

**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 MIDC-SEZ**

Via Video Conferencing

DATE : 30.05.2023

TIME : 04.00 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
30.05.2023**

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Agenda Item No.	Subject
Agenda Item No. 01 :-	Confirmation of the Minutes of the meeting held on 25.04.2023
Agenda Item No. 02 :-	Application for Approval of List of Material Submitted by M/s. Nxtra Data Ltd. (Co-Developer)
Agenda Item No. 03 :-	Application for Approval of Setting up of Cafeteria by M/s Tata Consultancy Services Ltd.
Agenda Item No. 04 :-	Monitoring of Performance of M/s. KPIT Technologies Pvt Ltd.
Agenda Item No. 05 :-	Monitoring of Performance of M/s. Tech Mahindra Ltd.

Minutes of the 120 th Meeting of the Approval Committee held under the Chairmanship of Zonal Development Commissioner SEEPZ-SEZ, Mumbai for Multi-Sector MIDC-SEZ, PUNE held on 25.04.2023 via video conferencing.		
1	Name of the SEZ	MIDC- SEZ, PUNE
2	Sector	Multi-Sector
3	Meeting No.	120 th
4	Date	25.04.2023

Members present

Sr	Name and Designation (S/Shri.)	Department
1	Smt. Mital Hiremath Joint Development Commissioner	Pune Cluster SEZ, Pune
2	Smt. Bhumika Saini DCIT, Nashik	Nominee of Income Tax, Pune
3	Dr. Dileeraj Dabhole Dy. DGFT	Nominee of DGFT, Pune
4	Smt. Sunita Jagtap Superintendent	Nominee of Customs, Pune

Special Invitee

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

Agenda Item No.01: Confirmation of the Minutes of the 119th meeting held on 21.03.2023

After deliberation, the Committee confirmed the minutes of the 119th meeting of Approval Committee held on 21.03.2023

Agenda Item No. 2: Application for approval of list of material submitted by M/s. Nxtra Data Ltd., (Co-Developer)

After deliberation, Committee approved the list of material in terms of Rule 12(2) of SEZ Rules, list of material submitted by the Co-Developer, duly certified by Chartered Engineer Makarand Kulkarni (Reg. No. 093577 dt. 17.02.2006), having total value of Rs. 70,67,83,353.07 required for their authorized operations as detailed below :

Sr. No.	List of Materials required for the below mentioned Authorised Operations.	Estimated Value for Goods purchased from DTA (Amt. in Rs.)	Estimated Value for Goods purchased from Import (Amt. in Rs.)	Estimated Value of Goods (Amt. in Rs.)	Total

1.	GIS Substation	70,67,83,353.07	0.00	70,67,83,353.07
	Total	70,67,83,353.07		70,67,83,353.07

Agenda Item No.03: Application for Approval of Change in Board of Directors and shareholding pattern submitted by M/s Tata Technologies Ltd.

After deliberation, the Committee Approved the proposal of the M/s. Tata Technologies Ltd. for Change in Board of Directors, in terms of Instruction No. 109 dated 18.10.2021, issued by MOC&I, as detailed below:

Updated List of Directors:

Sr. No.	Name of Director	Date Of Appointment	Designation
1.	Mr.Warren Harris	15.05.2014	Director
2.	Mr. P.B.Balaji	30.03.2018	Director
3.	Mr.Ajoyendra Mukerjee	29.03.2021	Director
4.	Ms.Aarthi Sivanandh	11.06.2022	Director
5	Ms.Usha Sangwan	21.10.2022	Director
6	Mr.Nagaraj Ijari	01.03.2023	Director
7	Mr.Shailesh Chandra	01.03.2023	Director

Changes in equity share capital:

Category	Change of equity shareholding w.e.f 31 st March 2023	
	Number of equity shares held	Percentage of holding
Tata Motors Limited.	30,30,06,000	74.69
Other Tata Entities	5,93,65,630	14.63
Directors/Employees/As sociates/Others	4,32,96,900	10.68
Total	40,56,68,530	100.00

Agenda Item No. 04: Application filed by M/s. Expleo Solutions Ltd., for Change of Entrepreneur by way of NCLT Order for Amalgamation between M/s Expleo India Infosystems Pvt. Ltd. With M/s Expleo Solutions Ltd., 'as is going concern basis'.

After deliberation, Committee approved the proposal of the Unit for approval of Change of Entrepreneur by way of NCLT Order for amalgamation between M/s Expleo India Infosystems Pvt. Ltd. with M/s Expleo Solutions Ltd. 'as is going concern basis' in accordance to the provision of Rule 19(2) of SEZ Rules, 2006 and Instruction No. 109 of MOC&I.

