

Minutes of the Technology and Finance Standing Committee (TFSC) Meeting held on Thursday, 30th August, 2007 at 11:00 A.M. in the Conference Room No. – 2, (CDC), Core 4B, 2nd Floor, India Habitat Centre, Lodhi Road, New Delhi – 110 003
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List of participants is annexed (**Annexure I**)

The Minutes of the TFSC meeting held on 21st June, 2007 were circulated to the members. No comments have been received. The Minutes were adopted.

Dr. A. Duraisamy, Director (O) welcomed the members and informed the action taken by the Ozone Cell on the recommendations made by the TFSC held on 21st June, 2007.

Action Taken: Approval of the Chairman, Empowered Steering Committee (ESC) for Implementation of the Montreal Protocol was taken on file and duty exemption certificates were issued for the following:

1. **M/s Visteon Automotive System India Pvt. Ltd.**
2. **M/s S.G. Engineers.**
3. **M/s Sintex Industries Ltd.**
4. **M/s RINOC India Pvt. Ltd.**
5. **M/s Krishna Maruti Ltd.**

Ex Post Facto approval of the ESC has been taken in its meeting held on 10th August, 2007.

The committee took note of the above and considered the following Agenda items.

Agenda Item No. 1: The application of **M/s Jindal Mectec (P) Ltd.**, Gurgaon, Haryana.

M/s Jindal Mectec (P) Ltd., a large manufacturer of PUF Sandwich panels, have decided to modernize and expand their plant at Gurgaon (village Narsingpur) and are importing (a) two High Pressure P.U. foaming machines and (b) two Hydraulic platen

presses of different sizes from Germany and Singapore. The details of the equipment being imported is shown below:

Table

S. No	Equipment Description	Source	Qty	P.O. No. & Date	Price in Euro/USD	Price in INR (Rs. In Lacs)
1	Import of One High Pressure PU mixing & metering machine model puromat 150.150	Krauss Maffei, Germany	1	20506707c dated 15-06-07	Euro 1,25,000/-	70/-
2	Import of One Hydraulic Press for Polyurethane Panels type 105/32 (2+2) with Two Daylights & Four Extractable Platens.	Krauss Maffei, Italy	1	10506707c dated 15-06-07	Euro 4,40,000/-	246/-
3	One High Pressure PU Foaming machine model GMA H200.	RIM Polymers, Singapore	1	31020R dated 15-06-07	USD 1,25,000	52/-
4	One 3 Station Hydraulic Press for Polyurethane Panels Model P-HM2/4-3 (12.5 x 1.5 mtr)	Do	1	Do	USD 1,96,000	82/-
Total					5,65,000/- Euro + 3,21,000/- USD	450 Lacs
Duty payable @ 7.5%						33.75 Lacs

The total cost of the machinery being imported is Rs. 450 Lacs and duty on it would be approx. Rs. 33.75 Lacs. The Committee was informed that similar equipment for manufacturing PUF panels have been approved for many companies earlier.

Taking note of the increasing demand for PUF panels for various purpose in the country, the committee recommended for approval of the above list for exemption of custom duty.

Agenda Item No 2: The Application of M/s Pranav Vikas India Ltd.

M/s Pranav Vikas India Ltd, located in Faridabad, is a large manufacturer of aluminum heat exchangers (condensers and evaporators) used in MACs. The company has now undertaken an expansion program to increase their production to 1000,000 units of heat exchangers per year.

For this expansion programe they are importing (i) One 250 Tonne double knucle press with Auto feeder from Korea and (ii) One distributor slot machine from Thailand.

