

**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 M/S. EON KHARADI
INFRASTRUCTURE PVT. LTD.-SEZ, PHASE I.**

Via Video Conferencing

DATE : 27.06.2023

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
27.06.2023**

INDEX

Agenda Item No.	Subject
Agenda Item No. 01 :-	Confirmation of the Minutes of the meeting held on 30.05.2023
Agenda Item No. 02 :-	Application for Approval of Broad Banding of Services and Sharing of Infrastructure Services submitted by M/s. Eaton Technologies Pvt Ltd
Agenda Item No. 03 :-	Monitoring of Performance for M/s. SG Analytics Pvt Ltd
Agenda Item No. 04 :-	Monitoring of Performance for M/s. Allscripts (India) LLP
Agenda Item No. 05 :-	Application for Approval of Partial Deletion with Revision in projections submitted by M/s. Sears IT and Management Services India Pvt Ltd
Agenda Item No. 06 :-	Monitoring of Performance for Zensar Technologies Ltd. Unit-I
Agenda Item No. 07 :-	Monitoring of Performance for Zensar Technologies Ltd. Unit-II

Minutes of the 109 Meeting of the Approval Committee held under the Chairmanship of Zonal Development Commissioner SEEPZ-SEZ, Mumbai for Sector Specific Special Economic Zone for IT/ITES of M/s. EON Kharadi Infrastructure Pvt. Ltd.-Phase-I SEZ, Kharadi, Pune, held on 30.05.2023 via video conferencing.

1	Name of the SEZ	M/s. EON Kharadi Infrastructure Pvt. Ltd.-SEZ, Phase I
2	Sector	IT/ITES
3	Meeting No.	109
4	Date	30.05.2023

Members present

Sr	Name and Designation (S/Shri.)	Department
1	Smt. Mital 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	Smt. Sunita Jagtap Superintendent	Nominee of Customs, Pune

Special Invitee

Sr	Name and Designation	Department
1	Shri B. Ajay Kumar Specified Officer	M/s. EON Kharadi Infrastructure Pvt. Ltd.-SEZ, Phase-I

Agenda Item No.01: Confirmation of the Minutes of the 108 meeting held on 25.04.2023

After deliberation, the Committee confirmed the minutes of the 108 meeting of Approval Committee held on 25.04.2023

Agenda Item No.02: Application for Setting up of New Unit submitted by M/s. Genpact India Pvt Ltd.

The proposal of the unit was placed before the Approval Committee Meeting held on 30.05.2023.

The Approval Committee while considering the proposal sought clarification on the following point :

Reasons for the operating expenses being higher than the expenses projected towards procurement of capital goods. It was clarified by the unit

representative that the operating expenses shown were mainly towards technical service and travel cost and they would submit detailed breakup of the expenses.

The Committee asked the applicant to submit explanatory note justifying the expenses that are covered in the Operating Expenses projected by them and decided to consider the proposal of the applicant in the next UAC.

It was informed to the Approval Committee by the applicant that as per their global agreement the unit has to start its operation from 01.07.2023 and there are other procedures to be completed by them with other Government departments such as GST registration etc. which would take some time and for which LOA number is required. They thus requested to consider their proposal in this UAC itself and sought two days' time to submit all the requisite documents. The Committee considered the request of the applicant and directed that the clarification on the above points may be submitted by the applicant which will be taken on record and consensus of all the Committee members will be taken over mail to consider the proposal of the applicant for setting up of their unit in EON SEZ, Phase-I.

The applicant vide letter dated 01.06.2023 submitted the breakup of the projected 'Foreign Exchange Outgo' for five years as detailed below:

** Foreign exchange outgo for five years		2023-24	2024-25	2025-26	2026-27	2027-28	Total INR (Lakhs)
(i)	Imported Capital Items (IT equipment & Infrastructure)	500	500	500	500	500	2500
	Sub total						2500
(ii)	Operating Expenses						
(a)	Payment of foreign technician	350	396	416	436	458	2056
(b)	Payment on training of Indian Technicians abroad	255	239	251	264	277	1286
(c)	Foreign travel	137	144	151	159	167	758
	Sub total						4100
	TOTAL						6600

They further submitted brief write-up on the nature and requirement of operating expenses as detailed below :

a) Payment of foreign technicians: This is towards global project management and client relationship management support and solutions provided by Genpact resources based outside India such as IT project manager, Global transition

Manager, Global transition leader etc. At times, based on business requirement, they hire foreign technician to support with maintenance and audit of IT infrastructure.

b) Payment on training of Indian technicians abroad : They are expecting to drive efficiency in the current operations and also will be trying to get new work from the client. To transfer the new work from different geographies (USA, China, Europe) for which their employees will need to travel to client location and undergo process training and know-how of performing the transaction. This is a common practice in industry to enable smooth transfer of work from other geographies to India. All such travels are sponsored by Genpact and the employee expenses are covered by the organisation, such as airfare, accommodation, daily living expenses, etc. Further they encourage their employees to enhance their skills for which they promote and sponsor enrollment in various professional courses run by foreign institutions, such as CFA, CPP etc.

c) Foreign travel : Their leadership and managerial staff need to visit client locations for frequent business meetings, governance, work out and to maintain and expand business relationships with different client stakeholders.

The format for Form F carries a standard condition under heading 'FOREX Balance sheet proposed for next block which is not amendable and states as under :

“* Foreign Exchange outgo shall include Cost, Insurance and Freight value of import of machinery, raw material, components, consumables, spares, packing material and amount of repatriation of dividends and profits, royalty, lump sum knowhow fee, design and drawing fee, payment to foreign technicians, payments on training of Indian technicians abroad, commission on export, interest on external commercial borrowings, interest on deferred payment credit and other payments”

The other operating expenses submitted by them covers only three elements i.e. payment to foreign technicians, payment on training of Indian technicians abroad and foreign travel.

The clarification submitted by the Unit was circulated to the members of the Approval Committee through mail dated 02.06.2023 for necessary approvals.

Based on the approvals given by the Committee Members, the proposal of M/s. Genpact India Pvt Ltd for setting up of new unit was considered.

Agenda Item No.03: Application for Broad Banding of Services and Sharing of Infrastructure of services submitted by M/s. Eaton Technologies Pvt. Ltd.

The Committee noted that M/s. Eaton Technologies had sought permission for sharing network infrastructure with M/s. Genpact India Pvt. Ltd. The sharing arrangement was based on a Master Service Agreement between M/s. Eaton

Technologies' headquarters and M/s. Genpact India Pvt. Ltd., wherein it was agreed to assign the back office support function to M/s. Genpact India Pvt. Ltd.

The Committee recognized that M/s. Genpact India Pvt. Ltd. is not a subsidiary or a related company of M/s. Eaton Technologies. Therefore, the Committee requested the submission of any precedents where non-subsidiary/non-related units were allowed to share network infrastructure for inclusion in the authorized operation for broadbanding.

During the meeting, a representative from M/s. Eaton Technologies explained that they intend to enter into a Temporary Service Agreement with M/s. Genpact India for sharing network infrastructure. The agreement would outline the specific charges for sharing the network, including voice, data, software, and other related services. The representative confirmed their willingness to submit this agreement to the JDC Office, Pune Cluster.