Details of the Directors of M/s Expleo Solutions after amalgamation are as under:

Sr.No.	Name	Designation
1.	Shri Ralph Gillessen	Chairman & Director

2.	Prof. K. Kumar	Deputy Chairman & Director
3.	Shri Balaji Vishwanathan	Managing Director & CEO
4.	Ms Lilian Jessie Paul	Director
5.	Prof. S. Rajagopalan	Director
6.	Mr. Rajesh Krishnamurthy	Director
7.	Mr Prashant Eknath Bramhankar	Director
8.	Mr.Rajiv Kuchhal	Director
9.	Mr. Ulrich Joseph Paul Baumer	Director

Shareholding pattern of the Company M/s Expleo Solutions Ltd., after amalgamation is as under:

Shareholder	No. of Holders	No. of Shares	%	Face value per share
Expleo Technology Germany AG (Promoter & Promoter Group)	1	57,58,804	56.17	10
Public	21,443	44,93,681	43.83	10
Total	21,444	1,02,52,485	100	

Meeting ended with a vote of thanks to the Chair.

Signed by Shri. Shyam
Jagannathan
(Shyam Jagannathan, IAS)
Date: 05-05-2023 01:20:59
Chairman-cum- Development
Reason: Approved
Commissioner
E-Mail- dcseepz-mah@nic.in

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GOVT.OF INDIA,
OFFICE OF THE DEVELOPMENT COMMISSIONER,
SEEPZ-SEZ (PUNE CLUSTER)

AGENDA NOTE FOR CONSIDERATION OF THE APPROVAL COMMITTEE

a) **Proposal: -**

- Application of M/s. Nxtra Data Limited, Co- Developer, located at Plot No. 13/10A, 28, MIDC, Rajiv Gandhi Infotech Park, Phase-III, Hinjewadi, Pune 411057 for approval of List of Material for Operation and Maintenance of Data Center in IT/ITES Building for authorized operation.

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

- Approval for List of material required for operation and maintenance of Data Center for authorized operation totally valued at Rs. 5,88,13,950/- as per Rule 12(2) of SEZ Rules, 2006.

c) **Relevant Provisions: -**

- As per Rule 12 (2) of SEZ Rules, 2006 “***The Developer shall make an application, after obtaining approval for the authorized operation under rule 9, to the Development Commissioner, along with the list of goods and services, including machinery, equipments and construction material required for the authorized operations, duly certified by a Chartered Engineer for approval by the Approval Committee***”.

d) **List of Materials for Authorized Operations :**

Sr. No.	List of materials required for the below mentioned Authorized operations	Estimated value for Goods purchased from DTA (Amount in Rs.)	Estimated value for Goods purchased from Import (Amount in Rs.)	Estimated Total Value of Goods (Amount in Rs.)
1	Operation and Maintenance of Data Center	5,88,13,950	0.00	5,88,13,950
	TOTAL	5,88,13,950	0.00	5,88,13,950

e) **Other Information: -**

- M/s. Nxtra Data Limited, Co- Developer has been granted Letter of Approval No. F.2/129/2005-SEZ dated 14.12.2017.
- The Co-Developer has submitted List of Materials duly certified by the Chartered Engineer Makarand Kulkarni Regi. No. 093577-0 dtd. 17.02.2006 for the authorized operation for development of their SEZ located at M/s. Nxtra Data Limited, Co- Developer, Plot No. 13/10A, 28, MIDC, Rajiv Gandhi Infotech Park, Phase-III, Hinjewadi, Pune 411 057.

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- The Co-Developer has informed that the list of material will be utilized for Operations and Maintenance of Data Center in IT/ITES Building for their Authorized Operation and also submitted undertaking in this regard.
- The total value of said materials is Rs. 5,88,13,950/-.
- The Specified Officer after verifying the List of materials has certified that the approval sought for list of material is in order and as certified by the Chartered Engineer vide their certificate dated 10.05.2023, these materials are required by the M/s Nextra Data Ltd., (Co-Developer) for their Authorized operations and hence the request of Co-Developer may be considered.
- The Co-Developer has BLUT balance of Rs. 89,78,68,467/- which is sufficient enough to cover the value of proposed list of materials.
- There is no restricted item in the list of material submitted by the Co-Developer.

f) **Observation : -**

- Approval Committee may like to consider the proposal of the Co-Developer for approval of list of material as per Rule 12(2) of SEZ Rules, 2006.

GOVT. OF INDIA,
OFFICE OF THE DEVELOPMENT COMMISSIONER,
SEEPZ-SEZ (PUNE CLUSTER)

AGENDA NOTE FOR CONSIDERATION OF THE APPROVAL COMMITTEE

a) Proposal:

Proposal submitted by M/s. Tata Consultancy Services Limited, IT & ITeS SEZ Unit for setting up of Cafeteria at Plot No. 5, MIDC-SEZ, RGIP, Hinjewadi, Phase III, Pune 411057 for the exclusive use of their Employees

Specific issue on which decision of UAC is required:

Approval for setting up a Cafeteria for exclusive use of Employees of the SEZ Unit as per Instruction 95 dated 11-06-2019 as detailed below:

Details of location and area allocated for Cafeteria:

Floor	Building	Area in Sq. Meter
Ground Floor	Building B (Main Office Building)	3574.82 Sq. Meter

b) Relevant provisions:

As per para 3 of Instruction No.95 dated 11.06.2019

“3. The issue was examined in this department and with the approval of competent authority, it is conveyed that the same could be allowed subject to the following condition:

The facilities as envisaged under the proviso to Rule 11(5) of the SEZ Rules could also be created by a Unit for its exclusive use subject to obtaining a NOC from the Developer as well as necessary NOCs/clearances/approvals from the relevant statutory authorities.

