

**Minutes of UAC meeting of Quarkcity India Pvt. Ltd.,
SEZ held on 30.04.2024 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 02:30 PM on 30.04.2024 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 Utpal Acharya, ITS, Joint DGFT, Ludhiana
3. Shri Satya Pal, Assistant Commissioner, Customs
4. Shri SPS Dhillon, DGM, PSIEC

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

- i) Shri Nitin Gupta, Deputy Development Commissioner, NSEZ
- ii) Shri Karan Goyal, Assistant Development Commissioner, SEZ Mohali
- iii) Shri Sandeep Kumar, Specified Officer, SEZ Mohali/Chandigarh
- iv) Shri Manish Bhatnagar, Authorized Officer, RGCTP I & II, Chandigarh

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 18.03.2024.

1.1 The Committee was informed that no reference against the decisions of the UAC held on 18.03.2024 was received from any of the Members of the Committee or Trade and therefore, the Minutes

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of the Meeting held on 18.03.2024 were ratified.

Agenda Item No 2: - Proposal for List of Capital Goods for approval (Ratifying item): -

2.1 LOA No. F2/7/2005-EPZ dated 09.06.2006 - Approval of List of Goods for Authorized operations of Quarkcity India Private Limited (Developer), SAS Nagar, Mohali. -Reg.

2.1.1 It was informed to the Approval Committee that Quarkcity India Private Limited (Developer) vide letter dated 04.04.2024 had submitted the list of goods worth Rs. 6.45 lacs for its authorized operations. The Developer had also enclosed the Chartered Engineer Certificate as envisaged under Rule 12(2) of SEZ Rules, 2006.

2.1.2 The C.E. certificate also certified that (1) the said goods would be utilized within a period of one year and (2) the goods are required to be utilized for the internal furnishing maintenance work of Landmark Plaza in SEZ building and Office. The authorized operation wise detail of list of goods is as under:-

Sr. No.	Name of Authorized Operations	Item Name	Amount (In lacs)	Authorized Operation as per Instruction No. 50
1	Construction of all types of buildings in processing area as approved by Unit Approval Committee	Office cubicle sets (Office furniture)	3.00	Sr. No. 22 of Instruction No. 50
2	Telecom and other communication facilities including internet connectivity	Monitors (for Quarkcity Office)	3.45	Sr. No. 05 of Instruction No. 50
Total			6.45 lacs	

2.1.3 On perusal of the list of goods most of these are relevant to the Approved authorized operations.

2.1.4 The Developer had submitted the QPRs and HPR for the 2023-24. The details are as under:-

S. No.	Particulars	Period	Date of Submission
1	QPR	April, 2023 to June, 2023	26.07.2023
2	QPR	July, 2023 to September, 2023	26.10.2023
3	QPR	October, 2023 to December, 2023	22.01.2024

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4	HPR	April, 2023 to September, 2023	26.10.2023
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2.1.5 It was informed to the approval committee that the developer had requested to grant the approval for procurement of duty free goods worth Rs. 6.45 lacs on file as the material was required on urgent basis. Hence the same was approved by the competent authority on file subject to ratification of UAC.

2.1.6 Mr. Virender Chauhan, authorized representative of the company appeared before the Approval Committee and explained the proposal.

2.1.7 After detailed examination, the Approval Committee unanimously approved the proposal of the Quarkcity India Private Limited worth Rs. 6.45 lacs and ratified the decision taken on file.

Agenda Item No. 3- Proposal for Deletion in operational area- Regarding:

3.1 LOA No. QSEZ (SVEPL)/Unit/04/04/15/450 dated 05.11.2015-
Parexel International India Pvt. Ltd.

3.1.1 It was informed that **M/s Parexel International India Pvt. Ltd.** had been granted LOA No. QSEZ (SVEPL)/Unit/04/04/15/450 dated: 05.11.2015 for setting up an unit in the Sunny View Estates Pvt. Ltd. (Co-Developer) of Quarkcity India Private Limited IT/ITES SEZ at Mohali (Punjab) to undertake service activities i.e. "IT/ITES". The LOA of the unit was valid upto 15.09.2026.

