

Minutes of the Technology and Finance Standing Committee (TFSC) Meeting held on Wednesday, 10th January, 2007 at 11:00 A.M. in the Conference Room (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**)

Dr. A. Duraisamy, Director (O) welcomed the members wishing them a "Happy New Year". He then mentioned that the following six applications were considered in the TFSC meeting held on 29th September, 2006 at 11:00 A.M. in the Conference room of CDC.

- 1) The Application of **M/s Nilkamal Crates and Bins**, Silvasa (Dadar & Nagar Haveli) for import of a CANNON AP-30 High Pressure P.U. Foaming machine.
- 2) The application of **M/s Subros Ltd.**, for duty exemption for import of equipment/toolings required for new mobile AC system/ AC kit parts designed for use with non-ODS refrigerant R-134a and needed for fitting in "SWIFT" model of cars recently introduced by MUL.
- 3) The duty exemption application of **M/s Lloyd Insulations Ltd.**, for import of One High Pressure Foaming machine and a platen press for manufacture of PU Sandwich foam panels.
- 4) The duty exemption application of **M/s Polyflex (India) Pvt. Ltd.**, for import of one High Pressure Foaming plant at Chennai for manufacture of automobile car seats.
- 5) The duty exemption application of the same company **M/s Polyflex (India) Pvt. Ltd.**, for import of One High Pressure Foaming machine for their automobile car seat manufacturing plant at Pune.
- 6) The duty exemption application of **M/s Aster Tele Service Pvt. Ltd.**, Secunderabad (A.P) for import of One Cannon High Pressure Foaming machine and four panel presses for manufacture of Foam Sandwich Panels needed for manufacture of telecom shelters.

All six application were recommended by the committee.

Action Taken: Approval of the Chairman, Empowered Steering Committee (ESC) for Implementation of Montreal Protocol has been taken on file and duty exemption certificates have been issued. Post Facto approval of the ESC will be taken in its next meeting.

The Minutes of the TFSC meeting held on 22.3.2006 were circulated to the members. No comments have been received. The Minutes were adopted.

The discussion on the Agenda items then began.

Agenda Item No. 1: The application for Duty exemption of **M/s ICOMM Tele Ltd.**, for import of one Cannon A-100 P.U. foaming machine and one press for manufacture of P.U. Sandwich Panels for Telecom shelters.

M/s ICOMM Tele Ltd., is a large manufacturer of Tele Communications equipment and have recently started manufacturing P.U. Sandwich Panels in 2005 for manufacturing telecom shelters. They are now expanding their activities and are importing one more foaming machine and platen press for which they have applied for duty exemption. The details of the machines being imported is given in the table below. They will be using HCFC-141b as the non-ODS foam blowing agent.

Table

SI	Description of equipments	Qty	P.O. No	Supplier Name	FOB Price (Euro)	Price in (INR)
1	Cannon polyurethane Sandwich Panels Foaming plant using CFC-free technology consisting of following.	1	T/SHELTERS/P&M/178	M/s Afros S.P.A., Italy	1,25,000/-	70,00,000/- As per Annexure B
A	One set of Polyurethane Foaming machine Cannon-A-compact 100.	1	As above	As above	-	-
B	One Press for Sandwich Panels production, Manni PMC 95T four day light, 3500x 1500 mm.	1	As above	As above	-	-
Total price INR						70/- Lakhs
Duty payable @ 15% Appox.						10.5/- Lakhs

The total cost of these two equipment is Rs. 70 lakhs and the approx. Duty payable is approx. Rs. 15 lakhs.

The committee discussed the application and felt there is need for manufacture of PU Sandwich Panels for making telecom shelters for which market is booming. These panels can also be used for cold storages, refrigerated vans and insulated huts for defense personnel. The committee recommended the application for approval.

Agenda Item No 2: The application of **M/s Subros Ltd.**, for Duty exemption for import of equipment / toolings required for manufacture of new Air – conditioning systems / A.C. kits of (R-134a type).

M/s Subros Ltd., the largest manufacturer of car Air-conditioners in India, have now decided to set up another plant at Chakan Industrial Estate, Pune to cater to the needs of Tata Motors situated near by. They are also augmenting their facilities at Manesar and at Noida to cater to the needs of new models of cars being introduced by M/s Maruti Udyog Ltd.,

For the new plant at Pune and for augmenting facilities for existing plants at Noida and Manesar M/s Subros is now importing 18 Sets of equipment and have applied for duty exemption for the same.

Details of equipment being imported may be seen in the Table below.

