

Additional Agenda Item No.1

The application of **M/s Sanden Vikas India Ltd.**, Faridabad, for duty exemption for import of machinery for their expansion project.

M/s Sanden Vikas India Limited is a large manufacturer of Mobile Air Conditioners (MACs) in India. They established a joint venture in collaboration with Sanden corporation of Japan in 1985. These air conditioners are supplied to all types of cars in the market.

This company was one of the first to convert to non-ODS technology with assistance from MPMF and is now making MACs using R-134a as refrigerant. Sanden Vikas now is an IAO 9002/TS 16949, ISO 14001 and QS 9000 certified company.

The company has gradually increased their production capacity and their currently projected capacity is 200,000 units per year. In this effort they have received assistance in the form of duty exemption for import of machinery nine times earlier. This is the 10th application.

For this expansion project at Faridabad, they are importing and installing six pieces of equipment details of which are given in the table below.

Table

Sl. No	Equipment	Qty	P.O. No & Date	Price in Euro/Yen/USD	Price in INR
1	Moulds for HVAC (YC5)	1	SVL/IMP/064 31/08/2007	396000 USD	15444000
2	END Forming Machine for AC Pipes with bulge & spinning tools	1	SVL/IMP/068 08/09/2007	21280000 Yen	8512000
3	Pipe Rolling Machine & Tools	1	SVL/IMP/070 17/09/2007	55000 USD	2145000
4	Finn Power SP 100S VS Crimping Machine	1	SVL/IMP/075 15/10/2007	21000 EURO	819000
5	Moulds for HVAC (Microbus)	1	SVL/IMP/071 24/09/2007	281950 USD	10996050
6	Measuring & profiling system	1	SVL/IMP/078 25/10/2007	118073 USD	4604847
Total cost INR					42520897
Duty payable @ 7.5%					32 Lakhs

The cost of the equipment being imported is 4.26 crores and duty payable on it is approx. 32 lakhs.

It may be mentioned that all the equipment being imported are general purpose machinery and moulds needed for manufacture of MACs. Similar equipment has been approved earlier for them as well as for other MAC manufacturing companies.

The company has submitted all the necessary supporting documents.

The committee may consider the application.

☯ ☯ ☯ ☯ ☯ **Additional Agenda Item No. 3:** The Application of **M/s Global Autotech Ltd.**, Noida (U.P) for duty exemption for import of machinery needed for increasing the capacity for manufacture of components for mobile Air-Conditioners suitable for non-ODS technology.

M/s Global Autotech is a private limited company closely associated with **M/s Subros Ltd.**, the largest manufacturer of Mobile air Conditioners (MACs) in the country. The company is engaged in the manufacture of parts and components of MACs which at present are totally supplied to **M/s Subros Ltd.** **M/s Global Autotech** has already received duty exemption assistance four time earlier for import of equipment for manufacture of components and accessories for MACs. This is their 5th application.

Global Autotech manufacturers all the tube connectors for M/s Subros. Due to increased demand from **M/s Subros Ltd.**, **M/s Global Autotech Ltd.**, is now enhancing their capacity of manufacture of **Tube Connectors** from 300,000 pcs per month to 350,000 Tube connectors per month. For this they are importing two vertical CNC tap centre machines details of which are given in the table below.

They are also increasing their capacity for manufacture of **squeeze cast aluminium housing for AC compressors** for which they are importing one squeeze casting machine and one melting

furnace with unloading Robot, details of which are also given in the table. All these will be installed in their plant at Noida (UP).

It may be mentioned that these are general purpose machinery needed for manufacture of tube connectors and aluminium compressor housings which are currently being imported to meet the increasing demand.

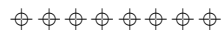
Table

S. No	Area	Machine Equipment Req'd. /	Qty	PO/LOI No. Date	Supplier Source	FOB Value /CIF	Total Landed Cost INR (Lacs)
1	Tube Connector	Yamazen – Brother make Vertical CNC tap centre equipped with all standard accessories	1	GAL/MISC/2131-2007-2008 9 th Aug, 07	Yamazen Corp. Japan	JPY 6,200,000	29.76
2		Yamazen – Brother make Vertical CNC tap centre equipped with all standard accessories	1	GAL/TC/MISC/2135 /2007-08 5 th Oct, 07	Yamazen Corp. Japan	JPY 6,100,000	29.28
3	Die Casting	Model No. HVSC 800 SQ Horizontal Die Clamp Vertical Shot Structure 800T Squeeze Casting Machine with Accessories	1	GAL/PDC/5164/2006-2007 25 th Aug, 07	UBE Corp. Japan	JPY 76,500,000	367.20
4		CMTS Sdn Bhd Model – MH 400 Aluminum Melting & Holding Furnace of capacity 400 kg/Hr.	1	GAL/PDC/IMP/014/ 30 th Nov, 07	CMTS SDN BHD Malaysia	US \$ 72,000	34.56
Total Price							460.80
Duty Payable @ 7.5 %							34.56

The total cost of machinery being imported is Rs. 460.8 Lacs and duty on it would be approx. Rs. 34.6 lacs. The cost of this expansion will be met by internal accruals.

