

Agenda Item No. 1:

The application of **M/s Venus Home Appliances Pvt. Ltd.**, Pudukottai, Tuticorin (T.N.), for duty exemption for import of one Cannon AP-30 PU foaming machine from Italy.

M/s Venus Home Appliances Pvt. Ltd., earlier known as Standard Home Appliances, started manufacturing automatic water heaters (geysers) in 1958 at Pudukottai, Tuticorin. In 1960 the name was changed to Venus Home Appliances and in 1967 the company was incorporated as a partnership firm and the factory was shifted to their present premises in Senthilampannai Village, Pudukottai, Tuticorin.

With continuous effort they have vastly improved their product which are unique in the market. Their geysers have attractive multicolored ABS plastic body with pure copper rust free tank insulated with PUF ensuring highly energy efficient functioning and long life even with the use of hard water.

For foam insulation they were earlier using CFC-11. In 1999 with the assistance of MLF – funds they procured one Canon AP-10 foaming machine and started using non-ODS foaming agent HCFC-141b. After more than ten years use, they modernized their production process in 2009 by importing one Cannon AP-30 foaming machine for which they received duty exemption assistance.

They are now undertaking further modernization and expansion. Particularly they are changing from copper tank to glass lined iron tank which will give a better and sturdier product. For this purpose they are importing a new foaming machine, Cannon AP-30, from M/s Afros S.P.A, Italy. They will continue to

use HCFC-141b (non-ODS foam blowing agent). The details of the foaming machine being imported is given in the Table below:

S. No	Description	Qty.	P.O. No & Date	Source	Price in Euro	Price in INR
1	Canon AP-30 machine	1	VHA/PE-VE/02/10-11 dated 10.04.2010	M/s Afros S.p.A. via Galileo Ferraris, 65 I-21042 Caronno Pertusella (Va) Italy	43,500/-	26,25,225/-
Total amount INR						26,25,225/-
Duty payable Approx. @ 7.5%						1.9 lacs

Since they will be using non-ODS foam blowing agent they have requested for duty exemption assistance.

The cost of the machine being imported is Rs. 26.25 lakhs and duty payable @ 7.5% on it will be approx. Rs. 1.9 lacs. The cost of the expansion programme will be funded by internal accruals.

The company has submitted all the supporting documents.

It may be mentioned that similar machines for foam blowing has been approved for many companies earlier.

The committee may consider the application.



Agenda Item No. 2

The application of **M/s Starion India Pvt. Ltd.**, Ranjangaon, Pune for duty exemption for import of components of Hot Melt, mould carrier and cannon make pouring equipments A-system (High Pressure Foaming Machine) for setting up a refrigerator plant based on non-ODS technology.

M/s Starion India Pvt. Ltd., is a wholly owned subsidiary of Sunchull Manufacturing Co. Ltd., group of Korea. They specialize in the manufacture of components and parts of home appliances, electrical appliances, precisions, automobiles etc. **manufactured by others**. The group consists of more than 15 companies in the PARTS manufacturing industry.

M/s Starion India undertakes manufacture of parts like press parts, assembly parts, plastic injection parts, back light for LCD, plastic moulded parts for mobile telephones, auto seats etc. needed by manufacturers of finished goods like refrigerators, automobiles, telephones, television etc. for local Korean companies as well as foreign companies. The company started manufacturing activity at MIDC, Ranjangaon (Pune) from 2001, and currently makes parts of Refrigerators, Washing machines, ACs, Mobile phones, TV Monitor Consoles etc. specializing on sheet metal components. Their existing capacity is now fully occupied and they are undertaking further expansion in 2011-12 by purchasing additional land and buildings.

The company has four Korean share holders, three of them are other Korean companies and is managed by a three member Korean Board of Directors.

M/s Starion India has recently entered into an agreement with M/s L.G. Electronics Ltd., a well know Korean Refrigerator manufacturer, under which 80-90% of refrigerators manufactured by

Starion India will be sold to L.G. Electronics. The rest may be sold to other Indian companies.