The Units shall not be eligible for any exemptions, drawback, concessions or any other benefit available under Section 7 or Section 26 of the SEZ Act, for creating or operating such facilities”.

c) Report Submitted by the Specified Officer:

The Specified Officer vide report dated 10.05.2023 has submitted that No Canteen / Cafeteria is functioning in the Unit's premises and the Unit has vide their letter dated 03.05.2023, informed that there has been no changes in the floor plans since inception of the Unit.

d) Other information:

- (i) The unit has been granted Formal Letter of Approval Number SEEPZ-SEZ/MIDC-SEZ/TCSL/50/2014-15/05554 dated 01.03.2018.

- (ii) They have submitted copy of the Approved Building Plan by the Developer – MIDC, Reference No. EE/IT/Plans/B-32070 of 2019 dated 12.04.2019 wherein cafeteria area has been earmarked and Fire NOC for the said approved plan has been issued by the Chief Fire Officer and Fire Advisor – MIDC, Mumbai vide Reference No. MIDC/IFMS/HINJEFIRE/PUNFR/ 2023/A62523 dated 20.02.2023.
- (iii) The unit has informed that they are neither leasing out the Cafeteria area to the Vendor nor will be charging for the usage of the equipment as the unit is a registered SEZ Unit.
- (iv) The unit will not avail any duty exemptions on goods and services that will be procured for setting up of the cafeteria.

e) ADC Observation and recommendation:

- Approval Committee may like to consider the request of the Unit for setting up of cafeteria in the premises of the Unit for the exclusive use of their Employees in terms of Instruction No. 95 issued by MOC&I.

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

AGENDA NOTE FOR CONSIDERATION OF THE APPROVAL COMMITTEE

a) Proposal:

Monitoring of the performance of M/s. KPIT Technologies Ltd., located in MIDC SEZ, Phase – III, Hinjawadi, Pune, for the period of 1st Block i.e. from FY 2017-18 to 2021-22

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

Monitoring of performance for the period 2017-18 to 2021-22 of 1st Block under Rule 54 of SEZ Rules, 2006

-The details of the export projections are as detailed below:-

I. Approved export Projections for 1st Block Period: (Rs. in Lacs)

	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Export	11931.38	34261.82	30452.00	44469.00	44793.00	165907.20
FE Outgo	2378.23	2324.74	2347.27	11474.89	11474.87	30000.00
NFE	9553.15	31937.08	28104.73	32994.11	33318.13	135907.20

- Approval Committee in its meeting held on 25.01.2022 has approved revision in Projection for FY 2018-19 to FY 2022-23 as per above table.

(c) Performance as compared to projections (Rs. In Lacs)

Year	Export		F.E. OUTGO				
	Projected	Actual	Raw Material (Goods/Services)		C.G. import		Other outflow
			Projecte d	Actua l	Projecte d	Actual	
2017-18		371.57		0.00		2050.40	2.48
2018-19	11931.38	11840.71	0.00	0.00	20000	2750.06	190.03
2019-20	34261.82	34261.82	0.00	0.00		9235.08	1667.08
2020-21	30452.00	30452.17	0.00	0.00		2221.86	1564.20
2021-22	44469.00	53220.80	0.00	0.00		827.59	972.61
Total	121114.2	130147.07	0.00	0.00		17084.99	4396.4

(d) Cumulative NFE achieved: (Rs. in Lakhs)

Year	Cumulative NFE Achieved	Cumulative % NFE Achieved
2017-18	164.05	44.15%
2018-19	11465.53	93.89 %
2019-20	42803.81	91.10%
2020-21	70251.64	91.32 %
2021-22	120980.75	92.96%

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(II) Employment Achievement (Direct):

	Approved Projection	Achievement as on 31.3.2022
Men	1500	1580
Women	1000	864
Total	2500	2444

e) Other Information:

LOA No. & Date	LOA No. SEEPZ-SEZ/MIDC-SEZ/KCIL/ 24/201 1-12/10156 dated 29/06/2011	
Location of Unit	Plot no. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Hinjewadi, Tal Man, Pune 411057	
Validity of LOA	29.02.2028	
Item(s) of manufacture/ Services	IT/ITES	
Date of commencement of production	01.03.2018	
Execution of BLUT		
Outstanding Rent dues	NA	
Labour Dues	NA	
Validity of Lease Agreement		
Pending CRA Objection, if any	NA	
Pending Show Cause Notice/ Eviction Order/Recovery Notice/ Recovery Order issued, if any	NA	
a) No. of employees as on 31.03.2022	2444 (Male:1580, Female:864)	
Area allotted (in sq.ft.)		
Area available for each employee per sq.ft. basis (area / no. of employees)		
Investment till date	Building	NA
	Plant & Machinery	NA
Quantity and value of goods exported under Rule 34 (unutilized goods)	NA	
Value Addition during the monitoring period	NA	
Whether all the APRs being considered now has been filed well within the time limit, or otherwise. If no, details of the Year along with no of days delayed to be given.	Yes	

