

Agenda Item No. 1

The application of **M/s Subros Ltd.**, Noida, for duty exemption for import of 7 pieces of equipment needed for enhancing the production capacity and import substitution at their Noida (U.P) plant.

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 plants at Noida (U.P.), IMT Manesar (Haryana), Pune (Maharashtra), Sanand (Gujarat) and Chennai (Tamil Nadu). In addition to the central production plant at Noida, they also have one R&D centre and an excellent tool room at their Noida complex. The company has been always innovating and introducing better components in their manufacturing process leading to better products. They have collaboration with M/s DENSO Corporation, Japan who are leaders in developing Mobile Air-Conditioners in Japan.

Recently M/s Subros had asked for duty exemption for import of 6 pieces of equipment for their Noida plant to increase production capacity. They are now importing 7 more pieces of equipment from different places. These are needed for further expansion of production capacity and import substitution at the same plant. The details of these 7 pieces of equipment are shown in the table below:

Table

S. No	Description of eqpt.	Qty	P.O No, & Date	Total amount in (FOB/CIF value)	Total CIF cost (Rs. In lacs)
1	CNC-EDM-SP3U	1 No	7200000468 Dated 16.07.2013	\$ 45,000 /-	28,35,000/-
2	Die Spotting Press-IDS-300S-3020	1 Set	7200000469 Dated 20.07.2013	\$298,000/-	1,87,74,000/-

3	Deep Hole Drilling M/c ST-1200	1 Set	7200000470 Dated 23.07.2013	\$ 115,000/-	72,45,000/-
4	AL Auto Brazing M/c – 4 station	1 No	7200000474 Dated 17.09.2013	\$ 30,000/-	18,90,000/-
5	AL Auto Brazing M/c – 4 station	2 Nos	7200000475 Dated 17.09.2013	\$ 65,000/-	40,95,000/-
6	EDM – Electrical discharge machining	1 set	7200000476 Dated 19.09.2013	SGD 2,20,000/-	1,10,00,000/-
7	VMC – Vertical Machining Centers	1 set	7200000477 Dated 19.09.2013	JPY 4,50,00,008/-	2,88,00,005/-
Total					7,46,39,005/-
Duty payable @ 7.5%					55,97,925.37

The cost of these imported equipment is Rs. 7.46 crores. It will be met from their internal resources. The import duty payable on it @ 7.5% would be approximately Rs. 0.56 crores.

The equipment being imported are general purpose manufacturing machinery for mobile air-conditioners. Similar machines have been considered for duty exemption for this company and other MAC manufacturing companies several times earlier. The company has so far received duty exemption assistance twenty four times. This is their 25th application.

The company has submitted all the necessary supporting documents.

The committee may consider the application.



Agenda Item No. 2 :

The application of **M/s Whirlpool India Pvt. Ltd.**, Pune for duty exemption for import of foaming machines and safety equipment needed for change over to cyclopentane as foam blowing agent in their refrigerator manufacturing plant at Ranjan Gaon, Pune.

M/s Whirlpool India Pvt. Ltd., a subsidiary of M/s Whirlpool Corporation, USA, started manufacturing non-CFC refrigerators in India by acquiring Kelvinator India in 1995 at Faridabad. They started a second non-CFC refrigerator plant at Ranjangaon, Pune in 1996 with state of the art technology and were first to receive duty exemption assistance for import of some of the equipment for this plant in 1998.

The company was using HCFC-141b for PU foam blowing and HFC-134a as the refrigerant in this plant in the beginning. In 2009 they changed partially to the use of cyclopentane for foam blowing in line with the guide lines given by Montreal Protocol and MoEF. To acquire experience with the storage and proper use of cyclopentane (known for fire hazard) they converted at first only the refrigerator door making plant for use with cyclopentane and received duty exemption assistance from US for importing a foaming machine. With the experience gained they next decided to convert the entire plant including the refrigerator body making with cyclopentane blown foam insulation for which they imported 40 pieces of equipment and received duty exemption assistance.

They are still using the old refrigerant gas charging machines which they were using for R-134a. These are not filled with safety devices needed for cyclopentane and must be changed. For this they are purchasing three new gas charging machines suitable for use with cyclopentane details of

which may be seen in the Table and Annexure A, B & C. They have asked for duty exemption for it.

