



Government of India
Ministry of Commerce & Industry
Department of Commerce
Office of the Development Commissioner
Indore Special Economic Zone
3rd Floor, Brilliant Titanium, Plot No. 9
Scheme No. 78, Part II, Near Brilliant Convention Center
Indore, Ph. 0731-2570619, 2570620, Fax No. 0731-4290586
E-mail: dcisezind-mp@gov.in, Website: www.indoresez.gov.in

F No. A-64/ISEZ/UAC-Crystal IT SEZ/2011-12 /1789

Dated: 05/01/2017
CG

OFFICE – MEMORANDUM

Sub: Sixth meeting (2016-17) of the Approval Committee for M/s Crystal-IT SEZ to be held at 04:30 PM on 12/01/2017– reg.

The undersigned is directed to inform you that the Sixth Meeting (2016-17 series) of the Approval Committee constituted by the Govt. of India vide Notification dated 26/07/2007 has been scheduled to be held at 04:30 P.M. on 12/01/2017 in conference room of Office of the Development Commissioner, Indore SEZ . Agenda Items for the same are enclosed as Annx. A.

2. You are requested to kindly make it convenient to attend the meeting.


(Dhrubajyoti Sarma)
Asstt. Development Commissioner

To

1. The Director to the Govt. of India, Ministry of Commerce & Industry, Deptt. of Commerce, SEZ, Udyog Bhawan, New Delhi.(Member).
2. The Jt. Director General of Foreign Trade, Nirman Sadan, Arera Hills, Hoshangabad Road, Bhopal. (Member).
3. The Commissioner, Customs & Central Excise, Manik Bagh Palace, Indore. (Member).
4. The Commissioner Income Tax (CIT-I), Office of the Chief Commissioner of Income Tax, Aayakar Bhawan Annexe, Opp. White Church, Indore-1, (Member).
5. The Managing Director, Madhya Pradesh State Electronics Development Corporation Ltd., (Member and State Govt. Nominee).
6. The Managing Director, MPTRIFAC, Cedmap Bhawan, 16-A, Arera Hills Bhopal, for information only.
7. The Managing Director, MPAKVN (Indore) Ltd., Free Press Building, Press Complex, Indore. (Special Invitee and State Government nominee).
8. The Dy. Secretary (IF-1), Ministry of Finance, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi. (Member).
9. The Specified Officer, CIT Park SEZ. (Special Invitee)
10. Indore SEZ website.

From the above it appears.....

INDORE SPECIAL ECONOMIC ZONEAGENDA FOR THE SIXTH MEETING OF UNIT APPROVAL COMMITTEE TO BE HELD AT 04:30 P.M ON 12/01/2017 IN CONFERENCE ROOM UNDER THE CHAIRMANSHIP OF DEVELOPMENT COMMISSIONERITEM NO-1

Ratification of the Minutes of the Fifth Meeting (2016-17 series) of Crystal IT SEZ held on 10/11/2016

ITEM NO- 2PROPOSAL FROM THE DEVELOPER

(a)Name and address	M/s MPAKVN Indore Ltd. Address :Free Press House, 1 st Floor, 3/54, Press Complex, A.B Road, Indore. Telephone No. 0731-407096
(b) Issues	<p>1. Authorization of food court contractor.</p> <p>2. Approval of additional list of Services required for Authorized operations.</p> <p>With reference to issue cited at 1 above, M/s MPAKVN Indore Ltd., the Developer of the zone vide letter No. AKVN/IND/TS/2016 dated. 14/09/2016 (Annexure-K) has submitted that they have executed an agreement with M/s Kings park hotel (a unit of ISB hotels pvt. Ltd.), 1 vishnupuri main, AB road, bhawarkua, indore for establishing a restaurant (food court) at CIT Park SEZ.</p> <p>The Developer has now requested for approval of the food court contractor to authorize him to work within CIT Park SEZ.</p> <p>Approval for construction of a food court with a built up space of 5000 sq.ft. was approved by the Approval Committee in its 5th meeting (2015-16 series) held on 28/10/2015. However, as per provisions contained in Rule 11(5) of SEZ rules, the land or built up space in the processing area or Free Trade and Warehousing Zone shall be given on lease only to the entrepreneurs holding a valid Letter of Approval issued under rule 19 and the lease period shall not be less than five years but notwithstanding any other condition in the lease deed, the lease rights would cease to exist in case of the expiry or cancellation of the Letter of Approval; Provided that the Developer may, with the prior approval of the Approval Committee, grant on lease land or built up space, for creating facilities such as canteen, public telephone booths, first aid centres, creche and such other facilities as may be required for the exclusive use of the Unit.</p> <p>From the above it appears that the Developer has not obtained</p>

prior approval of the Approval Committee before executing the contract with a firm which is not having a valid LoA. However, since the Developer has already entered into an agreement with an firm not having a valid LoA, ex post-facto approval of the Approval Committee is required for allowing the agency engaged by the Developer for providing Restaurant service to SEZ Units as per the contract executed between the Developer and the agency.

Regarding Issue at 2 above, M/s MPAKVN Indore Ltd. vide letter dated. 14/09/2016 (**Annexure-I**) submitted one additional service required for authorized operations in terms of Notification No. 12/2013- Service tax dated 01/07/2013 (**Annexure-II**). The service for which approval is sought is listed below:

I. Restaurant Services

The department of Commerce, Ministry of Commerce and Industry vide F.No. D.12/19/2013-SEZ dated 09/07/2014 has approved a list of 66 services as default services which is placed at **Annexure-III**. Restaurant service is not covered in the default list.

The Developer has submitted that Restaurant Service will be provided to the SEZ Units situated within CIT Park SEZ.

The activity Construction of a Food Court with a built up space of 5000 sq.ft. was approved by the Approval Committee in its 5th meeting (2015-16 series) held on 28/10/2015. Copy of the activity approval letter is placed as **Annexure-IV**.

(c) Rule provision w.r.t SEZ Rules, 2006

Issue cited at 1 is covered under Rule 11(5) of SEZ Rules 2006.

Issue cited at 2 is covered under Rule 31 along with Dept. of Commerce letter F.No. D.12/19/2013 dated 09/07/2014 and provisions of Notification No. 12/2013 – Service Tax dated 01/07/2013.

(d) Decision required from the UAC

1) Ex post-facto approval of the Approval Committee is required for allowing the agency engaged by the Developer for providing Restaurant service to SEZ Units as per the contract executed between the Developer and the agency.

2) Approval of **Restaurant Service** for availing exemption/ refund in terms of the provisions of Notification No. 12/2013- Service Tax dated 01/07/2013.

DECISION OF THE UAC

ITEM NO- 3

Any other proposal, if received