This project is therefore for manufacture of refrigerators suitable for non-ODS refrigerant R-134a and non-ODS foam blowing agent cyclopentane by M/s Starion India for M/s L.G. Electronics Ltd., Since they are going to use non-ODS technology they have requested for duty exemption for the import of a foaming machine, a mold carrier and a hot melt machine. The details of the machines being imported for non-ODS refrigerator manufacturing plant is shown below:

S. No	Item Name	Qty	P.O. No & Dated	Price in \$	Price in INR
1	Mold Carrier and Motor: Specification No. 30 Size 1600mm X 2300mm Servo driver type	1 set	SIPL/PUNE/ 10-11/ 0572 A/Import Dated 16/09/10	\$ 235,780/-	1,05,65,301/-
2	Hot melt machine Specification Model BS-60 Tank capacity - 60 kg Melt unit weight- 85 kg	2 sets		\$18,650/-	8,35,706.5
3	Cannon A System High Pressure Injection PU Foaming machine with 1. 2 FPL18 Mixheads 2. 2 Head Blocks with valves 3. 2 Electrical Boxes 4. 4 Stream distributors Hoses Frame Parts. control panel 5. Set of spare. 6. 3 100 LT Hydraulic Units	1 set		\$ 519, 337. 02	2,32,71,490/-
Total INR					3,46,72,497.50
Duty Payable @ 7.5%					26,00,437/-

The total cost of the 3 sets of equipment listed is 3.47 crores and duty on it @ 7.5% would be approximately 26 Lakh.

The total cost of the project is estimated to be Rs. 233 Crores. It will be partly funded by equity (Rs 138 Crores), partly by Debt (40.0 Crores) and rest from Head office (Rs. 55.0 Crores).

It may be mentioned that similar machines have been imported earlier by other refrigerator manufacturers in the past. The company has submitted all the supporting documents.

The committee may consider the application.



Agenda Item No. 3: The application of **M/s Subros Ltd., New Delhi**, for duty exemption for import of 29 pieces of equipment needed for capacity enhancement at the Noida and Manesar plants **and for setting up a new plant at Sanand, Gujarat.**

M/s Subros Ltd., is the largest manufacturer of car air-conditioners in India with a capacity of 7,50,000 units manufactured in their fully equipped plants at Noida (UP), IMT Manesar (Haryana) and at Pune (Maharashtra). They are original equipment supplier to Maruti Suzuki India Ltd., Tata Motors Ltd., Mahindra and Mahindra Ltd. The company has been always innovating and introducing better components leading to better products in their manufacturing process. They have collaboration with M/s DENSO Corporation, Japan who are leaders in developing Mobile Air-Conditioners in Japan.

Car industry in India is undergoing large expansion creating increased demand for mobile air conditioners. To meet this demand M/s Subros is now undertaking a large expansion to augment their compressor making facilities at the Noida plant and molded parts with heat exchangers facilities at the Manesar plants. **In addition they are setting up a new plant at Sanand, Gujarat to cater to the MAC requirements of the newly created car manufacturing facilities of TATA Motors at Sanand (Gujarat).** Initially this new plant at Sanand will manufacture only bulky items and will be supported for other items from Noida and Pune. For this large expansion program M/s Subros is importing 29 pieces of equipment from Japan, Malaysia and Taiwan. **Plant wise details of the equipment being imported are shown in Tables in next pages.** M/s Subros have now requested duty exemption for importing the machinery as MACs are designed to use non-ODS refrigerant R-134A.

TABLE

Part A : Equipment needed for NOIDA plant					
S. No	Description of eqpt.	Qty	P.O No, & Date	Total amount in (FOB/CIF value)	Total CIF cost (Rs. In lacs)
1	Honing machine model FS 35AN	1 set	7200000 304 Dated 30.09.2010	1,03,800/- USD	46,71,000/-
2	Double Disc Grinding machine with standard accessories (Model GMW 760 Ci)	1 set	7200000 306 Dated 08.10.2010	5,46,000/- USD	2,45,70,000/-
3	UBE Standard Die Casting machine with SDDV (Servo Direct Drive Valve) Shot control system	1 set	7200000 311 Dated 27.10.2010	4,70,00,000/- JPY	2,53,80,000/-
4	Helium Leak Detection equipment for compressors (with Helium Recovery system)	1 set	7200000 312 Dated 01.11.2010	1,99,500/- USD	89,77,500/-
5	Aluminium Melting and Holding Furnace model MH 300 gas fired type melting rate 300 kg/hr minimum holding chamber capacity 1050 kg. gas fired pilot burners including control panel, cold air combustion system unit, secondary gas and pilot gas piping within the furnace.	1 set	7200000 313 Dated 02.11.2010	96,000/- USD	43,20,000/-
6	UBE Standard Die Casting machine with SDDV (Servo Direct Drive Valve) Shot Control system	2 Sets	7200000 319 Dated 03.11.2010	8,90,00,000/- JPY	4,80,60,000/-
7	Moisture Removing System	1 Set	7200000 320 Dated 04.11.2010	65,000/- USD	29,25,000/-
8	Oil Filtration System	1 Set		65,000/- USD	29,25,000/-
9	Twin Spindle Turn Mill Centre : MT 12 GMC MT 12 MD 120	2 set 4 set 1 set	7200000 322 Dated 19.11.2010	22,10,00,000/- JPY	11,93,40,000/-

