Minutes of UAC meeting of Quarkcity India Pvt. Ltd., SEZ held on 31.07.2023
Noida Special Economic Zone

Minutes of the Unit Approval Committee (UAC) of Pvt. SEZs in Mohali/Chandigarh region held under the Chairmanship of Mr. A. Bipin Menon, Development Commissioner (DC), Noida SEZ at 11:00 PM on 31.07.2023 through Hybrid mode.

The following members of Unit Approval Committee were present during the meeting through video conferencing:

1. Shri Surender Malik, IRS, Joint Development Commissioner, NSEZ, Noida.
2. Shri Sandeep Rajoria, ITS, Assistant DGFT, Ludhiana
3. Shri Pritpal Singh, Assistant Commissioner (Customs), Ludhiana
4. Shri Shivram Dhillon, DGM, P.S.I.E.C.

Besides, during the meeting the following officers were also present to assist the UAC

i) Shri Rajesh Kumar, Deputy Development Commissioner, NSEZ
ii) Shri Karan Goyal, Assistant Development Commissioner
iii)Shri Manish Bhatnagar, Specified Officer
iv) Shri Deepak Bajaj, Authorized Officer

Since the quorum was available, the meeting proceeded sequentially as per the agenda. At the outset, the Chairman welcomed the participants. After detailed deliberations amongst Members as well as interaction with the applicants/representatives of the Units, the following decisions were taken: -

Agenda Item No. 1: -

Sub: Ratification of the Minutes of the Meeting of the Unit Approval Committee held on 05.06.2023.

1.1 The Committee was informed that no reference against the decisions of the UAC held on 05.06.2023 was received from any of the Members of the Committee or Trade and therefore, Minutes of the Meeting held on 05.06.2023 were ratified.

Agenda Item No 2: -

2.1 Sub: Subject: LOA No. QSEZ/SVEPL/p.unit/04/03/2017/567

dated 17.02.2017- <u>Proposal for monitoring of performance of the unit Renewal of LOA:-</u>

2.1.1 It was informed to the Approval Committee that M/s Sunny View Estates Pvt. Ltd. is a unit of M/s Sunny View Estates Pvt. Ltd. (Co-Developer of M/s Quarkcity SEZ) created as per the power guidelines to supply power back up facility in the zone. The unit was granted LOA No QSEZ/SVEPL/P.unit/04/03/2017/567 dated 17.02.2017. The first five year block was ended on 30.08.2022. Keeping in view the Negative NFE achieved by the unit, the Approval committee in UAC meeting dated 28.07.2022 had approved the validity of the LOA for one year beyond 30.08.2022 *i.e.* up to 30.08.2023.

2.1.2 It was informed to the approval committee that the unit M/s Sunny View Estates Private Limited vide letter dated 30.06.2023 has applied for renewal of their LOA for balance period of four years of second 5 years block.

2.1.3 It was informed to the approval committee that the unit has achieved negative NFE of Rs. -20.91 lacs in the first block of five years. However, the unit has achieved positive NFE in the first year of second block.

2.1.4 Mr. Jatinder Singh, Unit Manager appeared before the Approval Committee and explained their proposal. He informed that the unit had procured a DG Set of INR 105.5 lakhs from an Export Oriented Unit (EOU) during the FY 2017-18 and as per Rule 53 (b) and (d) of the SEZ Rules, 2006, one/tenth of the aforesaid amount is considered as imports every year and accordingly is deducted from the revenue generated by them. He further informed the Approval committee that low occupancy of area during the initial period and impact of Covid-19 and work from home policy implemented in Quarkcity SEZ lead to lower power consumption resulting in lower revenue. However, he assured the Approval Committee that since the units are resuming their operations from the SEZ premises. The unit has achieved positive NFE in the first year of second block.

2.1.5 After detailed deliberations, the Approval Committee approved the proposal of unit M/s Sunny View Estates Pvt. Ltd. for renewal of its LOA for balance four years of second block. This approval is subject to the adjudication of the negative NFE and deposit of regularization fee with the Government.

Agenda Item No 3: -

3.1 Sub: Proposal for Approval of List of Goods for Authorized operations of M/s Sunny View Estates Pvt. Ltd. (Co-Developer):-

3.1.1 It was informed to the Approval Committee that M/s Sunny View Estates Pvt. Ltd. (Co-Developer) vide his letter dated 25th July, 2023 has submitted the list of goods worth Rs. 164.26 lacs for its authorized operations. The Co-Developer along with its request has also enclosed the Chartered Engineer Certificate as envisaged under Rule 12 (2) of SEZ Rules, 2006. The C.E. Certificate also certified that (1) the said goods would be utilized with a period of one year and (2) the goods are required for operations and maintenance of an area of 39363 Sq. ft.