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The Specified Officer vide letter dated 02.05.2023 has reported as under:

(a) Export

Details of year-wise export as per the prescribed format:

From the year 2017-2018 to 2021-2022
Amount in Lakhs

Year/ Period	Figures reported in APR (FOB Value)	Figures as per Softex / Customs Records	Difference, if any	Reason for Difference / Remarks
2017-2018	371.57	400.24	(28.67)	Difference is Rs. (28.67) Lakhs is due to exchange rate variation.
2018-2019	11,840.71	11,646.47	194.24	During the year debit Note of Rs. 289.57 Lakhs has been raised. Balance difference of Rs. (95.33) Lakhs is due to exchange rate variation.
2019-2020	34,261.82	33,338.08	923.74	During the year, debit Note of Rs. 183.75 Lakhs was raised. Balance difference of Rs. 739.99 Lakhs is due to exchange rate variation.
2020-2021	30,452.17	29,551.54	900.63	During the year, debit Note of Rs. 656.78 Lakhs was raised. Balance difference of Rs. 243.85 Lakhs is due to exchange rate variation.
2021-2022	53,220.80	52,933.80	287.00	During the year, Credit Note Rs. 5.20 Lakhs. Balance difference of Rs. 292.20 Lakhs is due to exchange rate variation.

(b) Import

- (i) (Capital Goods including procurement done on IUT (from SEZ, EOU, STPI, EHTP) basis:

From the year 2017-2018 to 2021-2022
Amount in Lakhs

Year/ Period	Figures as per Revised APR	Figures as per SEZ Online / Customs Records	Difference, if any	Reason for Difference / Remarks
2017-2018	2050.40	2050.40	Nil	NA

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2018-2019	2750.06	2750.06	Nil	NA
2019-2020	9235.08	9235.08	Nil	NA
2020-2021	2221.86	2221.86	Nil	NA
2021-2022	827.59	827.59	Nil	NA

(ii) Raw Material

As Unit is in service industry hence, no Raw Material was imported or procured by them till date.

(c) BLUT

(Rs. In Lakhs)

1	Value of BLUT Executed (Duty foregone) (including for CG / Raw Material / Services) Value of Additional BLUT executed TOTAL Duty value of BLUT Executed in Lakhs:	3209.22 8056.83 11266.05																					
2	Total Duty Foregone on goods & services procured Category Wise: Year Wise	Rs. in Lakhs <table> <tr> <th>F.Y.</th><th>Goods Imp. & Ind.</th><th>Services</th></tr> <tr> <td>2017-18</td><td>773.03</td><td>0.00</td></tr> <tr> <td>2018-19</td><td>940.84</td><td>3.71</td></tr> <tr> <td>2019-20</td><td>2728.63</td><td>655.08</td></tr> <tr> <td>2020-21</td><td>712.71</td><td>1105.62</td></tr> <tr> <td>2021-22</td><td>460.98</td><td>1404.11</td></tr> <tr> <td>Total</td><td>5616.19</td><td>3168.52</td></tr> </table>	F.Y.	Goods Imp. & Ind.	Services	2017-18	773.03	0.00	2018-19	940.84	3.71	2019-20	2728.63	655.08	2020-21	712.71	1105.62	2021-22	460.98	1404.11	Total	5616.19	3168.52
F.Y.	Goods Imp. & Ind.	Services																					
2017-18	773.03	0.00																					
2018-19	940.84	3.71																					
2019-20	2728.63	655.08																					
2020-21	712.71	1105.62																					
2021-22	460.98	1404.11																					
Total	5616.19	3168.52																					
3	Has the Unit procured goods and or services without having sufficient balance in their BLUT. If yes, Month & Year when the BLUT was exhausted Details of the consignments and Total value of Goods procured without having sufficient or nil balance in BLUT	No																					
(d)	Employment made as on date (as on end of block period / year up to which monitoring is being done)	As on 31 st March, 2022: Men: 1580 Women: 864 Total: 2444																					
(e)	Details of pending Foreign Remittance beyond Permissible period, if any (as on 31.03.2022) To cross-check the same and verify whether necessary permission from AD Bank / RBI has been obtained.	NIL As per the unit declaration there are no pending foreign currency remittances.																					