Details of these machines are given below:

Table

S. No	Description of Equipment	Qty	P.O. No & Dated	Supplier	Cost in USD	INR Lacs
1	250 Tonne Double Knucle Press and Auto Feeder	1	PVPL/0006 Dated 21.04.07	Shinwon World Trading Co., Ltd., Korea	260,000/-	106.00/-
2	Distributor Slot Machine	1	PVIL / II / 1435	Sanden Thailand Co. Ltd., Thailand	129,000/-	52.89/-
Total INR						158.89/- Lacs
Duty payable						11.91/- Lacs

The total cost of these two pieces of equipment is Rs. 158.89/- Lacs and the duty on it would be approx. Rs. 11.91/- Lacs @ of 7.5%.

The Committee was informed that the knucle press is needed to form the plates of the PAF evaporators and the slot machine is needed for punching of header slots of multi flow condensers.

Considering the increasing demand of MACs in the country, the committee recommended approval of the above list of equipments for exemption of customs duty.

Agenda Item No. 3 The application of **M/s Nilkamal Ltd, Puducherry.**

M/s Nilkamal Ltd, earlier known as **M/s Nilkamal Crates and Bins**, is a large manufacturer of Polyethylene articles having many factories. In 2005 they diversified into manufacture of P.U foam insulated ice boxes of different sizes at their Silvasa plant and encouraged by the success of the product at Silvasa, the company wants to manufacture similar P.U. insulated ice boxes in their existing plant at Puducherry. For this expansion project they are importing one Canon AP30 high pressure PU foaming machine and have applied for duty exemption. The details of the machine is given in the Table below:

Table

Sl. No	Description	Qty	P.O. No and Dated	Price in EURO
1	Canon AP-30 high pressure Polyurethane equipment using CFC-free technology.	1 Unit	NKL.PONDY/001/07-08 Dated 04/06/2007	35,000/-
Total amount				35,000/-
INR				20,66,750/-

The cost of the machine is INR 20,66,750/- and duty on it is expected to be Rs. 1,55,006 @ 7.5%.

Considering that insulated P.E. ice boxes are very useful for preservation of perishables and particularly for the fisheries, the committee recommended for approval the above equipment for exemption of customs duty.

Agenda Item No. 4 The application of **M/s Nilkamal Ltd, Samba, Jammu.**

M/s Nilkamal Ltd, earlier known as **M/s Nilkamal Crates and Bins**, is a large manufacturer of Polyethylene articles having many factories.

In 2005 they diversified into manufacture of P.U foam insulated ice boxes of different sizes at their Silvasa plant. They now want to manufacture similar P.U. insulated ice boxes in their existing plant at Jammu. For this expansion project they are importing one Canon AP30 high pressure PU foaming machine and have applied for duty exemption. The details of the machine is given in the Table below:

Table

Sl. No	Description	Qty	P.O. No and Dated	Price in EURO
1	Canon AP-30 high pressure Polyurethane equipment using CFC-free technology.	1 Unit	NKL/ Jammu /125/07-08 Dated 04/06/2007	35,000/-
Total amount				35,000/-
INR				20,66,750/-

The cost of the machine is INR 20,66,750/- and duty on it is expected to be Rs. 1,55,006 @ 7.5%.

Considering that insulated P.E. ice boxes are very useful for preservation of perishables and particularly for the fisheries, the committee recommended for approval the above equipment for exemption of customs duty.

Agenda Item No. 5

The application of **M/s Suchi Foams Pvt. Ltd.**

M/s Suchi Foams is now setting up a new factory for production of PUF Sandwich Panels and doors with an installed capacity of 2,00,000 Sq. Mtr. These panels will be used mainly for setting up cold storages, cold rooms, clean rooms etc.

For PUF panel manufacture in the new factory, they are importing a PUF Sandwich panel making plant details of which are given in the following table:

Table

Sl. No	Description of Equipment	Qty	P.O. No and Date	Price in EURO	Price in INR
1	Cannon Polyurethane Sandwich Panel making Plant using Non ODS Technology Consisting of.	One	SF/PO/CANNON/01	3,35,000.00	1,85,00,000/-
	a) Cannon A-200 H. Pr foaming machine with accessories.	One	04-06-2007		(1.85 CR.)
	b) Multi day light Platen press Manni PMC 262 T.	One			
Total cost Rs.					1,85,00,000/-
Appox. Duty payable @ 7.5 % Rs.					13.88Lacs

Considering that the demand for PUF Sandwich panels is expanding for expanding prefab building industry and duty exemption for similar plants have been approved for many in the recent past, the committee recommended for approval of the above list of equipment for exemption of customs duty.