Table

S. No.	Equipment Details	PO No. and Date	Price in FOB (EURO)	Price in Rs (Lacs)
1	Imported machines with accessories required for conversion from R-134a to R600a. <i>Details as per Annexure A</i>	1201041780 Dated 08-08-13	229929/-	203.72
2	Imported machines with accessories required for conversion from R-134a to R600 a <i>Details as per Annexure B</i>	1201041779 Dated 08-08-13	32623/-	28.90
3	Imported machines with accessories required for conversion from R-134a to R600 a <i>Details as per Annexure C</i>	1201041781 Dated 05.08.2013	89947/-	79.69
Total cost in Rs.				312.31 lacs
Duty payable @ 7.5%				23.22 lacs

The total cost of importing these three gas charging machines will be Rs. 312.31 lacs which will be met from the internal resources of the company. The duty payable @ 7.5 % would be approximately Rs. 23.22 lacs.

It may be mentioned that with this import and installation of refrigerant (cyclopentane) charging machines M/s Whirlpool will completely change over from the use HCFCs to hydrocarbons in their large refrigerator manufacturing plant at Pune.

The company has submitted all the supporting documents.

The company has already availed of duty exemption assistance five times earlier. This is their sixth application.

The Committee may consider the application.

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Annexure A

M/s Whirlpool of India Ltd.,
P.O. No. 1201041780

S. No	Description	Unit	Net value
1	Proomax – F2P	1	50245
2	RS-F R600a	1	7475
3	Accumulatyor 10 L R 600A with Ventilation	1	2470
4	Accumulatyor 10 L R134A with safety valv	1	1690
5	Valve Box	1	942
6	Drop Box	1	3315
7	Robust bar code reader	2	1690
8	R 600A calibration cylinder	1	487.50
9	SAFI in incl power supply and UPS	1	9782.50
10	Gas sensor (PIR 7000)	2	3640
11	Flow sensor	2	390
12	Local emergency stop	2	117
13	EST 100 with earth clamp	1	2307.50
14	Barcode Scaner wired	1	845.00
15	CPT common system monile LRDA	1	2807.60
16	CPT XD 10 ALCD Display	80	78400
17	Barcode Scanner Wored	1	845
18	Pliss server upgrade	1	4458.25
19	Limit Generator for Plis 5	1	3158.25
20	Repair Interface for Pliss	2	2816.50
21	Barcode Scanner Wored	1	1690
22	Data collection of @X	1	0.10
23	Plis report customizing	1	0.10
24	Blow off unit	1	2275
25	Software	1	3640
26	Smart sensor with thermocouple room tup	240	39984
27	Plis 5 server 2 nd line Licese	1	4458.05
		Total	2,29,929.85/-

Annexure B

M/s Whirlpool of India Ltd.,
P.O. No. 1201041779

S. No	Description	Unit	Net value
1	RS – F Controller with changeover	1	4160
2	Dual safety valve	1	2535
3	Safe – In	1	9782.50
4	GAS Sensor (PIR 7000)	1	3640
5	Flow Sensor	1	390
6	Local Emergency Stop	1	117
7	Plis Visulisation for Safe in	1	4290
8	Remote Alarm	1	8 77.50
9	Gas Sensore cable	1	1750
10	Interface cable	1	980
11	Set of spare promax	1	1163.80
12	Set of spare RS pump	1	863.85
13	Set of spare gas alarm	1	2073.50
14	CIP Mumbai Freight charges	1	7500
		Total	40,123.15

Annexure C

M/s Whirlpool of India Ltd.,
P.O. No. 1201041781

S. No	Description	Unit	Net value
1	Promax F2P	1	50245
2	RS-F R600A	1	7475
3	Accumulator 10 L R 600A	1	2470
4	Accumulator 10L R134A	1	1690
5	Valve Box	1	942.50
6	Drop Box	1	3315
7	Robust Barcode reader	2	1690
8	R600A Calibration Cylinder	1	487.50
9	SAFI in incl power supply and UPS	1	9782.50
10	Gas Sensor (PIR 7000)	2	3640
11	Flow Sensor	2	390
12	EST 100 with earth clamp	1	2307.50
13	Barcode scanner – wired	1	845
14	Blow – off unit	2	4550
15	Local emergency stop	2	117
		Total	89947 Euro

Agenda Item No. 3 : The application of **M/s Whirlpool India Pvt. Ltd.**, Faridabad for duty exemption for import of Cyclopentane compatible foaming machines for foam blowing in the manufacture of refrigerator cabinet and doors.

M/s Whirlpool has two plants for manufacture of refrigerators located at Pune and at Faridabad. Both plants were using HCFC 141b for PU foaming operations for the refrigerator cabinet body and doors.