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(f)	Whether all softex has been filed for the said period. If no, details thereof. SO to also check whether unit has obtained Softex condonation from DC office / RBI and if approved, whether they have filed such pending Softex.	Yes		
(g)	Whether all Softex has been certified, if so till which month has the same been certified. If not, provide details of the Softex and reasons for pendency.	All the Softex Forms till March, 2022 has been certified except for following months as GOC was not mapped by the unit. Now the same is pending with entity.		
		Month	Request ID	
		April, 2018	141800124362	
		May, 2018	141800150586	
		June, 2018	141800177816	
		July, 2018	141800204560	
		Oct., 2018	141900021896	
		Nov., 2018	141800306734	
		Dec., 2018	141900021896	
(h)	Whether unit has filed any request for Cancellation of Softex	No		
(i)	Whether any Services provided in DTA / SEZ/EOU/STPI etc. against payment in INR in r/o IT/ITES Unit during the period. If yes, details thereof (year wise details to be provided)	During the year 2018-2019 and 2019-2020, Unit has provided their services in DTA against payment in INR. Below are the details of the same:		
		Financial Year	Services provided in DTA (Rs. In Lakhs)	
		2018-2019	317.38	
		2019-2020	289.69	
		Total	607.07	
		As the unit has received payment in INR instead of foreign exchange. It is not treated as service as per section 2(z)(iii) of SEZ Act 2005. In this regard SCN may be issued.		
(j)	Has the unit cleared any Capital Goods procured duty free in DTA against payment of Duty, or otherwise? Full details to be provided along with value of assets and duty discharged	Following are the details of removal of capital goods: (Rs. In Lakhs)		
		FY	A.V.	Duty Paid
		2017-18	2.67	0.56
		2019-20	2.31	0.65
		2020-21	1.25	0.27
		Total	6.23	1.48
(k)	Is the unit sharing any of their infrastructures with other units or are utilizing infrastructure of another unit in the same or other SEZ?	No		

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	<p>If so, details thereof, including the details of the unit with whom the sharing is being made, and the payment terms</p> <p>If approval for sharing of common infrastructure has been obtained from UAC / DC office, the date of UAC / Approval letter to be indicated</p>	
(l)	Whether all DSPF for services procured during the said monitoring period under consideration has been filed by the unit and whether the same has been processed for approval by the SO Office.	The DSPF filed by the unit has been processed by SO Office. The unit is in process of filing remaining DSPF.
(m)	Whether unit has filed all DTA procurement w.r.t. the goods procured by them during the monitoring period for the relevant period. If no, details thereof	Yes
(n)	Details of the request IDs pending for OOC in respect of DTA procurement on the date of submission of monitoring report	Nil
(o)	<p>Has the unit set up any cafeteria / canteen / food court in unit premises? If yes, whether permission from UAC / DC office has been issued, or otherwise office has been issued, or otherwise</p> <p>Whether unit has availed any duty paid goods / services for setting up such facility?</p> <p>If yes, whether unit has discharged such duty / tax benefit availed? details to be given including amount of duty / tax recovered or yet to be recovered</p>	<p>Yes</p> <p>Permission from UAC/DC office not obtained. Unit has applied for NOC from MIDC (Developer)</p> <p>Yes</p> <p>It is noticed that unit has procured the benefit goods for cafeteria amounting to Rs.31,30,610/- on which duty has been recovered to the tune of Rs. 15,27,472/-. The Unit has paid the interest on aforesaid duty to the tune of Rs. 13,49,890/- vide TR-6 Challan dated 28.04.2023.</p>
(p)	Whether any violation of any of the provisions of law has been noticed / observed by the Specified Officer during the period under monitoring	NA

f) Relevant provisions:

Rule 54 of SEZ Rules, **2006** ***“Performance of the Unit shall be monitored by***

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the Approval Committee as per the guidelines given in Annexure appended to these rules”

ADC's observations:

- The Unit has achieved export of Rs. 1,30,147.07 Lakhs against the projected export of Rs.1,21,114.20 i.e. 107.45 % in FY 2017-18 to FY 2021-22.
- The unit has achieved NFE of Rs.1,20,980.75 Lakhs on cumulative basis i.e. 92.96% at the end of FY 2021-22
- As per SO report the unit has achieved Employment of 2444 employees (Men 1580 Women 864)
- It is observed that the unit has provided services in DTA against the payments received in INR as detailed below:

(Rs. In Lakhs)	
FY	Sales Value
2018-2019	317.38
2019-2020	289.69
Total	607.07

As per Section 2(z) of SEZ Act, 2005, the definition of Services is given as below :

“Services means such tradable services which, -

- (i) Are covered under the General Agreement on Trade in Services annexed as IB to the Agreement establishing the World Trade Organisation concluded at Martrakesh on the 15th day of April 1994 ;***
 - (ii) May be prescribed by the Central Government for the purpose of this Act ; and***
 - (iii) Earn foreign exchange ;***
- As the unit has been granted LOA for providing IT/ITES Services from their SEZ Unit, and since the services provided by them to DTA against INR does not classify as a ‘Service’ as per definition as given in Section 2(z) of SEZ Act, 2005, the unit has violated the provisions of the SEZ Acts / Rules.