S. No	Description of eqpt.	Qty	P.O No, & Date	Total amount in (FOB/CIF value)	Total CIF cost (Rs. In lacs)
10	Copal NW YP 8 Pulley Blank Forming open die: 8 stages	1 set	7200000 329 Dated 23.11.2010	83,00,000/- JPY	45,65,000/-
11	1) FCB die Casting die (2050 X 1650 X 775mm) 2) RCB Die Casting Die (1990 X 1900 X 775mm) 3) R/H Die Casting Die (1140 X 1160 X 840mm)	1 set each	7200000 330 Dated 30.11.2010	5,65,97,510/- JPY	3,11,28,630.50
12	N S Flow forming Machine Model VF – 200V – 3PL – NC with standard accessories	1 set	7200000 331 Dated 10.12.2010	2,05,00,000/- JPY	1,12,75,000/-
Part B : Equipment needed for Manesar plant					
1	2 CAVITY Injection Molding Die Suitable for 350 T injection molding machine (SB090035) + Spare Core and cavity set (SB090036)	1 set + 2 sets	7200000 303 dated 22.09.2010	2,20,00,000/- JPY	1,18,80,000/-
2	CNC Cylindrical Grinder Model OCD – 2040 with Standard accessories.	1 Set	7200000 305 Dated 30.09.2010	78,500/- USD	35,32,500/-
3	Soldering Robot model iCross (TX-i224) AC100V+/-10%, 50/60 Hz 1.0 KVA	1 set	7200000 310 Dated 27.10.2010	23,10,000/- JPY	12,47,400/-
4	Fin Forming machine Cum Auto Core Builder	1 set	7200000 323 Dated 19.11.2010	7,50,000/- USD	3,37,50,000/-
5	J850 ADW/3900 H (A) All electric Injection molding machine	2 set	7200000 324 Dated 22.11.2010	10,40,00,000/- JPY	5,61,60,000/-
6	J 180 AD/300 H (A) All electric Injection molding machine	2 set	7200000 326 Dated 22.11.2010	2,00,00,000/- JPY	1,08,00,000/-

S. No.	Description of eqpt.	Qty	P.O No, & Date	Total amount in (FOB/CIF value)	Total CIF cost (Rs. In lacs)
7	J85 AD/110 H (A) All electric Injection molding machine	2 set	7200000 327 Dated 22.11.2010	1,32,00,000/- JPY	71,28,000/-
8	J350 AD/890 H (A) All electric Injection molding machine	2 set	7200000 328 Dated 23.11.2010	3,50,00,000/- JPY	1,89,00,000/-
9	Nocolock Brazing Furnace	1 set	7200000 335 Dated 22.12.2010	6,50,00,000/- JPY	3,57,50,000/-
10	Dynamic UPC type UBBAT615 625 KVA/500 KW at 415 V/50 Hz PF = 0.8	3 set	7200000 337 Dated 22.12.2010	3,15,000/- Euro	1,95,30,000/-
11	Nocolock Brazing Furnace	1 set	7200000 338 Dated 22.12.2010	6,50,00,000/- JPY	3,57,50,000/-
12	J 180 AD/300H (A) all electric Injection Molding Machine	2 set	7200000 336 Dated 22.11.2010	2,00,00,000/- JPY	1,10,00,000/-
Part C : Equipment needed for new plant at Sanand (Gujarat)					
1	Hose Crimping machine Model SJ-SW 80	1 set	7200000 314 Dated 02.11.2010	71,000/- USD	31,95,000/-
2	CNC Rotary Cutter	1 set	7200000 315 Dated 02.11.2010	1,85,000/- USD	83,25,000/-
3	CNC Pipe Bender	1 set	7200000 316 Dated 02.11.2010	1,10,000/- USD	49,50,000/-
4	Buldge and Spinning machine	1 set	7200000 317 Dated 02.11.2010	2,52,000/- USD	1,13,40,000/-
5	J850 ADW/3900 H (A) All Electric Injection molding machine	1 set	7200000 325 Dated 22.11.2010	5,20,00,000/- JPY	2,80,80,000/-
Total					58,94,55,030/-
Duty payable @ 7.5%					4,42,09,127.25/-

The total cost of equipment being imported now is Rs 59 crores and duty payable on it @ 7.5% would be approximately Rs. 4.4 crores. The total cost of the import will be met by their internal accruals.