The Committee directed the SO Office and JDC Office to review the Temporary Service Agreement submitted by M/s. Eaton Technologies and M/s. Genpact India Pvt. Ltd. Their recommendations based on the examination should be recorded for further consideration.

After deliberation, the Committee deferred the proposal of the unit. The Committee directed that the proposal be resubmitted in the next UAC, accompanied by precedents of earlier cases and the duly examined service agreement between M/s. Eaton Technologies Pvt. Ltd. and M/s. Genpact India Pvt. Ltd., as reviewed by the SO Office and JDC Office.

Meeting ended with a vote of thanks to the Chair.

(Shyam Jagannathan, IAS)
Signed by Shri. Shyam
Chairman-cum- Development
Jagannathan
Commissioner
Date: 24-06-2023 13:45:05
E-Mail- dcseepz-mah@nic.in
Reason: Approved

I/2223/2023

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

AGENDA NOTE FOR CONSIDERATION OF THE APPROVAL COMMITTEE

a) **Proposal: -**

Application filed by M/s. Eaton Technologies Pvt. Ltd., an IT/ITES Unit located at Cluster C, Wing 1, EON-I SEZ, Kharadi, Pune-14 for Sharing of Network Infrastructure and Broad Banding of services.

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

- i) Sharing of Network Infrastructure, in terms of Rule 27(5) of SEZ Rules, 2006.
- ii) Broad banding of Services, in terms of Rule 19(2) of SEZ Rules, 2006

i) **Sharing of network infrastructure**

The unit has submitted application for sharing of infrastructure for the reason that Eaton headquarters (US) had decided to assign their back office support function to M/s Genpact India Ltd. Considering the lead time for M/s. Genpact India to procure and setup IT network infrastructure such as network lease line and infrastructure equipment, M/s Eaton intends to share their following network facility with M/s Genpact India, as detailed below :

Sr. No	Network Equipments	Qty	Location	Category
1	Fibre Line for C Cluster to Cluster B	2	From C to B	Fiber Line
2.	Internet line	2	Cluster C 2 nd Floor	ISP Internet Line
3	Flexware AT&T – U412	2		AT&T WAN Routers
4	Cisco Catalyst C9300-48P Core Switch	3		Core Switch Stack
5	DELL EMV VxRAIL E560 Servicer Hardware	3		Hypervisor/Physical Servers
6	4 Note Avamar grid	1		Backup Servers
7	Isilion	1		Storage/File Server
8	Cisco Wireless Controller 5500	2		Controller for Wireless Access Point
9	Qualys Guard	1		Vulnerability Scanning Security Appliance
10	Cisco ISR 4400	1		Voice Gateway
11	Cisco VG 224 Voice Gateway	1		Analog Voice Gateway for traditional Analog phones
12	Tata SIP (primary)	1		Voice/Telephony service provider device
13	Vodafone SIP (Secondary)	1		Voice/Telephony service provider device
14	Juniper Firewall SSG 140	2		Security Firewall

I/2223/2023

15	Juniper SSG 5	1	Visitor Room Firewall
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Relevant provisions: -

As per Rule 27(5) of SEZ Rules, 2006 which prescribes

“A unit may import or procure from Domestic Tariff Area, all types of goods and services, without payments of duty, taxes or cess for creating a central facility for use by units in Special Economic Zone and where such facility is created for software development, the same may also be accessed by software exporters of Domestic Tariff Area.”

Further, in the case of M/s. RBS Services India Pvt. Ltd. for sharing of central facility of Network infrastructure, duty exempted assets and common area of its unit located in IT/ITES SEZ of Gurgaon Infospace Ltd., MOC&I vide its letter No. K-43013(616)3/2018-SEZ dated 06.02.2019 has clarified the following ;

"I am directed to refer to Noida SEZs letter No. 10/351/2010-SEZ dated 21.12.2018 on the subject mentioned above and to state that the request of M/s. RBS Services India Pvt. Ltd. has been examined in this department and it has been decided with the approval of the competent authority that the case appears to be falling clearly in the ambit of Rule 27(5) of SEZ Rules, 2006"

ii) **Broad Banding of Services:**

Based on the above proposal of the unit for sharing of infrastructure with M/s Genpact India Ltd., the unit has sought permission for broad banding of services, to include 'IT Infrastructure and network services' the details of which are as under :

Existing Services	Services to be added
- Software Development, Engineering Design, Back office support, business Development Services. SAC- 998311, 998399, 998313, 998222, 998211, 99859, 99833.	- IT infrastructure and network services –SAC 998316(IT Infrastructure and network management services) and SAC998319 (other information technology services n.e.c)

Relevant provisions: -

In terms of Rule 19(2) of SEZ Rules, 2006.

“The letter of Approval shall specify the items of manufacture [along with the corresponding Indian Trade Classification (Harmonized system) of export and import items, 2017] or particulars of service activity, including trading or warehousing, projected annual export and Net Foreign Exchange-Earning for the first five years of operations, limitations, if any on Domestic Tariff Area sale of finished goods, by-products and rejects and other terms and conditions, if any, stipulated by the Board or Approval Committee:

PROVIDED that the Approval Committee may also approve proposals for broad-banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity, if it meets the requirements of rule 18”.

I/2223/2023

c) Previous Reference :

With regard to the above proposal, during the UAC held on 30.05.2023 clarification on certain points were sought from the applicant, the details of which are as under:

- (i) It was observed by the Approval Committee that the permission for Sharing of Network Infrastructure proposed by M/s. Eaton Technologies was with M/s Genpact India Pvt. Ltd with whom M/s Eaton headquarters has entered into a Master Service Agreement wherein it has been decided to assign their back office support function to M/s Genpact India Pvt. Ltd. As M/s Genpact India Pvt. Ltd is not a subsidiary/related company of M/s Eaton Technologies it was informed by the Approval Committee to provide any precedents available wherein one unit not being subsidiary/related being allowed to share network infrastructure and the item has been included in the authorised operation for broadbanding.
- (ii) The accounting methodology that would be followed which does not tantamount to subletting.

It was explained by the unit representative during the meeting that they will be executing a Temporary Service agreement with M/s Genpact India for sharing of network Infrastructure wherein the specific charges for sharing the network i.e. voice, data, software and other related services, will be covered, which can be submitted by them to the JDC Office, Pune Cluster.

It was directed by the Approval Committee that the Temporary Service Agreement submitted by the Unit should be examined by the SO Office and JDC Office and recommendation should be brought on record.

On the above observations, the unit has vide reply dated 01.06.2023 submitted as under :

- A. Precedents of permission to share network with 3rd party: The unit has submitted two precedents from different SEZ clusters
 - (i) VSEZ in their UAC meeting held on 11/4/2023 approved network sharing in case of M/s CDK Global with a DTA Unit of GENPACT INDIA under Rule 27(5). Minutes of the Committee Meeting dated 10.05.2023 is attached.
 - (ii) Noida SEZ in the case of NeoKraft Global, wherein the unit had sought permission to share space available with M/s Taurus Englobe for limited period for the reason that construction of the building of M/s NeoKraft Global was underway. Vide Minutes dated 28/3/2016 permission for sharing of premises till the completion of the construction activity was accorded.

