



Government of India
Ministry of Commerce & Industry
Department of Commerce
Office of the Development Commissioner
Indore Special Economic Zone
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F. No. A-64/ISEZ/UAC-Crystal IT/2011-12/204

Dated: 26.05.2023

OFFICE - MEMORANDUM

Sub: First Meeting (2023-24 series) of the Approval Committee for Crystal IT Park SEZ to be held at 3:00 p.m. on 31.05.2023 – Reg.

The Undersigned is directed to inform you that the First Meeting (2023-24 series) of the Approval Committee constituted by the Govt. of India vide Notification dt. 26.07.2007 has been scheduled to be held in this office at 3:00 p.m. on 31.05.2023. Agenda Items for the same are enclosed as Annx. A.

2. 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, B-Zone, Business Space, 3rd Floor, 12/27 & 12/28 Village Pipliakumar, Nipania, Indore-452010 (M.P.) (**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, 1st Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road, Indore or his representative (**Developer of the SEZ - Special Invitee**).
7. The Dy. Secretary to the Govt. of India, Ministry of Commerce & Industry, Deptt. of Commerce, SEZ, Vanijya 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 FIFTH MEETING OF UNIT APPROVAL COMMITTEE
(2023-24 series) TO BE HELD AT 3:00 p.m. ON 31.05.2023

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

Time: 3:00 p.m.

ITEM NO- 1

Ratification of the Minutes of the Fifth Meeting (2023-24 series) held on 15.02.2023 as at Appendix 'X'.

ITEM NO- 2PROPOSALS RECEIVED FROM EXISTING UNITS

PROPOSAL NO. 2(i): M/s Worldpay India Pvt. Ltd.

<u>I. COMPANY/UNIT PROFILE</u>	
(a) Name and address, telephone/fax/email id	M/s Worldpay India Pvt. Ltd. Address: 8 th & 9 th Floor, STP Building No. 1, Crystal IT Park SEZ, Indore
(b) Issue	<p>Request for partial deletion of area admeasuring 8457 sq. ft. at 8th floor, STP-1 Building, Crystal IT Park SEZ - LoA No. C-69/Crystal IT SEZ/Proj./2011-12/752 dated 21.08.2013:-</p> <p>M/s Worldpay India Private Limited is holding LoA dated 21.08.2013 for the Authorized operations namely service activities i.e. Computer Software - Credit and Debit card processing software and Associated back office services. The unit is located at 8th & 9th Floor, STP-1 Building, Crystal IT Park SEZ and as per records is operational w.e.f from 22.02.2016. The total area allocated to the unit by the Developer, MPIDC Ltd., RO, Indore for the said two floors is 3160.36 sq. mtrs (34,014 sq. ft.). The LoA of the unit is presently valid up to 21.02.2026.</p> <p>The unit has submitted the captioned request stating inter-alia that due to Covid 19 pandemic their global business strategy has been</p>

revised, therefore for administrative and cost consideration, their management has decided to reduce the office area. Accordingly the unit has proposed to surrender an area admeasuring 785.76 sq. mtrs. (8457 sq. ft.) at 8th floor, STP-1 Building, Crystal IT Park SEZ along with revision in their projections. Post deletion of the area the proposed unit address would be 9th Floor, STP-1 Building, Crystal IT Park SEZ having an area admeasuring 2374.60 sq. mtrs (25557 sq. ft.), and the revised projections of Exports, investment and employment etc. in the LoA for the balance 3 years would be as per the details below:

Existing and Revised Projections:

(Amount in Rs. In lakhs)

S. No.	Item	Existing Projections as per application for Renewal	Total Revised Projections post deletion of area for balance 3 years
1	Area (Built up area)	34,014 Sqft	25557 Sqft
		3160 Sqmtr	2374 Sqmtr
S. No.	Item	Existing Projections	Revised Projections
1	Employment	Men - 278	Men - 198
		Women - 118	Women - 91
2	Investment-Plant and Machinery (Rs. In Lakhs)		
(i)	Indigenous	1214.45	911.00
(ii)	Imported	807.69	721.00
	Total Investment-Plant and Machinery	2022.14	1632.00
3	Import and indigenous requirement of material & other inputs (Rs. In lakhs)		
(i)	Imported Capital goods	807.69	721.00
(ii)	Indigenous Capital goods	1214.45	911.00
	Total Import and indigenous requirement of material & other inputs	2022.14	1632.00
	Investment in Raw Materials (Rs. In lakhs)		
	Imported	200.00	150.00
	Indigenous	600.00	450.00

	Total	800.00	600.00
4	FOB Value of Exports for 5 years (Rs. In lakhs)	39137.63	33530.00
5	Foreign Exchange outgo for 5 years (Rs. In lakhs)	1362.22	1167.00
6	Net Foreign Exchange Earnings for 5 years (Rs. In lakhs)	37775.42	32363.00

MPIDC, Developer of the SEZ vide letter No. 11998 dated 06.02.2023 has informed the unit that as on 01.02.2023 there are No dues pending against the unit and that upon vacation of 8th Floor till 30.04.2023 and payment of applicable rent thereof, if the said space is vacated, the Developer has No Objection regarding the same.