As per Rule 54(2) of SEZ Rules, 2006

“(2) In Case the Approval Committee comes to the conclusion that a Unit has not achieved positive Net Foreign Exchange Earning, or stipulated Value Addition as specified in rule 53 or failed to abide by any of the term and conditions of the Letter of Approval or Bond-cum-Legal Undertaking, without prejudice to the action that may be taken under any other law for the time being in force, the said Unit shall be liable for penal action under the provisions of the Foreign Trade Development and Regulation) Act, 1992.”

- Approval Committee may like to monitor the performance of the Unit for from FY 2017-18 to 2021-22 of 1st block period and initiate necessary action against the unit with regard to violation of provision of SEZ Act / Rules, in

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terms of Rule 54 of SEZ Rules, 2006 for DTA sale in INR amounting to Rs. 607.07 Lakhs.

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

AGENDA NOTE FOR CONSIDERATION OF THE APPROVAL COMMITTEE

a) Proposal:

Monitoring of the performance of M/s. Tech Mahindra Ltd., located in MIDC SEZ, Phase – III, Hinjawadi, Pune, for the period of 5 years as follows:

- i) 2nd Block – FY 2017-18
- ii) 3rd Block – FY 2018-19 to FY 2021-22 (4 years)

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

Monitoring of performance for the period 2017-18 (2nd block) and from 2018-19 to 2021-22 (3rd block) under Rule 54 of SEZ Rules, 2006

The details of the export projections are as detailed below:-

I. Approved export Projections for 2nd Block Period: (Rs. in Lacs)

	2013-14 (Actuals)	2014-15 (Actuals)	2015-16 (Actuals)	2016-17 (Actuals)	2017-18 (Projection)
FOB Value of Exports	335933	478312	541040	555522	358000
FE Outgo	3338	0	914	1677	118140
NFE achieved	238090	714889	1254325	1808075	239860

(c) Performance as compared to projections (Rs. In Lacs)

- (i) Performance as compared to projection : for fifth Year of the 2nd Block 2017-18

Year	Export		F.E. OUTGO				
	Projecte d	Actual	Raw Material (Goods/Services)		C.G. import		Other outflow
			Projecte d	Actual	Projecte d	Actual	
2017-18	358000	580128.02	0	0	15925.92	1333.37	0
Total	358000	580128.02	0	0	15925.92	1333.37	0

- (iii) Cumulative NFE achieved: for the fifth year of the IInd Block Period i.e 2017-18 (Rs. In Lakhs)

Year	Cumulative NFE Achieved	Cumulative % NFE Achieved
2017-18	2387024.53	95.83%

Employment Generation as on 31.03.2018 -

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Total – 10087 (Men -7565, Women -2522)

(iv) Approved Projections

The details of the export projections for 3rd Block period i.e. FY 2018-19 to 2022-23, are as detailed below:

	(Rs. In Lakhs)					
	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Exports	206336	226939	249666	274633	302096	1259670
FE Outgo	68091	74890	82390	90629	99692	415692
NFE	138245	152049	167276	184004	202404	843978

v) Performance as compared to projections: FY 2018-19 to 2021-22

(Rs. In Lacs)

Year	Export		F.E. OUTGO				
	Projecte d	Actual	Raw Material (Goods/Servi ces)		C.G. import		Other outflow
			Projec ted	Actu al	Project ed	Actual	Actual
2018-19	206336	675262.31		0	10000	1674.65	0
2019-20	226939	748278.48		0		1831.01	0
2020-21	249666	696073.88		0		1187.52	0
2021-22	274633	626876.80		0		1154.87	0
Total	957574	2746491.47	0	0	10000	5848.05	0

(vi) Cumulative NFE achieved: FY 2018-19 to 2021-22

(Rs. in Lacs)

Year	Cumulative NFE Achieved	Cumulative % NFE Achieved
2018-19	673526.03	99.74%
2019-20	1420336.59	99.77%
2020-21	2114951.72	99.78%
2021-22	2740413.00	99.78%

(vii) Employment Achievement (Direct): FY 2018-19 to 2021-22

The Unit has achieved employment of 8897 employees (Men-7118, Women-1779 as on 31.03.2022)

e) Other Information:

LOA No. & Date	LOA No SEZ/PUNE/11/2007-08/9545 dated 28-12-2007
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Location of Unit		Plot No 1, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Hinjewadi, Pune 411057
Validity of LOA		31.05.2023
Item(s) of manufacture/ Services		IT/ITES
Date of commencement of production		31.05.2008
Execution of BLUT		56 Crores 12.08.2015, 49.93 Crores 20.02.2019
Outstanding Rent dues		NA
Labour Dues		NA
Validity of Lease Agreement		
Pending CRA Objection, if any		NA
Pending Show Cause Notice/ Eviction Order/Recovery Notice/ Recovery Order issued, if any		NA
a) No. of employees as on 31.03.2022		8897 (Men-7118, Women-1779
Area allotted (in sq.ft.)		10,59,169
Area available for each employee per sq.ft. basis (area / no. of employees)		119 Sq. ft
Investment till date	Building	30529.49 Lakhs
	Plant & Machinery	40994.55 Lakhs
Quantity and value of goods exported under Rule 34 (unutilized goods)		NA
Value Addition during the monitoring period		NA
Whether all the APRs being considered now has been filed well within the time limit, or otherwise. If no, details of the Year along with no of days delayed to be given.		Yes