The committee discussed the application in detail and noted that the new model of MACs which will be manufactured by the company is needed by other car manufacturers like Tata Motors and Mohindra & Mohindra who have been so far been importing their requirements. Some discussion took place regarding the availability of injection moulding machines indigenously. It was clarified that special moulds for manufacture of plastic bodies housing MAC components are available only from Taiwan, Japan and Korea. Matching injection moulding machines requiring very close tolerances are available only from the sources mentioned in the project.

The committed noted this and recommended the application for approval.

Table

For Noida Plant						
Sl	Description of eqpt.	Qty	P.O. No & Supplier	Total amount (FOB/CIF value)	Total landed cost (Rs. In Lakhs)	Required For
1	Fanuc Robodrill Alpha-T14 with FS31i-A	1 Set	7200000163 Fanuc Ltd.,	JPY 8,150,000/-	35	Machining of compressor parts.
2	Fanuc Robodrill Alpha-T21 with FS31i-A	1 Set	7200000164 Fanuc Ltd.,	JPY 8,600,000/-	37.5	Machining of compressor parts.
3	Soul Brand Chuck Op-1 UBL-8 & Soul Brand Chuck Op-2 UBL-8.	1 Set each	7200000165 Logic Corporation	JPY 2,381,350/-	9.57	Machining of compressor parts.
For Manesar Plant						
1	Coordinate Measuring Machine.	1 Set	7200000148 Carl Zeiss IMT Corporation.	\$ 83,500/-	40.08	Measurement of precision components and toolings of R-134 AC system.
2	All Electric Injection Molding Machine Model JAD 85-110 AH.	1 Set	7200000158 Kyodo International Corporation.	JPY 9,571,236/-	42.25	Moulding of plastic parts.
3	All Electric Injection Molding Machine Model JAD 180-300 AH.	1 Set	7200000159 Kyodo International Corporation.	JPY 14,224,682/-	62.75	Do

Sl	Description of eqpt.	Qty	P.O. No & Supplier	Total amount (FOB/CIF value)	Total landed cost (Rs. In Lakhs)	Required For
4	All Electric Injection Molding Machine Model JAD 180-300 AH.	1 Set	7200000160 Kyodo International Corporation.	JPY 14,224,682/-	62.75	Do
5	Surface Grinder Model KGS 63 AHD.	1 Set	7200000162 Kent Industrial Co. Ltd.,	USD 15,250/-	7.8	Grinding of spl. tools and gauges.
6	Hose Crimping Machine.	1 Set	7200000166 Logics Corporation	JPY 5,700,000/-	22.89	For Crimping all type of Hose Assy.
7	Chiller Model FWC 10. Water Cool type Hot Air Dryer Model: CDH-50 capacity 50 kg. Hi-More Robot Model.	1 Set each	7200000167 Kyodo International Corporation	USD 26,180/-	12.13	For use with Injection Molding machine.
8	11 items as per the description in P.O.	1 Set each	7200000168 Kyodo International Corporation	USD 57,320/-	26.57	For use with Injection Moulding machine.
For Pune Plant						
1	Cylindrical Grinding Machine.	1 Set	7200000149 Palmary Machinery Co. Ltd.,	USD 74,615/-	35.82	Grinding of Hubs.

SI	Description of eqpt.	Qty	P.O. No & Supplier	Total amount (FOB/CIF value)	Total landed cost (Rs. In Lakhs)	Required For
2	Buldge and Spinning Machine (Model KE 20 DS-3) along with standard Accessories.	1 Set	7200000154 Logics Corporation.	JPY 20,200,000/-	88.2	Carrying out the Buldging / Spinning operation on Aluminium Tubes.
3	CNC Pipe Bender (Model KB 15 ND) along with standard accessories.	1 Set	7200000155 Logics Corporation.	JPY 8,450,000/-	36.9	Precise bending of Aluminium Tubes.
4	Rotary Pipe Cutting Machine (Model KC 25 SN) along with standard accessories.	1 Set	7200000156 Logics Corporation.	JPY 14,350,000/-	62.65	Cutting (chipless) of the Aluminium Tubes.
5	Coil Winding Machine Model AX 2 along with accessories.	1 Set	7200000157 Tanaka Seiki (Malaysia) Sdn Bhd	\$ 12,200/-	6.25	Wire winding on coil to make Stator Sub Assy.
6	Surface Grinder Model KGS 63 AHD	1 Set	7200000161 Kent Industrial Co. Ltd.,	USD 15,250/-	7.8	Grinding of spl tools and gauges.
7	Hose Crimping Machine	1 Set	7200000169 Logics Corporation.	JPY 5,700,000/-	22.89	For Crimping all types of Hose Assy.
Total amount INR					619.81 Lacs	
Duty payable Appox.					92.97 Lacs	

Agenda Item No 3 : The application of **M/s Jindal Soft Italia Seating Pvt. Ltd.**, Pune for duty exemption for import of one High Pressure P.U. foaming machine for manufacture of two and three wheeler seats.