The equipment being imported are general purpose manufacturing machinery. Similar machines have been considered for import for this company and other MAC manufacturing companies several times earlier.

The company has received duty exemption assistance eighteen times earlier. This is their 19th application.

The company has submitted all the necessary supporting documents.

The committee may consider the application.

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Agenda Item No. 4:

The application of the **M/s Delphi Automotive Systems Pvt. Ltd.**, Greater Noida (UP) for duty exemption for import of one each of Matrix Core Builder, Closed Loop Calorimeter, Folded Tube Mill, two X2 Case upper and lower moulds.

M/s Delphi Automotive Systems Pvt. Ltd., Greater Noida is a subsidiary company of Delphi Corporation, Michigan, USA. The company specializes as a diversified supplier of automotive components systems and modules. They have manufacturing base in over 35 countries with 198 manufacturing facilities. In India Delphi Automotive Systems manufactures Mobile Air Conditioner components like heat exchangers (condensers and evaporators), HVAC and MAC systems for car manufacturers like Maruti – Suzuki, GM, TATA Motors etc. The heat exchangers manufactured by them currently use HFC – 134a as the refrigerant.

The company is now expanding their capacity of manufacturing heat exchangers (condensers and evaporators) **designed for use with R-134a, R-1234 YF and R-410A refrigerants. The latter two have much better environmental properties.** The European union has already decided in favour of the new refrigerants with ultra low GWP (only 4) from the year 2011 and the company is aiming towards this market. The application is for duty exemption for the import of 5 pieces of equipment needed for setting up heat exchanger manufacturing plant compatible for using R - 1234YF and R-410A and

which works exclusively on non-ODS technology from Delphi Harrison Thermal System, USA.

The details of the equipment being imported is given in the Table below.

Table

S. No.	Description of Equipment	Qty	P. O No. , Date	Price in US\$	Price in INR
1	Matrix Core Builder, U.K.	1	T1010806 Dated 04.11.2010	3,90,000/-	1,90,12,500/-
2	Radiator/Condenser Closed Loop Calorimeter equipment along with options A,C,D,E,F,I,J & 100 Inputs	1	T1010760 Dated 04.09.2010	4,10,000/-	1,99,87,500/-
3	Folded Tube Mill with accessories (Annexure - I)	1	T10110984 Dated 25.11.2010	5,46,351/- GBP	4,14,95,358/-
4	X2 Case Lower LHD Mould - Part no - 52430827	1	T0800502 Dated 31.11.2010	81,291/-	47,55,524/-
5	X2 case Upper for LHD Mould - Part no - 52430826	1	T0800502 Dated 31.10.2010	72,282/-	42,28,497/-
Total					8,94,79,379/-
Duty payable @ 7.5%					67,10,953/-

The total cost of equipment being imported is approx. Rs. 8.9 crores and duty on it would be approx. Rs. 67 lacs @ 7.5%.

The over all cost of this expansion project is estimated to be USD 1.3 million and it will be financed from their internal sources.

It may be mentioned that similar equipment for MAC manufacturers have been approved for this company others. This is the second application from this company.

The company has submitted all the supporting documents.

The committee may considered the application.

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Annexure – I

M/s Delphi Automobile Systems Pvt. Ltd.,

Annexure to the PO NO : T1010984 dated : 25/11/10

S. No	Particulars	Classification	In GBP
1	Tube mill – Aluminium folded tube	Facility	2,42,920/-
2	Pre – Commission	Operations	8,200/-
3	Fluxing supply and detection system	Facility	38,770/-
4	Change part tooling – 28 heater tube	Tooling	1,05,714/-
5	Change part tooling – Radiator Tube	Tooling	1,05,714/-
6	Spare parts	Operations	21,773/-
7	Installation, commissioning and operator training	Operations	12,240/-
8	Operator Manual	Operations	1,300/-
9	Transport and packing / insurance	Operations	9,720/-
		Total in GBP	5,46,351/-