In line with guidelines of Montreal Protocol they are now converting these plants for operation with cyclopentane in place of HCFC-141b foam blowing agent. They have already converted their Pune plant from use of HCFC-141b totally to the use of cyclopentane as the blowing agent and for that received duty exemption assistance.

They are now converting their Faridabad plant from use of HCFC-141b to cyclopentane based foaming operations. Faridabad plant has 3 manufacturing lines. The machines now being imported will be used for foaming operations in these lines with cyclopentane as the foam blowing agent. The list of these machines with their purchase orders are given in the Table below with details in corresponding Annexure's A and B.

Table

S. No.	Equipment Details	PO No. and Date	Price in FOB (EURO)	Price in Rs (Lacs)
1	Imported machines with accessories required for conversion from 141B to cyclopentane <i>Details as per Annexure A</i>	1201042534 Dated 25-09-13	20,98,610/-	1793.26/-
2	Imported machines with accessories required to maintain process temperature for cyclopentane blend. <i>Details as per Annexure B</i>	1201043472 Dated 24-10-13	91,500/-	78.19/-
Total cost in Rs.				1871.45 (18.72 crores)
Duty payable @ 7.5%				1.41 crores

The total cost of these imported machines will be approx. Rs. 18.72 crores which will be met from the internal resources of the company. The duty payable @ 7.5 % would be approximately Rs. 1.41 crores.

The company has submitted all the supporting documents.

The company has already availed of duty exemption assistance five times earlier. This is their seventh application.

The Committee may consider the application.

Annexure A

M/s Whirlpool of India Ltd.,

P.O. NO 1201042534 dated 25th Sept. 2013

**DETAILS OF IMPORTED MACHINES WITH ACCESSORIES REQUIRED
FOR CONVERSION FORM 141B TO CYCLOPENTANE**

S. No	Item	Qty	Justification	Price in Euro	Rs.
1	C Pentane storage tank kit	2	Detonation protection, valves, Level detectors, leak sensors Ventilator, dual Red Jacket pump etc for tank operations and safety	1,22,200/-	1,04,41,990/-
2	20m overground Pentane piping	1	Over ground Cyclopentane compliant piping SS80 with armored gaskets and welded connections	2,760/-	2,35,842/-
3	300m ISO piping	1	New ring line for Chemical. Line compatible for C-5 and installed accordingly	19,220/-	16,42,349/-
4	180m + 250 m m Poly Pentane piping	1	New ring line for Chemical. Line compatible for C-5 and installed accordingly	28,050/-	23,96,873/-
5	500l Poly buffer tank	2	For pre cooling the chemical, with all required safeties	48,220/-	41,20,399/-
6	500l ISO buffer tank	1	For pre cooling the chemical, with all required safeties	25,890/-	22,12,301/-
7	Pentamix 40 prepared for 3 components	2	C-Pentane to Polyol mixer with piston pumps, Ex proof controls, mass flow measurements, safety valves, ventilator and controls	1,88,000/-	1,60,64,600/-
8	2x 2000l Poly Pentane buffer tanks	2	To store C-Pentane blended polyol, with exproof controls, level monitoring, safety sensors, Nitrogen blanketing, leak and spill sensors.	95,930/-	81,97,219/-
9	Cabinet metering machine 2 x RSC 40/40 with 10 MH's	2	C-Pentane compatible wet system with Ex proof controls, leak and spill sensors, leak proof	6,09,750/-	5,21,03,138/-
	and 1 x RSC	1		2,91,260/-	24,88,167/-

	40/40 prepared for 10 MH's but with 6 MH's		magnetic couplings, metering pumps, ventilation and Nitrogen jacketing, Auto filling and safety shutdown controls, C-Pentane compatible mixing heads with intrinsic safety		
10	Inerting unit	6	Nitrogen measuring system for inerting operations of cabinet and storage tanks	19,320/-	16,50,894/-
11	RSC 16/16/16/16 with 2 MH's + 1 MH	1	C-Pentane compatible wet system with Ex proof controls, leak and spill sensors, leak proof magnetic couplings, metering pumps, ventilation and Nitrogen jacketing, Auto filling and safety shutdown controls, C-Pentane compatible mixing heads with intrinsic safety	2,32,180/-	1,98,39,781/-
12	RSC 16/16 with 1 MH	1	C-Pentane compatible wet system with Ex proof controls, leak and spill sensors, leak proof magnetic couplings, metering pumps, ventilation and Nitrogen jacketing, Auto filling and safety shutdown controls, C-Pentane compatible mixing heads with intrinsic safety	1,27,700/-	1,09,11,965/-
13	1 X Safety system with 3 sensors for premix room including 1 X Fan with double speed and double motor	1	Safety control panel for Polyol- C-Pentane mixer room with 3 gas leak sensors and dual ventilation blower with automatic double speed	30,420/-	25,99,389/-
14	1 x Safety system with 4 sensors for DD3 including 1 x Fan with double speed and double motor	1	Safety control panel for DD3 machine wet system with 4 gas leak sensors and dual ventilation blower with automatic double speed	32,350/-	27,64,308/-
15	1 x Safety system with 5 sensors for	1	Safety control panel for DD2 machines with 5 gas	47,790/-	40,83,656/-