The authorized operation wise detail of list of goods is as under:

S. No.	Authorized Operation as per Instruction No. 50	Name of Authorized Operation	Estimated Material Cost (in Rs. Lacs)		
			Import	Indigenous	Total
(1)	(2)	(3)	(4)	(5)	(6)
1	2	Authorized Operation: Water treatment plant, water supply lines (dedicated lines up to source), sewage lines, storm water drains and water channels of appropriate capacity.	NIL	15.66	15.66
2	3	Authorized Operation: Solid and liquid waste collection, treatment and disposal plants including pipelines and other necessary infrastructure for sewage and garbage disposal, Sewage treatment plants	NIL	16.42	16.42
		Authorized Operation:			

3	4	Electrical, Gas and Petroleum Natural Gas Distribution Network including necessary sub-stations of appropriate capacity, pipeline network etc.	NIL	40.20	40.20
4	7	Authorized Operation: Fire protection system with sprinklers, fire and smoke detectors	NIL	20.41	20.41
5	22	Authorized Operation: Construction of all type of Buildings in processing area	NIL	5.00	5.00
6	24	Authorized Operation: Access control and Monitoring system	NIL	12.57	12.57
7	27	Authorized Operation: Cafeteria/ Canteen for staff in processing area	NIL	54.00	54.00
		Grand Total		164.26	164.26

3.1.2 From the Co-developer, Mr. Jatinder Singh, Unit Manager appeared before the Approval Committee and explained their proposal.

3.1.3 After detailed examination, the Approval Committee unanimously approved the proposal of M/s Sunny View Estates Pvt. Ltd. (Co-Developer) worth Rs. 164.26 lacs for its authorized operations.

Agenda Item No 4: -

4.1 Sub: Proposal for expansion in the operational area-

regarding;

4.1.1 It was informed to the Approval Committee that M/s Jorie Health Pvt. Ltd. had been granted Letter of Approval No. QSEZ/Unit/04/04/2019/740 dated 03rd September, 2019 for setting up a unit in the M/s. Quarkcity India Pvt. Ltd., IT/ITES SEZ at Mohali (Punjab). This LOA was to undertake services activities i.e. "Information Technology & Information Technology Enabled Services" related to back office operations of insurance and operations for its parent company in the US. The LOA of the unit is valid upto 5th of January, 2025.

4.1.2 It was informed to the Approval Committee that M/s Jorie Health Pvt. Ltd. has requested for expansion in area from existing 23,588 sq. ft. to 43,088 sq. ft. by way of acquiring additional space of 19,500 sq. ft. at 13th Floor of the same SEZ Building. The proposal has been examined and the details of revised projections due to expansion in area are as given below: -

Name of the unit	M/s Jorie Health Private Limited	
LOA No & date	LOA No QSEZ/Unit/04/04/2019/740 dated 03rd September, 2019	
Date of Commencement	06/01/2020	
LOA valid Upto	05/01/2025	
Whether Bond -cum-LUT submitted / Accepted	Yes	
Current location of the unit	Existing at 13th Floor- Sq.Ft	23,588
	Proposed Addl. Space at 13th Floor Sq.Ft	19,500
	Total Sq.Ft.	43,088

The unit has also submitted revised projection as per details given below:

Rs. In Lacs

Particulars (for five years)	Existing Projection	Revised Projection
Project FOB value of exports	29350.92	9486.06
Foreign Exchange Outgo	0.00	0.00

NFE over the five years	29350.92	9486.06
Indigenous CG	448.69	689.69
Input services	0.00	900.00

Whether provisional offer of allotment for space from developer for expansion of area enclosed	Yes
Year-wise performance of the unit (As per APRs) upto March 2022	Rs. (in lacs)

Year	FOB value of export	NFE Earning
2019-20	520.36	520.36
2020-21	1558.38	1558.38
2021-22	2018.30	2018.30
Total	4097.04	4097.04

Employment details	Existing as per Last MPR	Proposed (Revised)
	439	739

4.1.3 It was also informed to the Approval Committee that MOU between Developer and the Unit for additional space of 19,500 sq. ft. at 13th Floor of the SEZ Building has been already signed by the SEZ Developer on dated 1st May, 2023.

4.1.4 Mr. Ishwinder Singh authorized signatory of the SEZ unit appeared before the Approval Committee to explain their proposal.

4.1.5 The Approval Committee after due deliberations the Approval Committee unanimously approved the request of the unit for expansion in the operational area of the SEZ unit.

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

(Surender Malik)
Joint Development Commissioner

(A. Bipin Menon)
Development Commissioner