



Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Office of the Development Commissioner  
Indore Special Economic Zone  
207, 2<sup>nd</sup> Floor, Atulya IT Park, Near Crystal IT Park  
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F. No. A-64/ISEZ/UAC-Crystal IT/2011-12/ 2177 .

Dated: 05.03.2020

**OFFICE - MEMORANDUM**

**Sub: Fourth Meeting (2019-20 series) of the Approval Committee for Crystal IT Park SEZ to be held at 12:00 noon on 11.03.2020 – Reg.**

The Undersigned is directed to inform you that the Fourth Meeting (2019-20 series) of the Approval Committee constituted by the Govt. of India vide Notification dt. 26.07.2007 has been scheduled to be held at 12:00 noon on 11.03.2020 in this office. Agenda Items for the same are enclosed as Annx. A.

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

(Ravi Chhangani)  
Asstt. Development Commissioner  
For Development Commissioner

To

1. The Managing Director, MPIDC Ltd., Cedmap Bhawan, 16-A, Jail Road, Arera Hills Bhopal (**Member representing Govt. of Madhya Pradesh**) or his nominee of suitable seniority.
2. The Managing Director, Madhya Pradesh State Electronics Development Corporation Ltd., State IT Centre, 47-A, Arera Hills, Bhopal (**Member representing Govt. of Madhya Pradesh**) or his nominee of suitable seniority.
3. The Commissioner, Customs, Office of the Commissioner of Customs, Manik Bagh Palace, Indore (**Member representing Deptt. of Revenue, Govt. of India**) or his nominee of suitable seniority.
4. The Commissioner of Income Tax (CIT-I), Office of the Chief Commissioner of Income Tax, Aayakar Bhawan Annexe, Opp. White Church, Indore-1 (**Member representing Deptt. of Revenue, Govt. of India**) or his nominee of suitable seniority.
5. The Jt. Director General of Foreign Trade, Nirman Sadan, Arera Hills, Hoshangabad Road, Bhopal (**Member**) or his nominee.
6. The Executive Director, MPIDC Regional Office, 1<sup>st</sup> Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road, Indore or his representative (**Special Invitee**).



7. The Dy. Secretary to the Govt. of India, Ministry of Commerce & Industry, Deptt. of Commerce, SEZ, Udyog Bhawan, New Delhi (**Member**) or his nominee.
8. The Dy. Secretary (IF-I), Ministry of Finance, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi (**Member**) or his nominee.
9. The Specified Officer, Crystal IT Park SEZ (**Special Invitee**).

(Copy for information to concerned units without annexure)



Crystal IT Park Special Economic ZoneAGENDA FOR THE FOURTH MEETING OF UNIT APPROVAL COMMITTEE  
(2019-20 series) TO BE HELD AT 12:00 noon ON 11.03.2020

**Venue:** Office of the Development Commissioner, Indore SEZ  
207, 2<sup>nd</sup> Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road,  
Indore

**Time:** 12:00 noon

ITEM NO- 1

Ratification of the Minutes of the Third Meeting (2018-19 series) held on 06.01.2020 as at Appendix 'X'.

ITEM NO- 2PROPOSALS RECEIVED FROM EXISTING UNITS

**PROPOSAL NO. 2(i):** M/s Hiteshi Infotech Pvt. Ltd.

<u>I. COMPANY/UNIT PROFILE</u>	
(a) Name and address, telephone/fax/email id	<b>M/s Hiteshi Infotech Pvt. Ltd.</b> Address: STP Building No. 1, 7 <sup>th</sup> Floor, Right Wing, Crystal IT Park SEZ
(b) Issue	<p><b>Request for extension of validity of Letter of Approval for a further period of four months beyond 17.01.2020- LoA No. C-94/Crystal IT SEZ/Proj./2018-19/2060 dated 18.01.2019:-</b></p> <p>M/s Hiteshi Infotech Pvt. Ltd. (Unit-II) was granted LoA dated 18.01.2019 for Software Services having original validity up to 17.01.2020. The unit submitted the captioned request for extension of the validity of LoA for a further period of four months beyond expiry of original validity on 17.01.2020 i.e. up to 15.05.2020.</p> <p>In support of the request, the unit has informed that pursuant to receipt of LoA for setting up of Unit-II, they applied to the Developer, MPIDC for allotment of space in Crystal IT Park SEZ on 31.01.2019. According to the unit, they received built-space allotment order from the Developer on 05.08.2019. Hence, due to delay in receiving, the space allotment order, the unit was not able</p>



to commence development of suitable work place, which is still under progress. The unit has incurred an investment of Rs. 91.70 lacs in the project till 31.12.2019. The details of head wise investment incurred physical progress and deadline for completion of balance work intimated by the unit is as under:-

(Rs. in lacs)