Agenda Item No. 6 The application of **M/s Subros Ltd.**,
Noida and Manesar.

M/s Subros Ltd., is the largest manufacturer of car Air-conditioners in India. They are OEM suppliers to M/s Maruti Udyog Ltd., and also supplies to Tata motors, Mahindra and Mahindra for all models of passenger cars and have plants at Noida (UP), Manesar (Haryana) and Pune (Maharashtra). Currently they are planning to increase the capacity from 5,00,000 Ac systems to 7,50,000 units by adding new equipment in stages.

For the plants at Manesar and Noida, they need a few balancing equipment details of which are given in the following table:

Table

For Manesar Plant					
SI	Description of eqpt.	Qty	P.O. No, Date & Supplier	Total amount (FOB/CIF value) in JPY	Total CIF cost (Rs. In Lacs)
1	CNC Pipe Bender Model KB 15ND along with accessories	1 set	7200000184 Dated 24.03.07 Logics Corporation	8400000	3028200.00
2	Fan and Motor Assembly Machine SB 710012 070105	1 set	7200000185 Dated 24.03.07 Sumitomo Corporation	10491940	3782344.37
3	Fan Balancing Machine SB710013 070105	1 set	7200000185 Dated 24.03.07 Sumitomo Corporation	11199095	4037273.75
4	R 30iA Robot as per specification mentioned below: 7m non flexible cable i-pendant Digital input/output card with capacity to interface 22 digital inputs and 20 digital outputs Handling tool software with high speed collision detection 2 sets of manuals.	1 set	7200000197 Dated 10.08.07 Fanuc Limited	2500000	901250.00

Sl	Description of eqpt.	Qty	P.O. No, Date & Supplier	Total amount (FOB/CIF value) in JPY	Total CIF cost (Rs. In Lacs)
For Noida Plant					
1	Vertical Optoquick set Bench with E9066 Industrial PC and one universal master.	1 Set	7200000189 Dated 14.05.07 Marposs Spa	43500	2598690.00
2	Flow forming spinning machine Model VF-V200B-T3 along with standard accessories.	1 set	7200000191 Dated 25.06.07 Logics Corporation	56930000	20523265.00
3	Fanuc Robodrill Alpha T14 iEe with FS31i-A	1 set	7200000192 Dated 25.06.07 Fanuc Limited	8150000	2938075.00
4	YC5 Htr Case Molding Die SB 760027	1 set	7200000193 Dated 02.08.07 Sumitomo Corporation	77390000	27899095.00
5	Chucking Plate SB 770055	1 set	7200000193 Dated 02.08.07 Sumitomo Corporation	327000	117883.50
6	12 Stage Progressive Die Compressor Gasket Front	1 set	7200000194 Dated 02.08.07 Logics Corporation	4240000	1528520.00

SI	Description of eqpt.	Qty	P.O. No, Date & Supplier	Total amount (FOB/CIF value) in JPY	Total CIF cost (Rs. In Lacs)
7	12 Stage Progressive Die Compressor Gasket Rear	1 set	7200000194 Dated 02.08.07 Logics Corporation	4240000	1528520.00
8	COPAL NW Pulley Blank Forming Open Die.	1 set	7200000195 Dated 02.08.07 Logics Corporation	8780000	3165190.00
Total amount INR					7,20,48,306.62
Duty payable Appox.					54,03,623.00

Some of the equipment now being imported will be installed at Noida and some at Manesar. These will the augment the production capacity of equipment already installed at both locations.