It has further been submitted by the unit that most SEZ units share network or infrastructure only with other SEZ units of the same legal entity or related parties, primarily due to data confidentiality reasons. In the instant case, as Accounts

I/2223/2023

Payable and Accounts Receivable functions of Eaton are being outsourced to Genpact, Genpact would have access to AP and AR invoices of Eaton and they would make the accounting entries by accessing Eaton's ERP systems (Oracle and SAP) globally. Genpact has signed a Master Services Agreement with Eaton globally which covers data confidentiality and non disclosure clauses and they will be working exclusively for Eaton from the said premise. Since data confidentiality is not a constraint in this situation, networking sharing arrangement is being considered by Eaton and Genpact. This would facilitate Genpact provide the AP and AR services effectively to Eaton till their own network is set up. Network sharing is being considered only for an interim period of 6 months.

B. Accounting treatment and billing methodology for network sharing

The applicant has submitted the 'Transition Service Agreement' dated 15.06.2023 entered into between M/s Eaton Technologies Pvt. Ltd. and M/s Genpact India Pvt. Ltd. for certain transition services. It has been informed by the applicant that under this agreement, M/s. Eaton Technologies will issue service invoices to M/s. Genpact on monthly basis in USD. The amount will be calculated on pro rata basis considering consumption by number of employees. This billing will be accounted for as SEZ revenue by Eaton Technologies and expense in foreign currency by Genpact.

The Specified Officer, vide report issued under F.No. [Cust.-11/106/2023-CUSTOM](#) dated 20.06.2023 has submitted as under :

The Transition Service Agreement dated 15.06.2023 entered into between M/s Eaton Technologies Pvt. Ltd. and M/s Genpact India Pvt. Ltd. for certain transition services for a limited period was scrutinized. As per the Service Schedule annexed to the agreement it is seen that the services that M/s Eaton Technologies intends to provide to M/s Genpact India is as under :

Service	Description	Terms
Desktop Hardware	Continued support of desktop hardware, including PCs	6 months
Software & Email	Continued support of desktop productivity software, security software and the use and support of Eaton's email system including email addresses, email boxes, and mobile email to approved devices. These services are inclusive of the Microsoft O365 product suite, as currently deployed	6 months
Telecom	Continued support of conferencing and productivity tools including teams, VOIP, instant messaging and local phone	6 months
Help Desk	Continued use of Eaton's global service desk, available 24/7 to support applications, infrastructure, incidents, requests etc. including the self service web portal	6 months
Network	Access to the Eaton circuit to be able to connect to Eaton application	6 months

For the services mentioned above, Genpact has agreed to pay Eaton \$50,000 USD on a monthly basis for the term.

I/2223/2023

It has been further mentioned in the contract under the clause 'Performance of Services' that in providing or otherwise making available the Services to the Recipient, Provider may use its and its Affiliates' own employees and/or where relevant resort to any contractor, subcontractor, vendor or any third party providers. Provider shall have complete discretion to supervise and manage its employees and its Affiliates' employees and third party contractors providing the Services. In no case shall Genpact be deemed to have contractual privity with any Affiliate or third party contractor of Provider solely as a result of the engagement by Provider of such Affiliate or third-party contractor for the provision of Services.

From the above details of the services to be provided by M/s Eaton to M/s Genpact it is seen that the services are in the nature of sharing of software and networking equipment for a period of 6 months for which service fees will be charged. It is, further, seen that during the said period of the contract the services being provided will be owned and managed by M/s Eaton Technologies themselves. The contract does not cover any clause with regard to subletting and the fee that is being charged is towards providing of services related to software and networking.

d) Other Information: -

- LOA No. SEEPZ SEZ/NEW SEZ/ EON/01/2006-07 dated 22.03.2007
- Location: Cluster B-Wing 3, Cluster C-, Wing 1, Eon Free Zone, Plot NO.1, Survey No. 77, MIDC Kharadi Knowledge, Kharadi, Pune – 411 014.
- Date of Commencement of Production: 19.04.2007
- Validity of LOA: 18.04.2027
- Existing Block Period – 2022-23 to 2026-27

e) ADC's Observations:

- The proposal of the unit for sharing the infrastructure facilities at Cluster C, 2nd Floor, EON, SEZ, Phase-I, Kharadi, Pune with M/s Genpact India Pvt. Ltd. SEZ unit located at Cluster B, Wing 3, EON, SEZ, Phase-I, Kharadi, Pune in terms of Rule 27(5) and broad branding of services in terms of Rule 19(2) of SEZ Rules, 2006 may be considered by Approval Committee.

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. SG Analytics Pvt Ltd. an IT/ITES unit located in EON Kharadi Infrastructure Pvt Ltd-Phase-I -SEZ, Pune, for the period from 2017-18 i.e., last year of the 1st block period and for the period from FY 2018-19 to FY 2021-22 of 2nd Block period.

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

Monitoring of the performance of the unit for

- i. the period from 2017-18 i.e., last year of the 1st block period and;
 - ii. for the period from FY 2018-19 to FY 2021-22 of 2nd Block period.
- in terms of Rule 54 of SEZ Rules, 2006.

c) **Relevant provisions: -**

As per 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”.

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

	2013-14	2014-15	2015-16	2016-17	2017-18	Total
FOB Export	553.34	3971.97	5407.60	6731.65	7689.62	24354.18
FE Outgo	2.14	39.57	48.73	58.67	65.41	214.52
NFE	551.20	3932.40	5358.87	6672.98	7624.21	24139.66

(A) **Performance as compared to projections: for 2017-18 (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	Actual
2017-18	7689.62	5145.58	0.00	0.00	0.00	4.80	205.90
Total	7689.62	5145.58	0.00	0.00	0.00	4.80	205.90

(B) **Cumulative NFE Achieved (Rs. In Lakhs)**

Year	Cumulative NFE achieved	NFE in %
2017-18	21403.65	90.87

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

	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Export	5749.03	5864.01	5981.29	6100.91	6222.93	29918.17

FE Outgo	431.18	439.80	448.60	457.57	466.72	2243.87
NFE	5317.85	5424.21	5532.69	5643.34	5756.21	27574.30

(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	Actual
2018-19	5749.03	4826.89	0.00	0.00	10.00	0.00	131.97
2019-20	5864.01	4,536.45		0.00		0.00	260.77
2020-21	5981.29	4,631.25		0.00		0.00	144.35
2021-22	6100.91	6,304.32		0.00		0.00	249.02
Total	23695.24	20293.91	0.00	0.00	10.00	0.00	786.11

(D) Cumulative NFE Achieved (Rs. In Lakhs)

Year	Cumulative NFE achieved	NFE in %
2018-19	4689.89	97.16%
2019-20	8960.54	95.70%
2020-21	13442.41	96.05%
2021-22	19492.68	96.03%

(E) Other Information:

LOA No. & Date	SEEPZ-SEZ/EKIPL-SEZ/SGAPL/17/2012-13/916 dated 22.01.2013
Location of Unit	6 th Floor, Wing-2 Cluster C, EON Kharadi Infrastructure Pvt Ltd.-SEZ, Plot No. 01, Sr. no-77, MIDC-Kharadi Knowledge Park, Pune-411 014
Validity of LOA	14.02.2023
Item(s) of manufacture/ Services	IT/ITES
Date of commencement of production	15.02.2013
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 FY 2020-21	297 employees (Men-171, women-126))
Area allotted (in sq.ft.)	14672 Sq.ft.
Area available for each employee per	49.40sq.ft.