S.No.	Type of cost	Investment made up to 31.12.2019	% of completion	Deadline for completion
1.	Flooring Material and Labour	Rs. 5.17	100%	15 <sup>th</sup> May 2020
2.	Furniture, Fixtures and Fittings	Rs. 42.45	85%	
3.	Office equipment	Rs. 3.79	80%	
4.	Electrical installation and Fittings	Rs. 8.72	80%	
5.	Air Conditioning System	Rs. 14.94	90%	
6.	Computer, Server and Network Cables	Rs. 16.63	70%	

The instant request for extension of validity is beyond the expiry of one year of the original validity, and as per first proviso of Rule 19 (4) of SEZ Rules 2006, the Development Commissioner is empowered for granting further extension for valid reasons to be recorded in writing for a further period not exceeding two years. In the instant case, the extension has been sought for a period of four months only.

The 2<sup>nd</sup> proviso of Rule 18(2)(ii) of SEZ Rules 2006 provides that a copy of registered lease deed shall be furnished to the DC concerned within six months from issuance of LoA and failure to do so, the Approval Committee may take action to withdraw the LoA after giving an opportunity of being heard. In the instant case, the requisite lease deed / license agreement has not been submitted by the unit within the stipulated time period. On perusal of the allotment order dated 05.08.2019 enclosed with the instant request, it is observed that the consent regarding acceptance of the terms and conditions of the Letter of Intent was itself given by the unit vide their letter dated 08.07.2019.



The unit was advised to submit the license agreement along with the reasons for not submitting the same within the stipulated period of six months and even if, the allotment order was issued on 05.08.2019, the unit was required to execute the license agreement within 30 days and thereafter submitted the same to this office.

The unit has submitted their clarifications with regard to non-submission of lease deed within the stipulated period of 6 months, inter-alia stating that pursuant to issuance of LoA dated 18.01.2019, they applied to the Developer, MIDC for allotment of space on 31.01.2019 and received the Letter of Intent (LoI) from the developer on 21.02.2019. As per the terms and conditions of the LoI, the unit was required to deposit the advance license fee (one month rent) and security deposit amount equivalent to 6 months rent along with acceptance of the terms and conditions of LoI. As per the standard lease agreement draft of the Developer, the unit had the option to either submit security deposit amount equivalent to 6 months rent or bank guarantee equivalent to 12 months rent amount. Accordingly, the unit submitted the bank guarantee of Rs. 35,40,000/- and advance rent amount of Rs. 2,94,660/- on 02.04.2019. Thereafter, the acceptance of bank guarantee from the Developer was received on 02.07.2019 and subsequently the unit submitted the acceptance of terms and conditions of LoI 08.07.2019 pursuant to which the developer issued allotment letter on 05.08.2019 along with draft of lease deed, which was approved on 25.09.2019. Therefore, the unit completed the lease deed registration on 04.10.2019 and accordingly the whole process from the date of issuance of LoA to registration of lease deed took 8 months and 16 days that is a delay of around two and half months more in execution of lease deed.

The unit has further submitted that due to lack of awareness on their part regarding the Rule provisions for lease deed submission within the six months, and some communication gap, the above was a bonafide mistake at their end. The unit has invested an amount of Rs. 91,71,639 on procurement of office interiors and machinery and the rent for the premises has effectively started from 01.12.2019 and as on date the total amount of rent paid is Rs. 11,63,980. In view of the above circumstances, the unit has therefore requested to extend the validity of LoA for a further period of four months. The unit has stated that they are committed to retain the possession and start the operations as early as possible. A copy of the registered lease deed executed with the Developer along with relevant documents and site photographs have also been enclosed.

The proposal is accordingly placed before the Approval Committee for consideration.



Decision required from UAC	Request for extension of validity of Letter of Approval for a further period of four months beyond 17.01.2020.
DECISION OF THE UAC	