M/s Jindal Soft Italia Seating Pvt. Ltd., is a recently incorporated company with the aim of manufacturing and assembling P.U foam seats for two and three wheeler motor vehicles.

They are installing a new large plant at village Khed, near Pune (Maharashtra) with a capacity of 18.5 Lac seats per year and intend to be a major supplier of the 2-wheeler seat requirements of M/s Bajaj Auto Ltd., under an agreement.

For this new project at Khed (Pune), they are importing One High Pressure Foaming machine with accessories form M/s Krauss Maffei, Germany.

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

Table

S. No	Description of Equipment	P.O. No & Date	Total amount (FOB/CIF value)
1	<p>One High – Pressure mixing and metering machine RIM-STAR Compact 40/16 NO. 325, complete with accessories:</p> <p>a) <u>Wet Side</u> i) Raw material tanks. ii) Suction lines iii) Pumps iv) High pressure line system v) Mixing head vi) A control cabinet vii) Hydraulics</p> <p>b) <u>Dry Side</u> i) 1 off oval conveyor for 22 mould carriers ii) closing station iii) 22 of mould carriers trolley iv) 18 off mould carriers</p>	<p>38006334</p> <p>Dated</p> <p>14-7-06</p>	<p>Euro 7,48,500/-</p> <p>Landed cost INR</p> <p>449.10/- Lacs</p>

	v) One off Energy supply vi) One off mixing head robot type vii) Hose and pipe for KM mixing head. c) Spare Mixing head		
Total cost INR			449/- lacs
Duty payable @15%			67.5/- lacs

The company claims that with better technology available with Italian collaboration they will be able to manufacture premium quality seats which are flame retardant, low density and water as well as weather resistant.

The project will cost Rs. 1591.08 Lacs, part of which will be financed by internal accruals (from share holders) and rest by a term loan of Rs. 954.65 Lacs from State Bank of India, New Delhi.

The committee noted that the company having an Italian collaboration will be bringing in better technology for manufacture of two and three wheeler seats and recommended the application for approval.

The meeting ended with vote of thanks for the chair.



(Annexure I)

The meeting of the Technology and Finance Standing Committee on **10th January, 2007** at **11:00 A.M.** in the Conference Room (CDC), Core 4B, 2nd Floor, India Habitat Centre, Lodhi Road, New Delhi – 110 003.

LIST OF PARTICIPANTS

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|---|---|-------------------|
| 1 | Dr. S. Varadarajan,
Chairman (TFSC),
4-A, Girdhar Apartments,
28, Feroze Shah Road,
New Delhi- 110001
Ph. : 23230828 (Dir) | Chairman |
| 2 | Shri. Malik Akramuddin,
O/o DC (SISI), Ministry of Small Scale
Industries,
Nirman Bhavan,
New Delhi – 110011 | Member |
| 3 | Dr. Shraddha Rubey,
Confederation of Indian Industry,
India Habitat Centre, Zone IV
4 th Floor, Lodhi Road
New Delhi – 110003 | Member |
| 4 | Prof. R.S. Agarwal
Professor of Mechanical Engineering
Mechanical Engineering Department
Indian Institute of Technology (IIT),
Hauz Khas, New Delhi – 110016
Ph. 26591120 (O), 26591809
Mobile : 9811361865 | Member |
| 5 | Dr. S. Satapathy,
NPM, SPPU
India Habitat Centre, Zone IV
4 th Floor, Lodhi Road,
New Delhi – 110003 | (Special invitee) |
| 6 | Shri. Mohd. Rashid,
MIS Coordinator,
Project Management Unit (PMU),
India Habitat Centre, Zone IV
4 th Floor, Lodhi Road,
New Delhi – 110003 | (Special invitee) |

- 7 Shri. Amit Gulati, (Special invitee)
A.C,
Project Management Unit (PMU),
India Habitat Centre, Zone IV
4th Floor, Lodhi Road,
New Delhi – 110003
- 8 Shri. Mahinder Singh, (Special invitee)
AO, Ozone Cell,
India Habitat Centre, Zone IV
4th Floor, Lodhi Road,
New Delhi – 110003
- 9 Prof. S.K. Mukerjee, Consultant
Consultant (Ozone Cell),
Ozone Cell,
India Habitat Centre, Zone IV
4th Floor, Lodhi Road,
New Delhi – 110003
- 10 Dr. A. Duraisamy, Member Secretary
Director (O)
Ozone Cell,
India Habitat Centre, Zone IV
4th Floor, Lodhi Road,
New Delhi – 110003