With regard to surrendering the premises, the unit has stated that they have proposed for deletion of premises along with the downward revision of projections and therefore post deletion they will be left with the 9th floor premises only for which they have projected the revised projections as per the number of seats left in the remaining area. The unit shall be de-tagging its employees from the SEZ unit and shall transfer them to their DTA unit as required under the provisions of Rule 43(A)(10) of SEZ (Fifth amendment) Rules, 2022 and accordingly has confirmed that in no manner they shall be claiming any undue benefits of income tax or other benefits.

With regard to the status of 107 employees post surrendering of 8th floor premises, the unit has clarified that these employees shall be de-tagged from SEZ unit and will be tagged to its DTA units located at various places in India and they will be working on projects of DTA unit only.

It is apprised that the Ministry of Commerce & Industry has issued Notification dated 08.12.2022 vide which SEZ (Fifth Amendment) Rules, 2022 have been Notified and Rule 43A has been substituted. The said rule provides SEZ units to permit its employees to Work From Home (WFH) till 31.12.2023. In view of the same the unit has permitted its employees to WFH till the said period.

The unit has stated to submit NOC/No dues from SEZ Customs once entire material clearance process is completed. Further, the unit informed that they have already paid rental for the period up to 31.03.2023 to the Developer and the balance rental shall be paid as per the lease terms. The unit was accordingly advised to submit

	<p>the No Dues from the Developer w.r.t the balance rent paid along with NOC from Customs.</p> <p>In furtherance to the above, the unit has informed that they have entered into an agreement with M/s Linkites Infotech Pvt. Ltd., a unit in Crystal IT Park SEZ wherein they would be transferring immovable assets, furnitures & fixtures to them in accordance to the provisions of Rule 38 of SEZ Rules, 2006, and that they do not have any objection towards M/s Linkites Infotech Pvt. Ltd. occupying the premises at 8th Floor, STP-1 Building. The unit-has therefore also requested for approval of transfer of assets to complete the customs formalities.</p> <p>In this context M/s Linkites Infotech Pvt. Ltd. has submitted a separate application for change in location of premises proposed to be allotted to them by the Developer including acquisition of immovable assets from the subject unit under the provisions of Rule 38 of SEZ Rules, 2006.</p> <p>In view of the above submissions, the unit has requested this office to consider their request for partial deletion of its area admeasuring 8457 sq. ft. located at 8th floor, STP-1 Building, Crystal IT Park SEZ and transfer of immovable assets, furnitures & fixtures in accordance to the provisions of Rule 38 of SEZ Rules, 2006 to M/s Linkites Infotech Pvt. Ltd.</p> <p>The proposal is accordingly placed before the Approval Committee for consideration.</p>
<p>Request of the company</p> <p>Rule provision w.r.t SEZ Rules, 2006</p> <p>Decision required from UAC</p>	<p>Permission for partial deletion of area admeasuring 8457 sq. ft. at 8th floor, STP-1 Building, Crystal IT Park SEZ and transfer of immovable assets, furnitures & fixtures in accordance to the provisions of Rule 38 of SEZ Rules, 2006.</p> <p>Rule No. 18 (2)(ii) and Rule 38 of SEZ Rules, 2006 applies to the issue and thus the proposal is covered/ not covered.</p> <p>Permission for partial deletion of area admeasuring 8457 sq. ft. at 8th floor, STP-1 Building, Crystal IT Park SEZ and transfer of immovable assets, furnitures & fixtures in accordance to the provisions of Rule 38 of SEZ Rules, 2006.</p>
<p>DECISION OF THE UAC</p>	

PROPOSAL NO. 2(ii): M/s Linkites Infotech Pvt. Ltd.