**PROPOSAL NO. 2(ii): M/s Yash Technologies Pvt. Ltd.**

<p><b>II. COMPANY/UNIT PROFILE</b></p>	<p>(a) Name and address, telephone/fax/email id</p> <p><b>M/s Yash Technologies Pvt. Ltd.</b> Address: 201-205, Bansi Trade Center, 581/5, M.G. Road, Indore</p> <p>(b) Issue</p> <p><b>Request for approval of default list of Specified services required for authorized operations of M/s Yash Technologies Pvt. Ltd. (Unit-II) located at Ground Floor, Building No. 1, Crystal IT Park SEZ, Indore, as per Instruction No. 79 and 94 of the DoC:-</b></p> <p>M/s Yash Technologies Pvt. Ltd. (Unit 2) has been granted LoA No. C-95/Crystal IT SEZ/Proj./2019-20/1012 dated 17.09.2019 for setting up of IT/ITES unit for the authorized operations namely Development of Computer Software, Back Office Services and Data processing. The unit is located at Ground Floor, Building No. 1, Crystal IT Park SEZ, Indore.</p> <p>The unit has submitted the captioned request for approval of default list of specified services in terms of Circular No. D.12/19/2013-SEZ dated 02.01.2018 read with Instruction No. 79 and 94 of DoC, which requires that the list of specified services required for authorized operations be approved by the UAC of the SEZ for availing various exemptions. The unit has accordingly submitted a list of 67 specified services required for the authorized operations along with justification with reference to each of the services required by them on the afore-stated location.</p> <p>As per the DoC letter No. D.12/19/2013-SEZ dated 02.01.2018, all the UACs may permit the 66 services approved by the DoC, as the default authorized services in their respective zones. It is also clarified that consequent to implementation of GST Act, some State Govt. are not extending the benefits of IGST for default services and since SEZs are exempted from IGST on the default</p>
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	<p>services, the BoA in its 80<sup>th</sup> meeting held on 17.11.2017 has approved the reiteration of the default authorized services/operations, as approved earlier. The DoC had subsequently issued Instruction No. 94 dated 08.05.2019 vide which the list of default services was further expanded by adding one more service, making the list of default services as 67.</p> <p>The proposal is accordingly placed before the Approval Committee for consideration.</p>
Decision required from UAC	Request for approval of default list of Specified services required for authorized operations.
DECISION OF THE UAC	

**PROPOSAL NO. 2(iii): M/s Yash Consulting Pvt. Ltd.**

<b>III. COMPANY/UNIT PROFILE</b>	
(a) Name and address, telephone/fax/email id	<p><b>M/s Yash Consulting Pvt. Ltd.</b> Address: 101, Bansi Trade Center, 581/5, M.G. Road, Indore</p>
(b) Issue	<p><b>Request for approval of default list of Specified services required for authorized operations of M/s Yash Consulting Pvt. Ltd. located at STP-1, Ground Floor, Crystal IT Park SEZ, Indore, as per Instruction No. 79 and 94 of the DoC:-</b></p> <p>M/s Yash Consulting Pvt. Ltd. has been granted LoA No. C-96/Crystal IT SEZ/Proj./2019-20/1013 dated 17.09.2019 for setting up of IT/ITES unit for the authorized operations namely Development of Computer Software, Back Office Services and Data processing. The unit is located at STP-1, Ground Floor, Crystal IT Park SEZ, Indore.</p> <p>The unit has submitted the captioned request for approval of default list of specified services in terms of Circular No. D.12/19/2013-SEZ dated 02.01.2018 read with Instruction No. 79 and 94 of DoC, which requires that the list of specified services required for authorized operations be approved by the UAC of the SEZ for availing various exemptions. The unit has accordingly submitted a list of 67 specified services required for the authorized operations along with justification with reference to each of the services required by them on the afore-stated location.</p>



	<p>As per the DoC letter No. D.12/19/2013-SEZ dated 02.01.2018, all the UACs may permit the 66 services approved by the DoC, as the default authorized services in their respective zones. It is also clarified that consequent to implementation of GST Act, some State Govt. are not extending the benefits of IGST for default services and since SEZs are exempted from IGST on the default services, the BoA in its 80<sup>th</sup> meeting held on 17.11.2017 has approved the reiteration of the default authorized services/operations, as approved earlier. The DoC had subsequently issued Instruction No. 94 dated 08.05.2019 vide which the list of default services was further expanded by adding one more service, making the list of default services as 67.</p> <p>The proposal is accordingly placed before the Approval Committee for consideration.</p>
Decision required from UAC	Request for approval of default list of Specified services required for authorized operations.
DECISION OF THE UAC	

### **ITEM NO- 3**

**Monitoring of APRs – Monitoring of performance of the units (APR) for the period 2018-19 in terms of Rule 54 of SEZ Rules, 2006 in case of units which have completed one year or more of operations:**

1	2
S. No.	Name of the unit
1.	M/s Impetus Infotech (I) Pvt.Ltd
2.	M/s Intellicus Technologies Pvt. Ltd.
3.	M/s ClearTrail Technologies Pvt. Ltd.
4.	M/s Neno systems Consulting Service Pvt. Ltd.
5.	M/s Grep Ruby Webtech Pvt. Ltd.
6.	M/s Fourty Seven Billion Information Technologies Pvt. Ltd.
7.	M/s Vertisystem Global Pvt. Ltd.
8.	M/s WorldPay India Pvt. Ltd. (Unit-I)
9.	M/s Yash Technologies Pvt. Ltd.
10.	M/s WorldPay India Pvt. Ltd. (Unit-II)

The APRs for the period 2018-19 of the aforementioned units would be placed before the Committee in the meeting.

### **ITEM NO- 4**

**Any other proposal, if received.**