



GOVERNMENT OF INDIA
MIN. OF COMMERCE & INDUSTRY, DEPTT. OF COMMERCE
OFFICE OF THE DEVELOPMENT COMMISSIONER
NOIDA SPECIAL ECONOMIC ZONE
NOIDA DADRI ROAD, PHASE-II, NOIDA-201305
DISTT. GAUTAM BUDH NAGAR (UP)

फ. स.10/07/2015-एसईजेड /

दिनांक: 02/09/2016

सेवा मे,

1. निदेशक, वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली -110001।
2. संयुक्त महानिदेशक विदेश व्यापार, 117/एल-444. काकादेव, कानपूर - 208025 (उत्तर प्रदेश)।
3. आयुक्त, सीमा शुल्क एवं केंद्रीय उत्पाद शुल्क, 7-ए, 5- अशोक मार्ग, लखनऊ - 226001 (उत्तर प्रदेश)।
4. संयुक्त आयुक्त, आयकर, रैंज - 4, आयकर भवन, 5- अशोक मार्ग, लखनऊ - 226001 (उत्तर प्रदेश)।
5. निदेशक, बैंकिंग प्रभाग, आर्थिक मामलों का विभाग, वित्त मंत्रालय, भारत सरकार, तृतीय तल, जीवन दीप बिल्डिंग संसद मार्ग, नई दिल्ली।
6. श्री एम० बी० सिंह, संयुक्त सचिव, आई० टी० एवं इलेक्ट्रॉनिक्स विभाग, कक्ष संख्या-312 अ, श्री लाल बहादुर शास्त्री भवन (एनेक्सी भवन), लखनऊ, (उत्तर प्रदेश)।
7. श्री प्रवीण कुमार, उप महाप्रबंधक, यू०पी० इलेक्ट्रॉनिक्स कारपोरेशन लिमिटेड, 10 - अशोक मार्ग, लखनऊ - 226001 (उत्तर प्रदेश)।
8. विकासकर्ता, मै० एच० सी० एल० आई० टी० सिटी लखनऊ प्रा० लि०, 806, सिद्धार्थ, 96, नेहरु प्लेस, नई दिल्ली - 110019।

विषय: दिनांक 30/08/2016 को दोपहर 12.00 बजे कॉन्फ्रेंस हॉल, प्रशासनिक भवन, नोएडा विशेष आर्थिक क्षेत्र, नोएडा में आयोजित एच०सी०एल० आई०टी० सिटी लखनऊ प्रा० लि० की ग्राम कंजेहरा एवं मस्तेमाऊ, चक गजरिया फार्म, सुल्तानपुर रोड, लखनऊ स्थित आई० टी०/ आई० टी० ई० एस० विशेष आर्थिक क्षेत्र की अनुमोदन समिति बैठक का कार्यवृत्त - एतद संबंधी।


महोदय,

उपरोक्त विषय के सन्दर्भ में डा० एल बी सिंघल, विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता में दिनांक 30/08/2016 को दोपहर 12.00 बजे सम्मेलन हॉल, प्रशासनिक भवन, नोएडा विशेष आर्थिक क्षेत्र, नोएडा में आयोजित एच०सी०एल० आई०टी० सिटी लखनऊ प्रा० लि० की ग्राम कंजेहरा एवं मस्तेमाऊ, चक गजरिया फार्म, सुल्तानपुर रोड, लखनऊ (उत्तर प्रदेश) स्थित आई० टी०/ आई० टी० ई० एस० विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त संलग्न है।

इसे विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र, नोएडा का अनुमोदन प्राप्त है।

भवदीय,


संलग्नक : उपरोक्त


(एस० एस० शुक्ल)

संयुक्त विकास आयुक्त

प्रतिलिपि:

1. संयुक्त सचिव, वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली -110001-सूचनार्थ।
2. विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र, नोएडा - सूचनार्थ।


संयुक्त विकास आयुक्त

NOIDA SPECIAL ECONOMIC ZONE

Minutes of the meeting of the Approval Committee of IT/ITES SEZ of M/s. HCL IT City Lucknow Pvt. Ltd., Lucknow (Uttar Pradesh) held under the Chairmanship of Dr. L.B. Singhal, Development Commissioner, Noida SEZ at 12:00 Noon on 30.08.2016 in the Conference Hall of NSEZ.

The following members of the Approval Committee were present during the meeting:-

1. Shri S. S. Shukla, Joint Development Commissioner, NSEZ
2. Shri M.B. Singh, Jt. Secretary, IT & Electronics Deptt. Govt. of U.P.
3. Shri Vishnu Mohan, Asstt. Manager, U.P. Electronics Corp. Ltd.
4. Shri P.K. Srivastava, Supdt., Central Excise, Lucknow
5. Shri D. T. Parate, Asstt. DGFT, Kanpur
6. Representative of SEZ Developer.