II. COMPANY/UNIT PROFILE	
(a) Name and address, telephone/fax/email id	M/s Linkites Infotech Pvt. Ltd. Address: 6 th Floor, Right Hand Side, STP Building No. 1, Crystal IT Park SEZ, Indore
(b) Issue	<p>Request for allotment of space at 8th Floor, Building No. 1, LHS, Crystal IT Park SEZ, Indore– LoA No. C-79/Crystal IT SEZ/Proj./2014-15/1846 dated 26.02.2015:-</p> <p>M/s Linkites Infotech Pvt. Ltd. is holding LoA dated 26.02.2015 and located at 6th Floor, RHS, Building No.1, Crystal IT Park SEZ. The unit is operational in the SEZ w.e.f 04.11.2015.</p> <p>The unit had earlier submitted an application for expansion of its existing facility and requested for allotment of additional office space in STP 2, Small Building, 1st Floor at Crystal IT Park SEZ, Indore and the same was approved by the Approval Committee in its 3rd meeting (2022-23 series) held on 19.07.2022. The minutes of the meeting are reiterated below:</p> <p><i>“Approved. The Committee deliberated in detail on the contents of the Agenda. The unit was represented by Shri Saket Dandotia, Director who informed the Committee that presently they are operating from 6th Floor, RHS, Building No. 1 in Crystal IT Park SEZ from 2015 onwards and are engaged in website and mobile application development with current employee strength of 85 persons with exports effected to the tune of Rs. 15.00 crores till 2021-22. The representative informed that they plan to work on some new technologies such as Artificial Intelligence solution, Web 3 solutions, Block chain etc. for which they have proposed to invest around Rs. 2.00 crores for the expansion project including generation of employment of 200 more persons in two phases. The representative stated that a revenue of approx. Rs. 30-40 crores is projected after expansion and therefore they have requested for allotment of additional built up office space admeasuring approx. 1000 sq. mtrs. in STP-2 small building, 1st Floor in Crystal IT Park SEZ. The Committee noted that the Developer has confirmed for providing the builtup space to the unit in the processing area in Crystal IT Park SEZ. After deliberations, the Committee approved the request of the unit regarding allotment of additional office space in STP 2, Small Building, 1st Floor at Crystal IT Park SEZ, Indore for expansion of the existing unit as per the provisions of Rule 18 (2)(ii) of SEZ Rules, 2006.”</i></p>

In view of the same the Developer issued a Letter of Intent (LoI) for allotment of the requested space to the unit with the advise to deposit the requisite amount and execute License agreement.

The unit has now informed inter-alia that against the LoI dated 20.09.2022 for allotment of space at STP 2 small building, 1st floor, CITP SEZ they have made a security deposit of Rs. 68.10 lacs to the Developer, and that the requisite space allotment has not been done so far. The unit has accordingly requested for allotting them built up area at 8th floor, Building No.1, LHS instead of the above space for immediate start of its expansion activities as they understand that the said space is falling vacant.

The unit has further submitted that for the purpose of expansion they had applied for additional office space admeasuring 1000 sq. mtrs. and were allotted an area of 2129 sq.mtrs for which the requiste security deposit was done by them on 10.11.2022. According to the unit it would take around 10 to 12 months to set up the infrastructure facilities and as the 8th floor at STP-1 Building Left Hand Side is falling vacant, they have now requested to allot this office space to them. The unit has further informed that the Developer, MPIDC Ltd. RO, Indore vide letter dated 09.05.2023 has confirmed to allot the said space at 8th floor, STP-1 Building having area admission 786 square metres.

As after expansion the unit plans to work on some new technology such as Artificial intelligence solution, Web 3 solutions, Blockchain, Gaming solutions etc., and have accordingly submitted the revised projections, as under, in terms of the space confirmation received:

- Expansion Project Cost (Indigenous Capital Goods)

S.No.	Particulars	Value (Rs. In crores)
1.	Furniture and Fixtures	1.00
2.	Computers and Accessories	0.80
3.	Mobile and Testing Device	0.50
4.	Software and Cloud Expense	0.70

- Proposed Employment – 100 persons
- Projected Foreign Exchange Earning (Rs. In crores)

Year	2023-24	2024-25	2025-26	2026-27	2027-28
FoB value of Exports	5.40	5.40	5.40	5.40	10.20
Foreign Exchange Outgo	1.60	1.60	1.60	1.60	2.40

	Net Foreign Exchange Earning	3.80	3.80	3.80	3.80	7.80
	<p>The unit has further submitted that they have entered into an agreement with M/s Worldpay India Private Limited located at 8th floor STP-1 Building in the SEZ regarding acquisition of immovable assets, furnitures & fixtures by way of transfer of ownership in terms of the provisions of rules 38.</p> <p>In view of the above submissions, the unit has requested for allotment of space admeasuring 786 sq. mtrs. at 8th floor, STP-1 Building, as already confirmed by the Developer, MPIDC Ltd., RO, Indore along with permission to acquire the immovable assets, furnitures & fixtures from M/s Worldpay India Private Limited.</p> <p>The proposal is accordingly placed before the Approval Committee for consideration.</p>					
Request of the company	Request for allotment of space at 8 th Floor, STP-1 Building, LHS, Crystal IT Park SEZ, Indore and transfer of immovable assets, furnitures & fixtures in accordance to the provisions of Rule 38 of SEZ Rules, 2006.					
Rule provision w.r.t SEZ Rules, 2006	Rule No. 18 (2)(ii) of SEZ Rules, 2006 and Rule 38 of SEZ Rules, 2006 applies to the issue and thus the proposal is covered/ not covered.					
Decision required from UAC	Permission for allotment of space at at 8 th Floor, STP-1 Building, LHS, Crystal IT Park SEZ, Indore and transfer of immovable assets, furnitures & fixtures in accordance to the provisions of Rule 38 of SEZ Rules, 2006.					
DECISION OF THE UAC						

ITEM NO- 3

Any other proposal, if received.