The company has submitted proper purchase orders and other supporting documents.

The committee may consider the application.



Additional Agenda Item No.2

The application of **M/s Telecom Network Solutions Pvt. Ltd.**, Noida for duty exemption for import of one High Pressure Polyurethane Foaming machine.

M/s Telecom Network Solutions Pvt. Ltd., is a new company founded in 2001 to manufacture steel structures for Telecom Industries. They gradually expanded to other businesses like Microwave, networking and Telecom training centers. **The company is now adding manufacture of Telecom shelters to their business activities** at UPSIDC Industrial area, Sikendrabad, (U.P.). For this new activity they want to import one high pressure P.U. foaming machine with accessories details of which are given in the table below. The application is for duty exemption for the import of this machine.

Table

Sl. No	Equipment	Qty	P.O. No & Date	Price in Euro	Price in INR
---------------	------------------	------------	---------------------------	----------------------	---------------------

1	High Pressure Polyurethane Machine Model Titan 100 R. 1.1 using CFC-Free Technology, composed of: a) Polyol / Isocyanate Tank b) Polyol Metering Group c) Isocyanate Metering Group d) Hydraulic Power Pack e) Mixing Head Type EKS 18 f) Control Panel g) Pneumatic Drum Transfer Pumps h) Heat Exchangers	1	TNS/07-08/04/001 Dated 28-9-2007	59000/-	3392500/-
Total cost INR					3392500/-
Duty payable @ 7.5%					2.54 Lacs

The cost of this machine is Euro 59,000 (INR 33,92,500/-) and duty payable is approx. 2.54 lacs.

For making the panels a press is also necessary. The company has informed that the press will be procured from indigenous sources.

The total cost of the project is approx Rs. 2.927 crs and will be financed from internal accruals.

It may be mentioned that similar foaming machine for making PUF panels have been approved for many companies in the past and the market for foam panels for making telecom shelters is expanding.

The approximate production capacity to start with is estimated to be 250 shelters per month.

The company has submitted proper purchase orders and other supporting documents.

The committee may consider the application.



Agenda Item No.3

The application of **M/s Hunter Telecom India Pvt. Ltd., Gurgaon** for duty exemption for import of a

PUR Cold Room Panel continuous production line from Korea.

Hunter Telecom India Pvt. Ltd., Gurgaon, is a recently (2006) formed private limited company having a factory at Baddi (Solan), H.P. The company manufactures currently steel and sheet metal articles like Cabinets Racks, Power back up systems, Inverters, AC cabinets, Heat exchangers, Thermal management systems etc. for Telecom Industries. They are now expanding their manufacturing activity to make **telecom shelters** using poly urethane foam panels. For this they are importing a continuous production line for PUR foam panels from Korea. The details of the machinery being imported is given in the table below.

Table

Sl. No	Details of Equipment	P.O. No & Date	Price in INR	Price in US\$
1	PUR Cold room Panel continuous production line	HU/1107/0066 Dated 24.11.2007	40400000/-	1010000/-
Duty Payable @ 7.5%			30.3 Lakhs	

The cost of the production line is Rs. 4.04 crs. and duty payable on it would be approx. Rs. 30.3 Lakhs.

It may mentioned that continuous panel making machines are more economical and currently every manufacturer of PUF foam panels are opting for this kind of machine. Similar foam panel making machines I have been recommended for many enterprises earlier.

The total project cost including land, building etc. is approx. Rs. 75 crs. and it will be financed mostly by internal accruals. However if needed, they will apply for a bank loan later.

Land for the proposed unit is being acquired adjacent to their present factory.

It may be noted from the share holding pattern that the two Directors have just 0.2% of share each. Bulk of the shares (99.8%) belong to two other companies (M/s Lancer enterprises Pvt. Ltd., and M/s N.P. Woolen Mills Pvt. Ltd.,).

The company has applied for other documents.

The committee may consider the application.



Agenda Item No. 1: The application of **M/s E-Pack Polymers Pvt. Ltd., Greater Noida, U.P.** for duty exemption for import of one Cannon A-200 PU foaming machine and one Hydraulic hot press with automatic loading/unloading systems form EUMA, Malaysia.