Vide PUC, the Specified Officer has submitted a report vide letter dated 24.05.2023, in the prescribed format along with point-wise reply to the discrepancies as follows:-

(a) Export

Details of year-wise export as per the prescribed format:

From the year 2017-2018 to 2021-2022

(Rs. In Lakhs)

Year/Period	Figures as per APR	Figures as per Softex/ SB / Customs Records	Difference if any	Reason for Difference/Remark
(1)	(2)	(3)	(4)	(5)

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FY 2017-18	580128.0 2	197291.39	382836.63	Onsite fig. is 389299.98. The exchange rate diff is 18254.02. Credit note related working Rs. 24717.37. (389299.98+18254.02-24717.37= 382836.63)
2018-19	675262.3 1	229328.31	445934.00	Onsite fig. is 462323.76. The exchange rate diff is (-441.80). Credit note related working Rs. 15948.25. (462323.76-441.80-15948.25= 445933.71)
2019-20	748278.4 8	251442.71	496835.77	Onsite fig. is 520866.91. The exchange rate diff is 15011.63. Credit note related working Rs. 39042.77. (520866.91+15011.63-39042.77= 496835.77)
2020-21	696073.8 8	276723.20	419350.68	Onsite fig. is 484938.54. The exchange rate diff is 8471.05. Credit note related working Rs. 74058.80. (484938.54+8471.05-74058.80= 419350.79)
2021-22	626876.8 0	282072.38	344804.42	Onsite fig. is 327381.56. The exchange rate diff is (-19018.62). Debit note related working Rs. 36441.47. (327381.56-19018.62+36441.47= 344804.41)

(b) Import

(i) (Capital Goods including procurement done on IUT (from SEZ, EOU, STPI, EHTP) basis.
(Rs. In Lakhs)

Year/ Period	Figures as per APR	Figures as per Customs Records / Bond Register	Differenc e if any	Reason for Difference/Remark
2017-18	1333.7	1297.04	36.33	As per unit submission the difference of Rs. 36.33 lacs is due to duty paid shipments considered by the unit in APR. Unit may be asked to file

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				revised APR.
2018-19	1792.66	1792.45	0.21	As per unit submission the difference of Rs. 0.21 lac is due to CIF value considered in APR by the unit and not the assessable value. Unit may be asked to file revised APR.
2019-20	1843.12	1950.39	(107.27)	As per unit submission the difference of Rs. 107.27 lacs is due to not considering of some of the BOE while filing APR. Unit may be asked to file revised APR.
2020-21	1096.59	1187.52	(90.93)	As per unit submission the difference of Rs. 90.23 lacs is due to not considering of some of the BOE while filing APR. Unit may be asked to file revised APR.
2021-22	1155.95	1154.87	1.08	As per unit submission the difference of Rs. 1.08 lacs is due to duty paid shipments considered in APR. Unit may be asked to file revised APR.

(b) Import
Raw material

(Rs. In Lakhs)

Year/Period	Figures as per APR (RM Imported)	Figures as per Customs Records / Bond Register	Difference if any	Reason for Difference/Remark
	0	0	0	--

(c) BLUT

(Rs. In Lakhs)

1	Value of BLUT Executed (Duty foregone) (including for CG / Raw Material / Services) Value of Additional BLUT executed TOTAL Duty value of BLUT Executed in Lakhs:	5600 4993 10593
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2	Total Duty Foregone on goods & services procured Category Wise: Year Wise	F.Y.	Goods Imp. & Ind.	Services	Total
		2017-18	264.22	39.36	303.58
		2018-19	592.49	335.64	928.13
		2019-20	745.87	1205.5 7	1951.44
		2020-21	735.15	142.05	877.2
		2021-22	1705.5	135.69	1841.19
3	Has the Unit procured goods and or services without having sufficient balance in their BLUT. If yes, Month & Year when the BLUT was exhausted Details of the consignments and Total value of Goods procured without having sufficient or nil balance in BLUT	No			

(d)	Employment made as on date- (as on end of block period / year up to which monitoring is being done)	Men- 7118 Women- 1779 Total - 8897
(e)	Details of pending Foreign Remittance beyond Permissible period, if any (as on.....) To cross-check the same and verify whether necessary permission from AD Bank / RBI has been obtained.	NO.
(f)	Whether all softex has been filed for the said period. If no, details thereof. SO to also check whether unit has obtained Softex condonation from DC office / RBI and if approved, whether they have filed such pending Softex.	Yes.
(g)	Whether all Softex has been certified, if so till which month has the same been certified. If not, provide details of the Softex and reasons for pendency.	Yes.
(h)	Whether unit has filed any request for Cancellation of Softex	Yes
(i)	Whether any Services provided in DTA / SEZ/EOU/STPI etc. against payment in INR in r/o IT/ITES Unit during the period.	NO.