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

The Specified Officer vide letter dated 21.06.2023 has reported as under:

(A) EXPORT

(Rs. In Lakhs)

Year/ Period	Figures reported in APR	Figures as per Softex/ Customs Records	Difference if any	Reason for Difference/Remark
(1)	(2)	(3)	(4)	(5)
2017-18	5145.58	4170.57	975.01	<p>During the reconciliation, it was observed that 68 nos of Invoices Totally amounting to Rs 786.95 Lakhs is pending for Filling of SOFTEX. The Unit has submitted application for condonation of delay in filling of SOFTEX to JDC Office which is under process.</p> <p>During the year Audit provision of Rs 142.93 Lakhs has been made for which no SOFTEX was filed.</p> <p>Credit Note of Rs (-)7.80 Lakhs has been raised & balance difference of Rs 52.94 Lakhs is due to Exchange rate difference.</p>
2018-19	4826.89	4146.51	680.38	<p>During the reconciliation, it was observed that 69 nos of Invoices Totally amounting to Rs 636.29 Lakhs is pending for Filling of SOFTEX. The Unit has submitted application for condonation of delay in filling of SOFTEX to JDC Office</p>

				<p>which is under process.</p> <p>During the year Audit provision of Rs (-)1.11 Lakhs has been made for which no SOFTEX was filed.</p> <p>Credit Note of Rs (-)7.80 Lakhs has been raised & balance difference of Rs 8.80 Lakhs is due to Exchange rate difference.</p>
2019-20	4536.45	3385.38	1151.07	<p>During the reconciliation, it was observed that 148 nos of Invoices Totally amounting to Rs 1437.95 Lakhs is pending for Filling of SOFTEX. The Unit has submitted application for condonation of delay in filling of SOFTEX to JDC Office which is under process.</p> <p>During the year Audit provision of Rs (-)228.56 Lakhs has been made for which no SOFTEX was filed.</p> <p>Credit Note of Rs (-)34.13 Lakhs has been raised & balance difference of Rs 24.19 Lakhs is due to Exchange rate difference.</p>
2020-21	4631.25	3812.15	819.10	<p>During the reconciliation, it was observed that 38 nos of Invoices Totally amounting to Rs 771.45 Lakhs is pending for Filling of SOFTEX. The Unit has submitted application for condonation of delay in filling of SOFTEX to JDC Office which is under process.</p> <p>During the year Audit provision of Rs (-) 295.75 Lakhs has been made for which no SOFTEX was filed.</p> <p>Credit Note of Rs (-)14.04 Lakhs has been raised & balance difference of Rs 357.45 Lakhs is due to Exchange rate difference.</p>
2021-22	6304.32	5920.58	383.74	<p>During the reconciliation, it was observed that 26 nos of Invoices Totally amounting to Rs 548.46</p>

				<p>Lakhs is pending for Filling of SOFTEX. The Unit has submitted application for condonation of delay in filling of SOFTEX to JDC Office which is under process.</p> <p>During the year Audit provision of Rs (-) 322.62 Lakhs has been made for which no SOFTEX was filed.</p> <p>Credit Note of Rs (-)75.06 Lakhs has been raised & balance difference of Rs 232.96 Lakhs is due to Exchange rate difference.</p>
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(B) IMPORT

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

Year/Period	Figures reported in APR (FOB Value)	Figures as per Customs Records	Difference if any	Reason for Difference/Remark
(1)	(2)	(3)	(4)	(5)
2017-18	4.80	4.80	0.00	--
2018-19	0.00	0.00	0.00	--
2019-20	0.00	0.00	0.00	--
2020-21	0.00	0.00	0.00	--
2021-22	0.00	0.00	0.00	--

- ii) Raw Material (Rs. In Lakhs)

Year/Period	Figures reported in APR (FOB Value)	Figures as per Customs Records	Difference if any	Reason for Difference/Remark
(1)	(2)	(3)	(4)	(5)
2017-18 To 2021-22	0.00	0.00	0.00	--

(C) BLUT

(Amount in 'Lakhs')

1	<p>Value of BLUT Executed (Duty foregone) (including for CG/ Raw Material/ Services)</p> <p>Value of Additional BLUT executed</p> <p>- Year: Date of acceptance</p> <p>- BLUT amount:</p> <p>TOTAL value of BLUT Executed</p>	<p>Rs. 45.51. Lakhs</p> <p>Dt: 12.06.2013</p> <p>Rs. 6.70 Lakhs</p> <p>Dt: 17.10.2018</p> <p>Total- Rs. 52.21 Lakh</p>																												
2	<p>Total Duty Foregone on goods & services procured</p> <p>Category Wise:</p> <p>Year Wise:</p>	<table><tr><td>FY</td><td>Import Goods</td><td>Ind. Goods</td><td>Services</td></tr><tr><td>17-18</td><td>0.82</td><td>0.15</td><td>2.08</td></tr><tr><td>18-19</td><td>0.00</td><td>0.00</td><td>3.19</td></tr><tr><td>19-20</td><td>0.00</td><td>0.00</td><td>22.99</td></tr><tr><td>20-21</td><td>0.00</td><td>0.00</td><td>23.33</td></tr><tr><td>21-22</td><td>0.00</td><td>0.00</td><td>30.37</td></tr><tr><td>Total</td><td>0.82</td><td>0.15</td><td>81.96</td></tr></table>	FY	Import Goods	Ind. Goods	Services	17-18	0.82	0.15	2.08	18-19	0.00	0.00	3.19	19-20	0.00	0.00	22.99	20-21	0.00	0.00	23.33	21-22	0.00	0.00	30.37	Total	0.82	0.15	81.96
FY	Import Goods	Ind. Goods	Services																											
17-18	0.82	0.15	2.08																											
18-19	0.00	0.00	3.19																											
19-20	0.00	0.00	22.99																											
20-21	0.00	0.00	23.33																											
21-22	0.00	0.00	30.37																											
Total	0.82	0.15	81.96																											
3	<p>Has the Unit procured goods and or services without having sufficient balance in their BLUT,</p> <p>If Yes,</p> <p>Month & year when the BLUT was exhausted</p> <p>Details of the consignments and Total value of Goods procured without having sufficient or nil balance in BLUT</p>	<p>No</p>																												
(d)	<p>Employment made as on date (31.03.2022)</p> <p>(as on end of block period/ year up to which monitoring is being done)</p>	<p>Men: 171</p> <p>Women: 126</p> <p>Total No Employment : 297</p>																												
(e)	<p>Details of Pending Foreign Remittance beyond Permissible period, if any</p>	<p>Nil</p>																												