3.1.2 Now, M/s Parexel International India Private Limited vide its letter dated 19.04.2024 has submitted proposal for partial deletion of area of its unit. The proposal had been examined and the details as given below: -

Name of the Unit	M/s Parexel International India Pvt. Ltd.
LOA No & date	LOA No. QSEZ(SVEPL)/Unit/04/04/15/ 450 dated 05.11.2015.
Date of Commencement	16.09.2016
LOA Valid up to	15.09.2026
Whether Bond-cum-LUT received/ Accepted	Yes
Present approved area & location of the unit	98752 sq. ft. 3 rd , 4 th , 5 th and 6 th floor
Area proposed for deletion	22981 sq. ft. 3 rd Floor

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Whether No Objection of SEZ Yes, letter dated 18 04.2024. Developer/co-developer for deletion of proposed area submitted													
Reasons for decrease in area	Since the outburst of Covid-19 pandemic in March, 2020, employees were permitted to work from home to maintain the business continuity, thereafter, due to continuous wave of Covid-19 in regular intervals company was forced to allow employees to work from home. Currently 100% of employees are working from home since March, 2020 and the major part of operational area is lying unused.												
Change in projections due to reduction of area, if any	No												
Year wise performance of the unit during current block.	(Rs. In lakhs) <table border="1"> <thead> <tr> <th>Year</th><th>FOB</th><th>NFE</th></tr> </thead> <tbody> <tr> <td>2022-23</td><td>15749.77</td><td>15416.19</td></tr> <tr> <td>2021-22</td><td>12726.10</td><td>11166.74</td></tr> <tr> <td>2020-21</td><td>14405.86</td><td>13763.08</td></tr> </tbody> </table>	Year	FOB	NFE	2022-23	15749.77	15416.19	2021-22	12726.10	11166.74	2020-21	14405.86	13763.08
Year	FOB	NFE											
2022-23	15749.77	15416.19											
2021-22	12726.10	11166.74											
2020-21	14405.86	13763.08											
Employment	938												

3.1.3 It was informed to the approval committee that the unit had not submitted No Objection Certificate of the Specified Officer (Customs) regarding deletion/decrease in area of the SEZ unit.

3.1.4 Mr. Venugopalan Reddy, authorized representative of the company appeared before the Approval Committee and explained their proposal.

3.1.5 After detailed examination, the Approval Committee unanimously approved the proposal of the unit for deletion of its 22981 sq. ft. operational area at 3rd floor subject to the submission of NOC of Specified Officer (customs).

Agenda Item No. 4-Proposal for Grant on lease built up space for canteen facility-

4.1: LOA No. F2/7/2005-EPZ dated 22.05.2008- Sunny View Estates Private Limited (Co-developer)



4.1.1 It was informed that the co-developer M/s Sunny View Estates Private Limited vide its letter dated 22.03.2024 had submitted that the work related to food court at their first floor of SEZ building had been completed with the premises being ready for operations. Now, they are planning to lease out this space to Bon Appetit Foods and Beverages (vendor) to run the food court.

4.1.2 The Co-developer along-with its request has attached below mentioned documents of the vendor for obtaining approval to run the food court: -

- a) *Copy of agreement with vendor*
- b) *Declarations/undertakings by the vendor*
- c) *Copy of PAN card and ITRs filed by the vendor for last three years.*

4.1.3 It was informed that in line with above, the co-developer has requested to allow the food court vendor to grant approval in line with proviso to Rule 11 (5) of SEZ Rules, 2006.

4.1.4 Mr. Jatinder Singh, authorized representative and unit in-charge of the company appeared before the Approval Committee and explained their proposal.

4.1.5 After detailed examination, the Approval Committee unanimously approved the proposal of the unit to lease out its food court area for the exclusive use of the units.

Agenda Item No. 5-Proposal for additional list of services in authorized operations;

**5.1: LOA No. QSEZ/Unit/04/05/2020/780 dated 05.02.2020-
M/s Faststream Electronics Private Limited,**

5.1.1 It was informed to the Approval Committee that M/s Faststream Electronics Private Limited was allowed to set up a SEZ unit for the authorized operation of Information technology and Information Enabled Technology services. As per Form-F & Project report submitted by the unit at the time of submitting of application for setting of SEZ unit at Quarkcity SEZ, Mohali, the services mention in Form-F were "Computer Software Development for machine learning".

5.1.2 Now, the unit vide letter dated 23.04.2024 received had submitted the details and CPC Codes of their existing services as under: -

Sr. No.	IT/ITES services	Description	CPC Code
1.	IT consulting and support services	IT Consulting, Support Services	83131, 32

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2.	IT design and development services	IT design and development for applications, networks and systems, software originals	83141, 42, 43
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5.1.3 In addition to above, the unit intends to incorporate certain other services as their authorized operations as per Rule 76 of SEZ Rules, 2006. The detail of services along with their CPC Code as under:-

Sr. No.	IT/ITES services	Description	CPC Code
1.	Basic research services in natural sciences and engineering	Basic research services in physical sciences, Chemistry and Biology, Biotechnology, Engineering and Technology, Medical Sciences and Pharmacy, Agricultural Sciences, other natural sciences, natural sciences and engineering,	81111, 81112, 81121, 81129, 81130, 81140, 81119.
2.	Applied research services in natural and engineering	Applied research services in Physical Sciences, Chemistry and Biology, Biotechnology, Engineering and technology, Medical Sciences and Pharmacy, Agricultural Sciences and other natural sciences.	81111, 81112, 81121, 81129, 81130, 81140, 81119.
3.	Accounting, Auditing and Book keeping services	Financial auditing, accounting, bookkeeping, payroll services.	82210, 82221, 82222, 82223.