2. Besides, during the meeting Shri Prakash Chand Upadhyay, ADC was also present to assist the Approval Committee.

3. At the outset DC, NSEZ informed the members of sudden and sad demise of Mr. Rakesh Kumar, DDC, NSEZ. UAC members fondly remembered the contribution of Mr. Rakesh Kumar and observed 2 minutes silence. After brief introduction, each items included in the agenda were taken up for deliberation one by one. After detailed deliberations amongst the members of the Approval Committee as well as interaction with the representatives of the developer, the following decisions were taken:-

(i) Ratification of Minutes of last meeting of the Approval Committee:-

The Approval Committee was informed that no reference against the decisions of the Approval Committee held on 11.07.2016 was received from any of the members of the Approval Committee or Trade and therefore, Minutes of the meeting held on 11.07.2016 were ratified.

(ii) Item wise decisions on proposals included in agenda are as under:

1. Proposal of M/s. HCL Technologies Ltd. for setting up of 1st unit in IT/ITES SEZ of M/s. HCL IT City Lucknow Pvt. Ltd. at Village- Kanjehara & Mastemau, Chack Gajaria Farms, Sultanpur Road, Lucknow (U.P).

It was brought to the notice of Approval Committee that M/s. HCL Technologies Ltd. had submitted a proposal for setting up a new unit (1st unit) over an area of 5011.17 Sqm. on Ground Floor & Partial First Floor of IT Block 03 in the IT/ITES SEZ of M/s. HCL IT City Lucknow Pvt. Ltd. at Village- Kanjehara & Mastemau, Chack Gajaria Farms, Sultanpur Road, Lucknow (U.P). to undertake 'IT/ITES namely computer software services, including information enabled services such as back office operations, call centres, content development or animation, data processing, engineering and design, graphic information system services, human resources services, insurance claim processing, legal data bases, medical transcription, payroll, remote maintenance, revenue accounting, support centres and web-site services, off-shore banking services, professional services (excluding legal services and accounting)' with projected exports of Rs.89372.42 Lakhs and the NFE of Rs. 85747.57



Lakhs over a period of five years. It was also informed that the investment of Rs.3295.31 Lakhs towards imported capital goods, Rs.1967.77 Lakhs towards Indigenous capital goods and other cost of project shall be met from the Reserves & surplus of the company. It was further informed that the SEZ developer has given provisional offer for allotment of proposed space to the applicant.

It was also informed that the following shortcomings were observed in the application in the first instance which had been communicated to the applicant:-

1. Affidavit regarding Form-F is required to be given in proper format.
2. The applicant in project report has mentioned that "UP Electronics Corporation Ltd. (UPLC) on behalf of Government of Uttar Pradesh (GoUP) are developing IT City SEZ at Chack Gajaria spread over 100 acres on Design, Build and Transfer (DBFOT) Basis. HCL IT City Lucknow Private Limited has been selected as the Concessionaire to develop the IT SEZ".

Shri D.K. Sharma, GM, Shri Sanjeev Shukla, AGM, Shri Ravi Sharma, SPM & Shri Neeraj Kumar, Deputy Manager Finance appeared before the Approval Committee on behalf of the applicant and explained the proposal. The representative also assured to submit pending documents/clarification at the earliest.

After due deliberations, the Committee **approved the proposal**, subject to submission of Building completion Certificate from Lucknow Development Authority (LDA) before commencement of production and pending documents/clarification from the applicant unit.

2. **Application of M/s. HCL Technologies Ltd. for setting up of 2nd unit for power generation in IT/ITES SEZ of M/s. HCL IT City Lucknow Pvt. Ltd., at Village- Kanjehara & Mastemau, Chack Gajaria Farms, Sultanpur Road, Lucknow, (U.P)**

It was brought to the notice of the Approval Committee that M/s. HCL Technologies Ltd. had submitted a proposal for setting up a new unit (2nd unit) over an area of 2797.16 sqmt. at basement, ground floor & first floor in the IT/ITES SEZ of M/s. HCL IT City Lucknow Pvt. Ltd. at Village-Kanjehara & Mastemau, Chack Gajaria Farms, Sultanpur Road, Lucknow (U.P) to undertake Generating Power for distribution to the other units located in SEZ. It was informed that the applicant has projected FOB value of exports of Rs.13069.64 Lakhs and the NFE of Rs. 9274.33 Lakhs over a period of five years. It was also informed that the investment of Rs.3795.31 Lakhs towards imported capital goods, Rs.1967.77 Lakhs towards Indigenous capital goods and other cost of project shall be met from the Reserves & surplus of the company. It was further informed that the SEZ developer has given provisional offer for allotment of proposed space to the applicant.