	(as on 31.03.2022) To cross-check the same and verify whether necessary permission from AD Bank/ RBI has been obtained.									
(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.	No, There are 349 Nos of Invoices amounting to Rs 4181.10 Lakhs pending for Filing of SOFTEX For the Period from 2017-18 To 2021-22 for which the unit has filed application for condonation of delay to the JDC Office Pune Cluster								
(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.	No, deficiency has been raised for mapping of Gist of Contract.								
(h)	Whether unit has filed any request for Cancellation of softex	No, but the unit is in the process of filing of application for Cancellation								
(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 2017-18 and 2018-19 the unit has provided services to DTA against payment in INR. Details of the same is as under <table><tr><td>Year</td><td>Amount in Lakhs</td></tr><tr><td>2017-18</td><td>47.77</td></tr><tr><td>2018-19</td><td>8.99</td></tr><tr><td>Total</td><td>56.76</td></tr></table>	Year	Amount in Lakhs	2017-18	47.77	2018-19	8.99	Total	56.76
Year	Amount in Lakhs									
2017-18	47.77									
2018-19	8.99									
Total	56.76									
(j)	SO to verify and certify whether the unit has updated the BLUT ledger Module in SEZ Online.	NA								
(k)	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	No								
(l)	Is the unit sharing any of their infrastructure with other units or are utilizing infrastructure of another unit in	No.								

	<p>the same or other SEZ.</p> <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>	
(m)	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.	Filing of DSPF is under process
(n)	<p>Whether unit has filed all DTA procurement w.r.t. the goods procured by them during the monitoring period for the relevant period:</p> <p>If no, details thereof</p>	Yes
(o)	Details of the request IDs pending for OOC in respect of DTA procurement on the date of submission of monitoring report	No IDs pending for OOC in respect of DTA procurement.
(p)	<p>Has the unit set up any cafeteria/ canteen/ food court in unit premises.</p> <p>If yes, whether permission from UAC/DC 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>	Unit has setup only dry pantry without active cooking
(q)	Whether any violation of any of the provisions of law has been noticed/ observed by the Specified Officer during the period under monitoring.	No

ADC's observations:

- The unit has achieved export of Rs. 5145.58 lakhs against the Projected export of Rs. 7689.62 lakhs i.e, 66.91% in the FY 2017-18 of 1st Block period
- The unit has achieved NFE of Rs. 21403.65 lakhs i.e, 90.87% on cumulative basis in the FY 2017-18 i.e., last year of 1st block period.
- The unit has achieved export of Rs. 20293.91 lakhs against the Projected export of Rs. 23695.24 lakhs i.e, 85.64% in the period of FY 2018-19 to 2021-22 of 2nd Block period
- The unit has achieved NFE of Rs. 19492.68 lakhs i.e, 96.03% on cumulative basis.
- As per the SO Report the unit has achieved employment of 297 employees (Men-171, women-126) in FY 2021-22.
- 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
2017-18	47.77
2018-19	8.99
Total	56.76

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 ;***
 - Since the unit had provided IT/ITES services in DTA against payment in INR, the said services provided by them cannot be considered as part of their authorized operations, and as such, they have violated the provision of Rule 19 (6B)(v) of the SEZ Rules, 2006.
- As per Rule 19(6B)(v) of SEZ Rules, 2006,
- “Undertaking of an activity not sanctioned or approved by the Development Commissioner”***
- 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 the period from 2017-18 i.e., last year of the 1st block period and for the period from FY 2018-19 to FY 2021-22 of 2nd Block period, in terms of Rule 54 of SEZ Rules, 2006 and initiate necessary action against the unit with regard to violation of provision of SEZ Act / Rules, in terms of Rule 54 of SEZ Rules, 2006 for DTA sale in INR amounting to Rs. 56.76 Lakhs.

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. Allscripts (India) LLP. an IT/ITES unit located in EON Kharadi Infrastructure Pvt Ltd-Phase-I-SEZ, Pune, for FY 2022-23.

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

Monitoring of the performance of the unit for FY 2022-23, in terms of Rule 54 of SEZ Rules, 2006.

c) Relevant provisions: -

As per 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”.

(A) Performance for 2022-23:

(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	
2022-23	-	31653.83	-	-	-	-	3330.15
Total	-	31653.83	-	-	-	-	3330.15

(B) Cumulative NFE Achieved

(Rs. In Lakhs)

Year	Cumulative NFE achieved	Cumulative NFE in %
2022-23	27805.17	87.84%

(C) Other Information:

LOA No. & Date	SEEPZ-SEZ/NEWSEZ/HIRA-Pune/04/2007-08/5606 dated 02-08-2007
Location of Unit	1 st and 2 nd Floor, Wing-4 of Cluster-C and Ground, 1 st and 5 th Floor of Wing 2 Cluster D, EON Kharadi Infrastructure Pvt Ltd-Phase-I-SEZ, Kharadi, Pune
Validity of LOA	11.09.2022

Item(s) of manufacture/ Services		IT/ITES
Date of commencement of production		12.09.2007
Execution of BLUT		95.92 Crores
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		1829 employees (Men-1184, Women-645)
Area allotted (in sq.ft.)		88.67 Sq.ft.
Area available for each employee per sq.ft. basis (area / no. of employees)		136 sq.ft.
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

The Specified Officer vide letter dated 23.06.2023 has reported as under:

(A) EXPORT

(Rs. In Lakhs)

Year/Period	Figures reported in APR	Figures as per Softex/Customs Records	Difference if any	Reason for Difference/Remark
(1)	(2)	(3)	(4)	(5)
2022-23	31653.83	28160.92	3492.91	One Export Invoice for the Month of March-2023 amounting to Rs 3463.70 is pending for filling of SOFTEX. Difference of Rs 29.21 lakhs is due to Exchange rate difference

(B) IMPORT

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

Year/Period	Figures reported in APR (FOB Value)	Figures as per Customs Records	Difference if any	Reason for Difference/Remark
(1)	(2)	(3)	(4)	(5)
2022-23	0.00	0.00	0.00	--

- ii) Raw Material (Rs. In Lakhs)

Year/Period	Figures reported in APR (FOB Value)	Figures as per Customs Records	Difference if any	Reason for Difference/Remark
(1)	(2)	(3)	(4)	(5)
2022-23	0.00	0.00	0.00	--

(C) BLUT

(Amount in 'Lakhs')

1	Value of BLUT Executed (Duty foregone) (including for CG/ Raw Material/ Services) Value of Additional BLUT executed - Year: Date of acceptance - BLUT amount: TOTAL value of BLUT Executed	Rs. 649.14 Lakhs Dt: 07-09-2007 Rs. 1454.44 Lakhs Dt: 02-02-2011 Rs. 932.87 Lakhs Dt: 28-02-2013 Rs. 6555.70 Lakhs Dt: 07-11-2019 Total- Rs. 9592.15 Lakh			
2	Total Duty Foregone on goods & services procured Category Wise: Year Wise:	FY	Import Goods	Ind. Goods	Services
		22-23	0.00	0.16	264.48
3	Has the Unit procured goods and or	No			