The total cost of these 12 equipments is Rs. 720.48 Lacs and duty payable on it is appox. 54.03 Lacs.

The committee was informed that the machinery is needed for manufacture of new type of energy efficient MACs for the new model of car being introduced by Maruti Udyog Limited. In the ensuing discussion some members suggested that separate applications should be made in future for equipment to be installed at different locations. Taking note of the information provided by M/s Subros and suggestions made by the members, the committee recommended for approval of the above list of equipment for exemption of customs duty.

The Committee also decided that in future only separate applications for duty exemption for plants at different places will be accepted.

The meeting ended with vote of thanks to the Chair.



Annexure-I

The meeting of the Technology and Finance Standing Committee held on **30th August, 2007** at **11:00 A.M.** in the Conference Room No. – 2 (CDC), Core 4B, 2nd Floor, India Habitat Centre, Lodhi Road, New Delhi – 110 003.

LIST OF PARTICIPANTS

1	Dr. S. Varadarajan, Chairman (TFSC), 4-A, Girdhar Apartments, 28, Feroze Shah Road, New Delhi- 110001 Ph. : 23230828 (Dir)	Chairman
2	Mr. H. S. Kaintura, Ministry of Chemicals & Petrochemicals, Room No. – 227, Department of Chem. & Petro-Chemical, Shastri Bhavan, New Delhi – 110001	Member
3	Dr. Shraddha Dubey, Confederation of Indian Industry, India Habitat Centre, Zone IV 4 th Floor, Lodhi Road New Delhi – 110003	Member
4	Dr. Kiran Pal, Joint Director, Centre for Fire, Explosive & Environment Safety (CFEES), Defence Research & Development Organisation (DRDO), Ministry of Defence, Brig. S.K. Mazumdar Road, Timarpur, Delhi – 110054	Member
5	Shri R. Balasubramaniyan, Regional Secretary, India Chemical Manufacturers Association (ICMA), B - 41/1 East of Kailash, New Delhi – 110065	Member

6	<p>Dr. Sunil Abrol, Director General, Consultancy Development Centre, India Habitat Centre, Lodhi Road, New Delhi – 110003 Ph. 24648268 (Dir), 4602601/2915 Fax : 24602602</p>	Member
7	<p>Dr. S. Satapathy, NPM, SPPU Core IV B, 2nd Floor, India Habitat Centre, Lodhi Road, New Delhi – 110003</p>	(Special invitee)
8	<p>Shri. R. Srinivas, Project Coordinator, Project Management Unit (PMU), Ozone Cell, Ministry of Environment and Forests, Core IV B, 2nd Floor, India Habitat Centre, Lodhi Road, New Delhi – 110 003</p>	(Special invitee)
9	<p>Shri. Amit Gulati, Audit Coordinator (PMU) Project Management Unit (PMU), Ozone Cell, Ministry of Environment and Forests, Core IV B, 2nd Floor, India Habitat Centre, Lodhi Road, New Delhi – 110003</p>	(Special invitee)
10	<p>Shri. Mahinder Singh, AO, Ozone Cell, Ministry of Environment and Forests, India Habitat Centre, Zone IV 4th Floor, Lodhi Road, New Delhi – 110003</p>	(Special invitee)

11	Shri. Mohd. Rashid Ayub, MIS Coordinator, Project Management Unit (PMU), Ozone Cell, Ministry of Environment and Forests, India Habitat Centre, Zone IV 4 th Floor, Lodhi Road, New Delhi – 110003	(Special invitee)
12	Prof. S.K. Mukerjee, Consultant, Ozone Cell, Ministry of Environment and Forests, Core IV B, 2 nd Floor, India Habitat Centre, Lodhi Road, New Delhi – 110003	Consultant
13	Dr. A. Duraisamy, Director (Ozone Cell), Ministry of Environment and Forests, Core IV B, 2 nd Floor, India Habitat Centre, Lodhi Road, New Delhi – 110003	Member Secretary