It was also informed that the following shortcomings were observed in the application and communicated to the applicant:-

1. The applicant has changed the value of imported and indigenous raw material, components, consumables, packing material, fuel etc. for 5 years in Column VII (b) of Form-F from Rs. 2000.00 lacs (imported),/Rs. 4000.00 lacs (indigenous) **TO** Rs. 20.00 lacs (imported)/ Rs.40.00 lacs (indigenous) ,however value of imported raw materials has not been taken into account in forex outgo.
2. Affidavit regarding Form- F is required to be given in proper format.
3. Requirement of power by unit and capacity of power to be generated mentioned in Form-F are same, i.e 25000.00 KVA, which needs to be clarified by the applicant unit.



4. In List of imported & indigenous capital goods , the applicant has mentioned as "**captive power plant including captive generation sets transformers as recommended by the Development Commissioner/ Designated Officer**", which needs to be clarified by applicant.
5. The proposal is for "**generating power for distribution to the other SEZ units**", which needs to be discussed/clarified keeping the words "**other SEZ**" in view.
6. The applicant in project report has mentioned that "**UP Electronics Corporation Ltd. (UPLC) on behalf of Government of Uttar Pradesh (GoUP) are developing IT City SEZ at Chack Gajaria spread over 100 acres on Design, Build and Transfer (DBFOT) Basis. HCL IT City Lucknow Private Limited has been selected as the Concessionaire to develop the IT SEZ**".
7. The proposed activities are not covered under the objective of Memorandum & Articles of Association.

Shri D.K. Sharma, GM, Shri Sanjeev Shukle, AGM, Shri Ravi Sharma, SPM & Shri Neeraj Kumar, Deputy Manager Finance appeared before the Approval Committee on behalf of the applicant and explained the proposal. The representative informed that the proposed unit will generate power through DG Sets for distribution to the other units located in the SEZ, in terms of **Para (iv)** of new power guidelines issued by DOC vide letter No.P.6/3/2006-SEZ (Vol.III) dated 16.02.2016 and will achieve NFE in terms of Rule 53 of SEZ Rules 2006. The representative also informed that the generation of power is neither to start any new line of business not the main objective of the company, but it is just an activity that is incidental/ancillary for achievement of main object.

The representative further informed that inadvertently they have mentioned wrong value of requirement of power for unit in Form-F, the actual requirement of power by unit is 2500KVA, whereas power generation capacity would be 25000KVA. The representative also assured to submit pending documents at the earliest.

During the meeting, Committee asked reasons for setting up of DG set based power plant unit instead of gas based power plant unit and also advised the representative to submit detailed write up for the same. The representative of the applicant informed that at present there is not provision of gas supply in the area where above SEZ is located. But if in future such facility becomes available they will seek approval for setting up gas based power plant.

The Committee observed that **Para (iv)** of new power guidelines issued by DOC vide letter No. P.6/3/2006-SEZ (Vol.III) dated 16.02.2016 prescribes as under:-

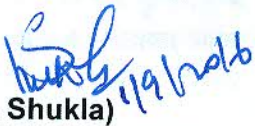
"with respect to the IT/ITES SEZs, which require continuous quality power, wherever generation of power has been approved by the BoA, as authorized operation, to the Developer/Co-developer within the processing area, and in respect of which there is a statutory requirement on developer/co-developer to supply 24 hours uninterrupted quality power supply at stable frequency in the Zone , in terms of Rule 5A of SEZ Rules, 2006; **in such cases generation of power will be carried out as a unit within the processing area**, and such a power plant including non-conventional energy power plant, will be entitled to all the fiscal benefits covered under section 26 of the SEZ Act including the benefits for initial setting up, maintenance and the duty free import of raw materials and consumables for the generation of the power. Such duty free imports of capital goods, raw material and consumables etc. would be counted towards the NFE obligations of the unit".



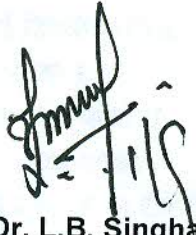
After due deliberations, the Committee **approved the proposal** subject to submission of pending documents / revised projections from the applicant.

The Committee also advised the applicant unit representative to submit the building completion Certificate from Lucknow Development Authority (LDA) before the commencement of production.

The meeting ended with a vote of thanks to the Chair.


(S.S. Shukla)

Joint Development Commissioner


(Dr. L.B. Singhal)

Development Commissioner