	<p>services without having sufficient balance in their BLUT,</p> <p>If Yes,</p> <p>Month & year when the BLUT was exhausted</p> <p>Details of the consignments and Total value of Goods procured without having sufficient or nil balance in BLUT</p>	
(d)	<p>Employment made as on date (31.03.2023)</p> <p>(as on end of block period/ year up to which monitoring is being done)</p>	<p>Men:1184</p> <p>Women: 645</p> <p>Total No Employment : 1829</p>
(e)	<p>Details of Pending Foreign Remittance beyond Permissible period, if any</p> <p>(as on 31.03.2023)</p> <p>To cross-check the same and verify whether necessary permission from AD Bank/ RBI has been obtained.</p>	Nil
(f)	<p>Whether all Softex has been filed for the said period. If no, details thereof.</p> <p>SO to also check whether unit has obtained Softex condonation from DC office / RBI and if approved, whether they have filed such pending Softex.</p>	No, one SOFTEX for the Month of March-2023 is pending for Filing
(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	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)	No.
(j)	SO to verify and certify whether the unit has updated the BLUT ledger Module in	NA

	SEZ Online.	
(k)	<p>Has the unit cleared any Capital Goods procured duty free in DTA against Payment of Duty, or otherwise.</p> <p>Full details to be provided along with value of assets and duty discharged</p>	No
(l)	<p>Is the unit sharing any of their infrastructure with other units or are utilizing infrastructure of another unit in the same or other SEZ.</p> <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>	No.
(m)	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.	Filing of DSPF is under process
(n)	<p>Whether unit has filed all DTA procurement w.r.t. the goods procured by them during the monitoring period for the relevant period:</p> <p>If no, details thereof</p>	Yes
(o)	Details of the request IDs pending for OOC in respect of DTA procurement on the date of submission of monitoring report	No IDs pending for OOC in respect of DTA procurement.
(p)	<p>Has the unit set up any cafeteria/ canteen/ food court in unit premises.</p> <p>If yes, whether permission from UAC/DC 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</p>	No

	given including amount of duty/ tax recovered or yet to be recovered	
(q)	Whether any violation of any of the provisions of law has been noticed/ observed by the Specified Officer during the period under monitoring.	No

ADC's observations:

- The Unit has achieved export of Rs. 31653.83 lakhs in the FY 2022-23
- As per this office calculation, the unit has achieved NFE of Rs. 27805.17 lakhs on cumulative basis i.e. 87.84%.
- Vide SO report the unit has achieved employment of 1829 employees (Men-1184, Women-645)
- The performance of the unit was monitored by the Approval Committee in meeting held on 23.12.2023 for the period from 2017-18 to 2021-22.
- The unit is already in the process of exit. Their LOA has already expired on 11.09.2022 and the unit is already in the process of exit they have not renewed their LOA, however they had taken temporary extension of their LOA to complete the exit process. In meanwhile, the unit has submitted the provisional APR for the FY 2022-23.
- Approval Committee may like to monitor the performance of the Unit for FY 2022-23, in terms of Rule 54 of SEZ Rules, 2006.

I/2238/2023

1

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

AGENDA NOTE FOR CONSIDERATION OF THE APPROVAL COMMITTEE

a) Proposal: -

- Application by M/s. Sears IT and Management Services India Pvt Ltd., an IT/ITES unit located in EON Kharadi Infrastructure Pvt Ltd.-Phase-I.- SEZ for partial deletion of area admeasuring 55483.37 Sq.ft. along with revision in projections.

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

Approval of the AC for

- 1) Partial deletion of area admeasuring 55483.37 sq.ft. from the existing area of 91314 Sq.ft.. and
- 2) Revision of projection on account of above deletion of location,

in terms of Rule 19(2) of SEZ Rules, 2006, as detailed below:

(i) Location / area proposed to be deleted :

Existing address and area	Area proposed to be deleted	Total area after Deletion
4 th & 5 th Floor of Cluster D, Wing 2, and 7 th Floor, Cluster C, Wing 2, EON Free Zone, EON Kharadi Infrastructure Pvt Ltd-Phase-I-SEZ, Plot No 1, S. No. 77, MIDC Kharadi Knowledge Park, Pune-411 014	5 th Floor of Cluster D, Wing 2 and 7 th Floor of Cluster C, Wing 2, EON Free Zone, EON Kharadi Infrastructure Pvt Ltd-Phase-I-SEZ	4 th Floor of Cluster D, Wing 2, EON Free Zone, EON Kharadi Infrastructure Pvt Ltd-Phase-I-SEZ.
Admeasuring area of 91,314 Sq.ft.	Admeasuring area of 55483.47 Sq.ft.	Admeasuring area of 35830.53 Sq.ft.

(ii) Revision in Projection:

Projections of Investment and Employment:

(Rs. In Lakhs)

Sr.No	Item	Existing Projection	Total Revised Projection
1.	Value of Capital Goods		

I/2238/2023

2

i.	Indigenous	544.01	103.65
ii.	Imported	1577.63	154.01
	Total	2121.64	257.66
2.	Value of Services		
i.	Indigenous	37816.00	8955.53
ii.	Imported	-	461.79
	Total	37816.00	9417.32
3.	Employment	Men	Women
		919	281
	TOTAL	1200	414

Approved Projection:**(Rs. In Lakhs)**

Sr.No	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	Total
1.	FOB Value of exports	27845.26	30311.79	32894.86	35417.54	37622.03	164091.48
2.	Foreign Exchange outgo	671.45	684.88	512.64	441.36	358.85	2669.18
3.	Net Foreign Exchange	27173.81	29626.91	32382.22	34976.18	37263.18	161422.30

Proposed Projection:**(Rs. In Lakhs)**

Sr.No	Particulars	2019-20 Actual	2020-21 Actual	2021-22 Actual-Unaudited	2022-23	2023-24	Total
1.	FOB Value of exports	14265.70	10885.89	11303.94	12890.62	15482.71	64828.86
2.	Foreign Exchange outgo	305.23	212.00	3540.39	10054.16	10043.41	24155.19
3.	Net Foreign Exchange	13960.47	10673.89	7763.56	2836.46	5439.30	40673.67

c) Relevant Provisions: -

As per First Proviso to Rule 19(2) of SEZ Rules,2006

“PROVIDED that the Approval Committee may also approve proposals for broad banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity, if it meets the requirements of rule 18”

d) Other Information: -

I/2238/2023

3

- M/s. Sears IT and Management Services India Pvt. Ltd. bearing LOA No.SEZ/PUNE/1P/2009-10/5702 dated 10.12.2009.
- Date of Commencement: 16.12.2019
- LOA is valid upto: 15.12.2024
- **Reason for deleation of area:**

The unit has submitted that, there has been significant reduction in the headcount due to global business slow down caused by the pandemic and given the fact that they are already have enough capacity to accommodate their staff at the other floors of SEZ unit in EON, hence the management has decided to delete above specified floors.
- The Specified Officer has been requested for the 'No Dues Certificate' w.r.t. partial deletion of area vide letter dated 16.06.2023
- The unit has submitted the following documents with the application:
 - Self-Certified copy of the revised Form F3,
 - Copies of BLUT
 - Copy of Board Resolution
 - Copies of LOAs
 - NOC from the Developer
 - Copies of APRs

e) ADC Observations: -

- There is decrease in the area by 60.76%;
- Decrease in Export Revenue by 60.49%;
- Decrease in Employment by 65.50%
- Approval Committee may like to consider the proposal of the unit for deletion of area with revision in projection in terms of Rule 19(2) of SEZ Rules, 2006.

