</li> </ul>	<ul style="list-style-type: none"> <li>Services involving Repair, alterations, additions, replacements, maintenance o the completion finishing works covered above.-ITC/CPC-995479-8861</li> <li>Engineering services for industrial and manufacturing projects-ITC-CPC-998333-8853</li> <li>Technical testing and analysis-ITC/CPC-998346-8876</li> <li>Other miscellaneous services-ITC/CPC-999799-8864</li> </ul>

**Approved Projections of Investment and Employment: (Rs. In Lakhs)**

<b>Sr.No</b>	<b>Item</b>	<b>Existing Projection</b>
<b>1.</b>	<b>Capital Goods</b>	
i.	Indigenous	611.60
ii.	Imported	532.40
	<b>Total</b>	<b>1144.00</b>
<b>2.</b>	<b>Raw Material</b>	
i.	Indigenous	360619.60
ii.	Imported	13666.40
	<b>Total</b>	<b>374286.00</b>
<b>3.</b>	<b>Input of Services</b>	
i.	Indigenous Services	23796.30
ii.	Imported Services	2200.00
	<b>Total</b>	<b>25996.30</b>
<b>4.</b>	<b>Employment</b>	<b>575(Men-455, Women-120)</b>

## Approved Projection:

(Rs. In Lakhs)

	2023-24	2024-25	2025-26	2026-27	2027-28	Total
FOB value of Exports	56155.29	58963.05	61911.20	65006.77	68257.10	310293.41
FE Outgo	8749.40	9624.34	10105.56	10610.83	11141.38	50231.51
NFE Earnings	47405.89	49338.71	51805.67	54395.94	57115.72	260061.90

## c) Relevant Provision:

As per 1<sup>st</sup> proviso to Rule No. 19(2) of SEZ Rules, 2006

***["Provided that the Approval Committee may also approve proposals for broadbanding, diversification, enhancement of capacity of production, change in the items of manufacturing or service capacity, if it meets the requirements of rule 18"]***.

## d) Other Information: -

- M/s. Cummins India Ltd. granted LOA NO. SEEPZ-SEZ/NEW-SEZ/KRCSEZ/BPBSIPL/05/2020-21/3384 dated 10.08.2020 located at Plot No.B-2, MIDC-Phaltan, SEZ Industrial Area-Phaltan, Vill-Nandal Surwadi, Tal-Phaltan-Satara-415222
- DCP: 08.07.2013
- LOA Validity up to:07.07.2028
- **Reason for Broad Banding:** The unit has submitted that, for rendering above mentioned services, they will be using existing factory set up and employment. Hence, there is no revision of projection apart from the projection provided at the time of application for renewal of LOA. Furthermore, the unit has submitted that, their intention has been to incorporate the services mentioned above into their DTA unit after de-notification. Based on the same they did procure work orders for rendering the said services. However, due to the delay in the de-notification process, they have been unable to provide these services because they are not included in their current LOA.  
There LOA is renewed for the next block of period from 2023-24 to 2027-28 on 21.06.2023.
- The unit has enclosed following documents along with their application:
  - Copy of Form F3.
  - Copy of LOAs
  - Copy of APRs
  - List of Directors
  - Copy of IEC
  - Proof of premises
  - Copy of CIN
  - Copy of Memorandum and Articles of Association
  - Copy of PAN card and Adhar Card of Authorized Signatory
  - Copy of Board Resolution

- Copy of GST Certificates

**e) ADC Observation: -**

- Approval Committee may like to consider the proposal of the unit for Broad Banding of Additional Services without revision in projection, in terms of Rule 19(2) of SEZ Rules, 2006.

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