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	If yes, details thereof (year wise details to be provided)																			
(j)	Has the unit cleared any Capital Goods procured duty free in DTA against payment of Duty, or otherwise. Full details to be provided along with value of assets and duty discharged	<p>Yes.</p> <table> <tr> <th>Year</th><th>Ass. Value</th><th>Duty Paid</th></tr> <tr> <td>2017-18</td><td>55.32</td><td>11.18</td></tr> <tr> <td>2018-19</td><td>131.29</td><td>37.59</td></tr> <tr> <td>2019-20</td><td>102.77</td><td>22.77</td></tr> <tr> <td>2020-21</td><td>22.98</td><td>11.07</td></tr> <tr> <td>2021-22</td><td>42.04</td><td>7.68</td></tr> </table>	Year	Ass. Value	Duty Paid	2017-18	55.32	11.18	2018-19	131.29	37.59	2019-20	102.77	22.77	2020-21	22.98	11.07	2021-22	42.04	7.68
Year	Ass. Value	Duty Paid																		
2017-18	55.32	11.18																		
2018-19	131.29	37.59																		
2019-20	102.77	22.77																		
2020-21	22.98	11.07																		
2021-22	42.04	7.68																		
(k)	Is the unit sharing any of their infrastructures with other units or are utilizing infrastructure of another unit in the same or other SEZ. If so, details thereof, including the details of the unit with whom the sharing is being made, and the payment terms If approval for sharing of common infrastructure has been obtained from UAC / DC office, the date of UAC / Approval letter to be indicated	NO.																		
(l)	Whether all DSPF for services procured during the said monitoring period under consideration has been filed by the unit and whether the same has been processed for approval by the SO Office.	NO As per unit's submission some of the invoices for the FY 2021-22 are yet to be filed.																		
(m)	Whether unit has filed all DTA procurement w.r.t. the goods procured by them during the monitoring period for the relevant period. If no, details thereof	Yes.																		
(n)	Details of the request IDs pending for OOC in respect of DTA procurement on the date of submission of monitoring report	NIL.																		
(o)	Has the unit set up any cafeteria / canteen / food court in unit premises. If yes, whether permission from UAC / DC office has been issued, or otherwise office has been issued, or otherwise Whether unit has availed any duty paid goods / services for setting up such facility? If yes, whether unit has discharged such duty / tax benefit availed?	<p>Yes.</p> <p>NO. Unit has not taken permission for running of cafeteria. At present there are four vendors in cafeteria; as such approval has not been taken from approval committee. Unit has submitted copy of permission under F.No. SEZ/PUNE/7B/2007-08/313 DT: - 31/03/2009 wherein approval was</p>																		

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	details to be given including amount of duty / tax recovered or yet to be recovered	granted for construction of campus for authorized operation which also include cafeteria. Unit has not submitted procurement/ services invoices for setting up of cafeteria. Therefore, it could not be ascertained as to whether the unit has availed any duty benefit for setting up of cafeteria.
(p)	Whether any violation of any of the provision of law has been noticed/observed by Specified Officer during the period under monitoring.	No

f) **Relevant provisions:**
Rule 54 of SEZ Rules, **2006 “Performance of the Unit shall be monitored by the Approval Committee as per the guidelines given in Annexure appended to these rules”**

ADC’s observations:

- The Unit has achieved export revenue of Rs. 580128.02 Lakhs as against projected export of Rs. 358000 Lakhs which is 162.04% in 5th year of 2nd Block i.e. 2017-18 and achieved cumulative NFE of Rs. 2387024.53 Lakhs which is 95.83% in 2017-18 (i.e. end of 2 Block).
- The Unit has achieved export revenue of Rs. 2746491.47 Lakhs against projected export of Rs. 957574 Lakhs which is 286.81% and achieved cumulative NFE of Rs. 2740413.00 Lakhs which is 99.78 % at the end of 4th year of 3rd Block period (FY 2018-19 to 2021-22)
- As per SO report the unit has achieved Employment of 8897 employees (Men-7118, Women-1779 as on 31.03.2022).
- As per customs online record and the figures reported by the unit some discrepancies have been noticed in respect of import figures, Amortization etc. considered for certain years under 3rd block period (2018-19 to 2021-22) filed by the Unit. If agreed, the unit may be directed to revise their APRs accordingly.
- The Unit has not taken permission from UAC /DC Office for setting up/ running of cafeteria. We may ask the Unit to put up proposal for taking necessary approval from the UAC.
- Approval Committee may like to monitor the performance of the Unit for FY 2017-18 (last year of 2nd Block period) and from FY 2018-19 to FY 2021-22 (4 years of 3rd Block period)

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