I/2219/2023

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

AGENDA NOTE FOR CONSIDERATION OF THE UNIT APPROVAL COMMITTEE

a) **Proposal:**

Monitoring of the performance of M/s. Zensar Technologies Limited, Unit I an IT/ITES unit located in EON Kharadi-I, Pune, for FY 2022-23 of i.e. 3rd year of 3rd block period

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

Monitoring of the performance of the unit for FY2022-23 i.e. 3rd year of 3rd Block period in terms of Rule 54 of SEZ Rules, 2006

c) **Relevant provisions: -**

As per 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”.

I The details of the Actual Export / export projections for 5 years of 3rd block period i.e. FY 2020-21 to 2024-25 are as detailed below:—

(i) **Actual Export / Approved Projections**

(Rs. in Lacs)

	2020-21 (Actual)	2021-22 (Actual)	2022-23 Approved Projection	2023-24	2024-25
FOB Value of Exports	8442.32	6324.94	13492.00	13603.00	13713.00
FE Outgo	136.87	63.95	815.00	785.00	756.00
NFE	8305.45	6260.99	12677.00	12818.00	12957.00

(I) **Performance as compared to projections: FY 2022-23**

(Rs. In Lacs)

Year	Export		F.E. OUTGO				
	Projected	Actual	Raw Material (Goods/Services)		C.G. import		Other outflow
			Project ed	Actual	Project ed	Actual	
2022-23	13492	2716.68	0.00	0.00	700.00	-241.63*	6.58
Total	13492	2716.68	0.00	0.00	700.00	-241.63	6.58

* As per APR Value of imported capital goods transferred to other Unit in SEZ/ EOU/ EHTP/ STP during the year

(II) **Cumulative NFE achieved: FY 2022-23**

(Rs. in Lacs)

Year	Cumulative NFE Achieved	Cumulative % NFE Achieved
2022-23	17259.95	98.72%

I/2219/2023

(III) Employment Achievement (Direct): FY 2022-23

The Unit has achieved employment of 373 employees (Men-224, Women-149)
In 3 years of the 3rd block period.

(d) 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”***

(e) Other Information:

LOA No. & Date		SEZ/PUNE/2H/2008-09/96 Dt.27.05.2008	
Location of Unit		EON Kharadi, 2nd Floor, Wing 2,EON Free Zone, Cluster C, Kharadi Knowledge Park,Pune,Maharashtra,India,411014	
Validity of LOA		09.04.2025	
Item(s) of manufacture/ Services		IT/ITES	
Date of commencement of production		10.05.2010	
Execution of BLUT		21.07 Cr.	
Outstanding Rent dues		NA	
Labour Dues		NA	
Validity of Lease Agreement		01.07.2016 TO 30.06.2030	
Pending CRA Objection, if any		NA	
Pending Show Cause Notice/ Eviction Order/Recovery Notice/ Recovery Order issued, if any		NA	
Projected employment for the block period No. of employees as on 31.03.2023		670 373	
Area allotted (in sq.ft.)		31776	
Area available for each employee per sq.ft. basis (area / no. of employees)		85.19	
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.		Yes	
If no, details of the Year along with no of			

I/2219/2023

days delayed to be given.

- The Specified Officer vide his report dated 20.06.2023 has reported that SEZ Unit has submitted the following

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

(A) EXPORT

(Rs. In Lakhs)

Year/Period	Figures reported in APR	Figures as per Softex/ Customs Records	Difference if any	Reason for Difference/ Remark
(1)	(2)	(3)	(4)	(5)
2022-23	2716.68	2732.33	15.65	Difference is due to exchange rate variation

(B) IMPORT

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

(Rs. In Lakhs)

Year/Period	Figures reported in APR (FOB Value)	Figures as per Customs Records	Difference if any	Reason for Difference/Remark
(1)	(2)	(3)	(4)	(5)
2022-23	0.00	0.00	0.00	--

ii) Raw Material

(Rs. In Lakhs)

Year/Period	Figures reported in APR (FOB Value)	Figures as per Customs Records	Difference if any	Reason for Difference/Remark
(1)	(2)	(3)	(4)	(5)
2022-23	0.00	0.00	0.00	--

(C) BLUT

(Amount in 'Lakhs')

1	Value of BLUT Executed (Duty foregone) (including for CG/ Raw Material/ Services) Value of Additional BLUT executed - Year: Date of acceptance - BLUT amount: TOTAL value of BLUT Executed	Rs. 202.84 Lakhs Dt: 15.10.2008 Rs. 243.59 Lakhs Dt: 13.07.2015 Rs. 1,660.66 Lakhs Dt: 01.04.2021 Total- Rs. 2,107.09 Lakh			
2	Total Duty Foregone on goods & services procured Category Wise: Year Wise: (Amount in Lakhs)	FY	Import Goods	Ind. Goods	Services
		2022	0.00	0.00	88.40
		-			

I/2219/2023

		23			
3	<p>Has the Unit procured goods and or services without having sufficient balance in their BLUT,</p> <p>If Yes,</p> <p>Month & year when the BLUT was exhausted</p> <p>Details of the consignments and Total value of Goods procured without having sufficient or nil balance in BLUT</p>	No			
(d)	Employment made as on date (31.03.2023) (as on end of block period/ year up to which monitoring is being done)	Men:224 Women: 149 Total No Employment : 373			
(e)	<p>Details of Pending Foreign Remittance beyond Permissible period, if any</p> <p>(as on 31.03.2023)</p> <p>To cross-check the same and verify whether necessary permission from AD Bank/ RBI has been obtained.</p>	Nil			
(f)	<p>Whether all Softex has been filed for the said period. If no, details thereof.</p> <p>SO to also check whether unit has obtained Softex condonation from DC office / RBI and if approved, whether they have filed such pending Softex.</p>	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, All Softex Forms filed for the year 2022-23 has been Certified except for following month as the same is under deficiency: 1) December-2022 2) January-2022			
(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.	No.			

I/2219/2023

	If yes, details thereof (year wise details to be provided)	
(j)	SO to verify and certify whether the unit has updated the BLUT ledger Module in SEZ Online.	N A
(k)	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	No
(l)	Is the unit sharing any of their infrastructure 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	N o.
(m)	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.	Filing of DSPF is under process
(n)	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
(o)	Details of the request IDs pending for OOC in respect of DTA procurement on the date of submission of monitoring report	No IDs pending for OOC in respect of DTA procurement.
(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. Whether unit has availed any duty paid goods/services for setting up	No

I/2219/2023

	such facility? 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	
(q)	Whether any violation of any of the provisions of law has been noticed/ observed by the Specified Officer during the period under monitoring.	No

(f) ADC's observations:

- The Unit has achieved export revenue of Rs. **2716.68** Lacs as against projected export of Rs. **13492.00** Lacs i.e. **20.13%** in 3rd year of 3rd block period i.e. in FY2022-23.
- The Unit has achieved cumulative NFE of Rs. 17259.95 Lakhs which is 98.72% at the end of FY 2022-23.
- UAC may like to monitor the performance of the Unit for FY 2022-23 3rd year of 3rd Block period in terms of Rule 54 of SEZ Rules, 2006.