5.1.4 It was informed to the committee that the services proposed to be incorporated are as per Rule 76 of SEZ Rules, 2006 with confirmation of the CPC codes provided.

5.1.5 Mr. Virender Chauhan and Mr. Sudeep Sharma authorized representatives of the company appeared before the Approval Committee and explained the proposal.

5.1.6 After detailed examination, the Approval Committee unanimously approved the proposal of unit for add-on additional list



of services in authorized operations of the unit.

Agenda Item No. 6- Monitoring of performance of unit for exit out from SEZ Scheme:

6.1 M/s Fidelity Information Services India Private Limited

6.1.1 It was informed that M/s Fidelity Information Services India Private Limited was granted LOA No. QSEZ/unit/04/01/14/266 dated 17.02.2014 for setting up of unit at 5th floor, in Quarkcity India Private Limited (SEZ) Mohali for undertaking authorized operations namely 'Information Technology Enabled Services'. The Unit executed Bond-cum-LUT which was accepted by the Competent Authority. The unit commenced its operation *w.e.f.* 16.06.2014. The LOA of the unit is valid up to 15.06.2024.

6.1.2 The unit vide its letter dated 23.10.2023 has applied for exit from SEZ scheme. Accordingly, vide this office letters dated 09.11.2023 and 22.01.2024, unit was requested to submit necessary documents, for further consideration of its proposal for exit.

6.1.3 In reply, the unit vide letters dated dt. 23.01.2024 and 25.03.2024 submitted necessary documents / NOCs / Legal Undertaking/ clarifications in compliance with this office letter referred to in Para 2 above.

6.1.4 It was informed to the approval committee that APRs of the unit have been by the internal audit team of NSEZ and Performance Report dated 10.04.2024 has received from NSEZ CA firm. As per CA firm, the APRs have been reported correctly. The status of NFE achievement is as follow:-

For the First block of 5 years: -

Year	FOB value of export (Rs. in lakhs)	NFE Earnings (Rs. in lakhs)	DTA Sales (Rs. in lakhs)	Pending Foreign Exchange realization
2014-15	4102.02	3958.87	3097.23	0.00
2015-16	6464.75	6320.66	0.00	0.00
2016-17	7681.12	7557.07	0.00	0.00
2017-18	8651.88	8606.82	0.00	0.00
2018-19	10889.77	10855.45	0.00	0.00
Total	37789.54	37298.27	3097.23	0.00

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For 2nd block of 5 years

Year	FOB value of export (Rs. in lakhs)	NFE Earnings (Rs. in lakhs)	DTA Sales (Rs. in lakhs)	Pending Foreign Exchange realization
2019-20	11743.20	11510.67	0.00	0.00
2020-21	16672.45	16383.99	0.00	0.00
2021-22	21585.50	21284.14	3.39	0.00
2022-23	25086.07	24785.23	0.00	0.00
2023-24 (upto 31st Jan., 2024)	19457.81	19256.04	26.03	0.00
Total	94545.03	93220.07	29.42	0.00

6.1.5 It was informed to the approval committee that unit had DTA sales for the year 2014-15, 2021-22 and 2023-24.

6.1.6 Mr. Santosh Kumar Kamra authorized representatives of the company appeared before the Approval Committee and explained that the sales for 2021-22 and 2023-24 are of scrap and old laptop material. However, he was not aware about the DTA sale of 2014-15 and would submit the details in office of DC, NSEZ.

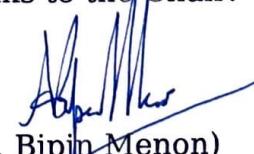
6.1.7 After detailed examination, the Approval Committee monitored the performance of the unit and directed to representative of the unit to submit the receipt details towards DTA sales of 2014-15 including information on whether these were paid for in foreign currency or INR. The Committee directed to examine the issue on file before allowing the unit to exit out of SEZ scheme.

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



(Surender Malik)

Joint Development Commissioner
Commissioner



(A. Bipin Menon)

Development