	DD1&DD2 including with 1 X fan with double speed and double motor		leak sensors and dual ventilation blower with automatic double speed		
16	3 x Safety system with 12 sensors for cabinet lines L1, L2& L3 with double speed and double motor blower	3	Safety control panel for Cabinet foaming machines 1,2,3 with 12 gas leak sensors each and dual ventilation blower with automatic double speed	1,44,399/-	1,23,38,895/-
17	DRY SIDE and 2 x Fan with double speed and double motor	3	Ventilation blower and control for 3 Cabinet foaming fixtures lines with 2 X dual ventilation blower with automatic double speed	15,291/-	13,06,616/-
18	Remote control panel for monitoring the guard gate	1	Centralized Remote panel at the security guards room for 24 hours manning of safety status of complete foaming plant.	5,880/-	5,02,446/-
19	MIX HEAD MK 12/18 ULP-2KVV-G-80-1		Mixing head suitable for C-Pentane foam with exproof intrinsic safe sensors and actuation	12,000/-	10,25,400/-
20	Assembly commission, start up & training	1	Installation job at site and training	1,03,590/-	Exemption not availed
21	Transport and Packaging FOB Hamburg, Germany	1	Packaging of machines and shipment to nearest German port	19,800/-	
			Total	Euro 22,22,000/-	Rs 17,93,26,225/-
TOTAL AMOUNT REQUESTED FOR DUTY EXEMPTION (EXCLUDING ITEM NO. 20 & 21) Euro 20,98,610.00					

Annexure B

**M/s Whirlpool of India Ltd.,
P.O. NO 1201043472 dated 24th Oct., 2013**

**DETAILS OF IMPORTED MACHINES WITH ACCESSORIES REQUIRED
TO MAINTAIN PROCESS TEMPRATURE FOR CYCLOPENTANE BLEND**

S. No	Item	Qty	Justification	Price in Euro	Rs.
1	Turbomiser type water chiller cap	1	Maintenance of Cyclopentane blend temperature	90,000/-	76,90,500/-
2	Sequential controller	1	Maintenance of Cyclopentane blend temperature	1,500/-	1,28,175/-
			TOTAL	Euro 91,500/-	Rs 78,18,675/-

Agenda Item No. 4

The application of **M/s Bharat Seats Ltd.**, Gurgaon (Haryana), for duty exemption for import of one PU Head Rest Cushion Moulding line for Maruti Cars from Japan.

M/s Bharat Seats Ltd., is one of the first joint ventures of Maruti Udyog Ltd., and M/s Rohit Relan and associates. The company was started with the aim of producing car seats for Maruti Udyog Ltd and later expanded to other products. The share holding pattern of the company has undergone some changes with expansion and at present it is as follows:

Suzuki Motor Corporation, Japan	-	14.81%
Maruti Suzuki India Ltd.,	-	14.81%
M/s Rohit Relan and Associates	-	29.62%
Public	-	40.76%

The company has at present a subscribed capital of 6.28 crores. Currently they are supplying 41% of the requirement of Maruti Suzuki India Ltd., mainly seating systems, moulded floor carpets and head rest systems. They also supply seats and frame assemblies for two wheelers of Suzuki Motor Cycles (India) Ltd.

Their main factory is conveniently located near the Maruti Complex, Gurgaon reducing transportation cost, time and inventory level.

The company was one of the earliest to change over to non-ODS technology with the assistance of Montreal Protocol Multilateral Fund and advise of Mr. Bert Veenandhal, UNDP expert. Subsequently they had undertaken three expansions and diversifications for which they received duty exemption assistance in 1999 and 2002 and more recently in 2010. This is their fifth application.