I/2218/2023

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

AGENDA NOTE FOR CONSIDERATION OF THE UNIT APPROVAL COMMITTEE

a) **Proposal:**

Monitoring of the performance of **M/s. Zensar Technologies Limited, Unit-II**, an IT/ITES unit located at 1st Floor, Wing 2, Cluster C, 1st Floor, Wing 2 of Cluster E, EON Kharadi Infrastructure Pvt. Ltd., Plot No. 1, S.No.77, MIDC, Kharadi, Pune 411014 for 4th years of 2nd block period i.e. for FY2022-23

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

Monitoring of the performance of the unit for 4th year of 2nd block period i.e. FY FY 2022-23, in terms of Rule 54 of SEZ Rules, 2006

c) **Relevant provisions: -**

As per 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”.

(I) **Performance as compared to projections: FY 2019-20 to FY 2023-24**(i) **Actual Export / Approved Projections**

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Projected	2023-24 Projected
FOB Value of Exports	4667.63	11482.07	11330.31	5400.00	5760.00
FE Outgo	110.82	131.06	80.63	377.00	359.00
NFE	4556.81	11351.01	11249.68	5023.00	5401.00

(I) **Performance as compared to projections: FY 2022-23**

(Rs. In Lacs)

Year	Export		F.E. OUTGO				
	Projected	Actual	Raw Material (Goods/Services)		C.G. import		Other outflow
			Projected	Actual	Projected	Actual	
2022-23	5400.00	5289.06	0	0	710.00	-337.35*	12.83
Total	5400.00	5289.06	0	0	710.00	-337.35	12.83

* As per value of capital goods, transferred to other units in SEZ/EOU/EHTP/ STP during year

(II) **Cumulative NFE achieved: FY 2022-23 (Rs. in Lacs)**

Year	Cumulative NFE Achieved	Cumulative % NFE Achieved
2022-23	32407.72	98.90%

(III) **Employment Achievement (Direct): FY 2022-23**

The Unit has achieved employment of 616 employees (Men-370, Women-246)

I/2218/2023 in 4 years of the 2nd block period.

(d) 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”***

(e) Other Information:

LOA No. & Date	LOA No. SEEPZ-SEZ/ZTL/21/2012-13/24 dt. 31.12.2013
Location of Unit	1 st Floor, Wing 2, Cluster C, 1 st Floor, Wing 2 of Cluster E, EON Kharadi Infrastructure Pvt. Ltd., Plot No. 1, S.No.77, MIDC, Kharadi, Pune 411014
Validity of LOA	31.08.2024
Item(s) of manufacture/ Services	IT & ITES
Date of commencement of production	01.09.2014
Execution of BLUT	22.21 Crores
Outstanding Rent dues	NA
Labour Dues	NA
Validity of Lease Agreement	15 years
Pending CRA Objection, if any	NA
Pending Show Cause Notice/ Eviction Order/Recovery Notice/ Recovery Order issued, if any	NA
Projected employment for the block period No. of employees as on 31.03.2023	425 616
Area allotted (in sq.ft.)	31787.54 Sq.ft (2953.16 Sq. mt)
Area available for each employee per sq.ft. basis (area / no. of employees)	51.60
Investment till date	Building
	Plant & Machinery
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

The Specified Officers report submitted vide letter dated 20.04.2023 the APR verification report for the period FY 2022-23, in the prescribed which is as detailed below;

I/2218/2023 (a) Details of year-wise export as per the prescribed format:

(A) EXPORT

(Rs. In Lakhs)

<i>Year/Period</i>	<i>Figures reported in APR</i>	<i>Figures as per Softex/Customs Records</i>	<i>Difference if any</i>	<i>Reason for Difference/Remark</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>
2022-23	5289.07	5321.32	32.25	Difference is due to Exchange Rate Variation.

(B) IMPORT

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

(Rs. In Lakhs)

<i>Year/Period</i>	<i>Figures reported in APR (FOB Value)</i>	<i>Figures as per Customs Records</i>	<i>Difference if any</i>	<i>Reason for Difference/Remark</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>
2022-23	0.00	0.00	0.00	--

ii) **Raw Material**

(Rs. In Lakhs)

<i>Year/Period</i>	<i>Figures reported in APR (FOB Value)</i>	<i>Figures as per Customs Records</i>	<i>Difference if any</i>	<i>Reason for Difference/Remark</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>
2022-23	0.00	0.00	0.00	--

(C) BLUT

(Amount in 'Lakhs')

1	Value of BLUT Executed (Duty foregone) (including for CG/ Raw Material/ Services) Value of Additional BLUT executed - Year: Date of acceptance - BLUT amount: TOTAL value of BLUT Executed	Rs. 310.75 Lakhs Dt : 06.03.2014 Rs. 222.62 Lakhs Dt : 21.07.2015 Rs. 1,688.40 Lakhs Dt : 07.12.2020 Total- Rs. 2221.77 Lakh			
2	Total Duty Foregone on goods & services procured Category Wise: Year Wise:	FY	Import Goods	Ind. Goods	Services
		2022-23	0.00	0.00	130.04

I/2218/20233

	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 (31.03.2023) (as on end of block period/ year up to which monitoring is being done)	Men:370 Women: 246 Total Employment : 616
(e)	Details of Pending Foreign Remittance beyond Permissible period, if any (as on 31.03.2023) To cross-check the same and verify whether necessary permission from AD Bank/ RBI has been obtained.	Nil
(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, All Softex Forms filed for the year 2022-23 has been Certified except for following month as the same is under deficiency: 1) November-2022 2) December-2022 3) January-2022
(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)	No.
(j)	SO to verify and certify whether the unit has updated the BLUT ledger Module in SEZ Online.	NA
(k)	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	No

I/2218/2023

(n)	Is the unit sharing any of their infrastructure 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.
(m)	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.	Filing of DSPF is in process
(n)	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
(o)	Details of the request IDs pending for OOC in respect of DTA procurement on the date of submission of monitoring report	No IDs pending for OOC in respect of DTA procurement.
(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. Whether unit has availed any duty paid goods/services for setting up such facility?	No
	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	
(q)	Whether any violation of any of the provisions of law has been noticed/ observed by the Specified Officer during the period under monitoring.	No

ADC's observations:

- The Unit has achieved export revenue of **Rs. 5289.06 Lacs** as against projected export of Rs. 5400.00 Lacs i.e. **97.94 %** in 4th years of the 2nd block period i.e. in FY 2022-23
- The Unit has achieved cumulative positive NFE of Rs. **32407.72 Lac** which is **98.90% at the end of FY 2022-23 (at the end of 4th year of 2 Block)**
- UAC may like to monitor the performance of the Unit for FY 2022-2023 in terms of Rule 54 of SEZ Rules, 2006.