The company is now undertaking a further expansion of their manufacture of **Car Head Rest System** matching with the increased production of Maruti Udyog Ltd to 2 – million cars in the year 2015-16. They are purchasing one more PU Head Rest Moulding line from Polymer Engineering Company (PEC) Ltd., Japan. This machine has been chosen as it is robotic in nature and automatically performs the multiple steps needed for the manufacture of Head Rest System using water as the foam blowing agent in the presence of various additives and catalysts to produce micro porous foam. A Data Monitoring system provided with the machine keeps track of the various production processes,

consumption of raw materials and various parameters to monitor the quality and productivity of the entire plant.

Once the plant goes on stream, their current capacity for head rest system will increase from 18,00,000 headrests per annum to 28,00,000 head reasts per annum.

The details of the plant being imported is shown in the table below: -

Table I

Sl. No	Description of machinery	Qty	P.O. No & Date	Price in (Yen)	Cost in INR
1	High Pressure Foaming Machine	1 set	4700000033 & 24-04-2013	1,48,47,200/-	96,50,680/-
2	Machine Tank Unit	1 set			
3	Digital temperature display of tank system in remote access touch panel near the robot	1 set			
4	Material Temperature control unit	1 set			
5	High Pressure piping for material and hydraulic piping & hoses	1 set			
6	Complete high pressure piping upto mixhead	1 set			
7	Data sampling system	1 set			
8	Air drier	1 set			
Total cost Rs.					96,50,680/- Lacs
Duty payable @ 7.5%					7,23,801/- Lacs

The total cost of the machine as given in Table I is approx. Rs 96.5 lacs and duty payable on it would be approx. Rs. 7/- lacs @ 7.5%

In addition the company has included certain items like packing & super vision charges, discount etc. which are shown in Table II. These are not capital good and duty exemption on these is not recommended.

Table II

Sl. No	Description of machinery	Qty	P.O. No & Date	Price in (Yen)	Cost in INR
9	Assembly and checking at PEC factory	1 set			
10	Seaworthy packing and FOB charges			760	4,94,000/-
11	Supervisor dispatch (1 person X 10days and 1 person X 5 days)			1200000	7,80,000/-
12	Discount			- 321200	- 2,08,780/-
			Total		10,65,220/-

The total cost of the project is Rs. 3.43 crores. It will be funded from their internal resources.

The company has submitted all the supporting documents.

The committee may consider the application.

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Agenda Item No. 5

The application of M/s Zeco Aircon Ltd., Bahadurgarh, Haryana for duty exemption for import of one plant for continuous production of PU air duct panels for AC systems in their factory at village Lahe, Taluka Shahpur, Dist. Thane, Maharashtra.

M/s Zeco Aircon Ltd., are specialists in the manufacture of Air Handling units (AHU) needed for installation of AC systems. They supply these systems to various Govt. Departments, Multiplexes, Cinemas and Airports etc. The company started operations in the year 1995 at Bahadurgarh (Haryana) and have now expanded to Malur (Karnataka), Kancheepuram (Tamil Nadu), Vasai (Thane). Their total turn over now is exceeding Rs14000 lacs.

They are now expanding for production, of pre-insulated air ducts which are in great demand by other ACs systems installers like Blue Star, Voltas in the neighboring areas.

Pre – Insulated ducts are a good replacement of other kinds of ducts needed for ACs systems and is considered as a part of green building projects. For manufacture of these ducts the company is importing total machinery from OMS Italy and has placed orders for it. For insulation they will be using PU foam in between two walls of the ducts and for foam blowing they will be using HCFC -245 fa as the blowing agent. The blowing agent as well as Polyol and Isosynate will be imported. The plant will be operating in a continuous manner.

The details of the plant and cost etc., a given in the table below:

Table

Sr. No	Equipment	Qty	P.O. No and Date	Price in Euro	Price in INR
1	Continuous plant for the production of PU Air Ducts Panels	1	ZAL/IMPORT/033 Dated 04.10.12	9,00,000/-	7,56,40,422/-
Total					7,56,40,422/- (7.56 crores)
Duty payable @ 7.5%					56,73,031.65 (56 lacs)

The total price of the imported machinery is Euro 9,00,000/- (INR 7.56 crores) approx. The duty payable @ 7.5% RS.56,73,031/- (56 lacs) approx.

The project will be financed by a term loan from Punjab National Bank. The company should have submitted a copy of the project submitted to Punjab National Bank for obtaining this loan along with this application.

The company has submitted all other supporting documents.

The company has availed of duty exemption assistance once earlier. This is their second application.

The Committee may consider the application.

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