M/s E-Pack Polymers Pvt. Ltd., is a large company currently engaged in the manufacture of expandable polystyrene (thermocole) products. They are a major vendor catering to 70% of the demand of M/s L.G. Electronic India Pvt. Ltd., for their shape moulded as well as block moulded packing systems and have almost 50% of market share in North India. The company is a Pvt. Ltd., company with 19 major and 16 minor share holders.

Anticipating market demand and to fully utilize available space in their existing premises M/s E-Pack Polymers Pvt. Ltd., have now decided to diversify into manufacture of PU Sandwich panels. For setting up this new plant they are importing (a) one PU foaming plant from Italy and (b) one hot panel press from Malaysia. The details of the imported equipment is shown in the Table below.

Table

Sl. No	Equipment	Qty	P.O. No & Date	Price in Euro	Price in INR
1	One High Pressure 200 Kg. Cannon A-Compact 200 Polyurethane Foaming Machine Spares: One set of spare parts	1	LOI and Proforma Invoice No. 620/07 sA/mtC Dated 10/09/07	1,10,000 FOB	60,50,000
2	One Hydraulic Hot Press with bottom movable platens with Automatic loading/unloading systems. Specs:	1	Sales Contract No. EUMA 99/07 Dated	125,000	68,75,000

Type PXE 70/15 (1+1), Solid Steel Platens Single Opening Platen Size : 7,000x1,500mm Stroke : 400 mm Opening : 400 mm Loading side : 1500mm 3 heating platens (One tope fixed and two bottom movable), PLC controlled		26/09/07		
Total			2,35,000	1,29,25,000/-
Appox. Duty @ 7.5%			17,625/-	969,375/-

The total cost of these two machines is Rs 129.25 lacs and duty payable on it @ 7.5% would be appox. Rs. 9.69 lacs.

The total cost of the project including land, building, plant and machinery is Rs. 38.5 crs. and it will be partly financed by a term loan of appox. 25.1 crs. for which they will apply to Corporation Bank, Noida.

The project will be located at their existing premises in Greater Noida, U.P. Apart from imported machinery other ancillary machine would be procured locally.

The company has submitted proper purchase orders and other supporting documents.

It may be mentioned that similar equipment for PUF Sandwich panels have been approved for many enterprises earlier.

The committee may consider the application.



Agenda Item No. 4:

The application of **M/s Lloyd Insulations (India) Ltd.**, for duty exemption for import of (i) one continuous operating production line – wet part from M/s Henneckl, Germany and (ii) one continuous operating production line (dry part) from Kwang Metal Forming for

manufacturing PU Sandwich foam panels by continuous process in their new plant at Chennai.

M/s Lloyd Insulations (India) Ltd., is a large manufacturer of P.U. foam products like insulation slabs, pipe sections, supports and sandwich panels for cold storages, shelters, control cabins, refrigerated vans etc. They have P.U. foam plants at Pithampur (M.P.), and a recently erected plant at Baddi, in Himachal Pradesh.

They are also large manufacturer of rockwool and have many plants at Bhilai, Aurangabad, Gwalior for production of rockwool used for high temperature insulation.

In 2006 they expanded their sandwich panel press manufacturing plant at Pithampur from a capacity of 374000 Sq.m to 640000 Sq.m almost doubling the capacity.

Encouraged by the expanding market of insulated (PU, PIR, Rockwool) foam panels particularly in the cold storage sector, the company has decided to set up a new plant in the southern region in Cheyyar Taluk (Tamil Nadu) near Chennai. It is a continuous type panel making plant consisting of (i) wet part (foaming unit) and (ii) dry part (panel press). The details of machinery being imported is given in the table below.

Table

S. No	Description of Goods	Purchase order no.	Supply date	Price in Euro	Price in INR
1	One continuous operating production line (part one-Wet part) for the manufacture of sandwich panel of rigid polyurethane foam (PUR/PIR) type CONTIMAT CM 30	18/VPM/07/003 Dated 02.04.2007	31.01.08	2290000	13.28 Cr
2	One continuous operating production line (part two- Dry part) for the manufacture of sandwich panel of rigid polyurethane foam	18/VPM/07/001 Dated 02.04.2007	Do	935769	5.43 cr
Total Price INR					18.71 cr
Duty @ 7.5% INR					1.4 cr

The total cost of machinery being imported is Rs. 18.71 cr and duty on it would be approx. Rs. 1.4 cr.

For foam blowing they will be using n-pentane (non-ODS).

It may be mentioned that continuous sandwich panel making machine has many advantages over the discontinuous type machines imported earlier. These are specially suitable and economical for pre-designed storage buildings including cold storages of uniform type. A variety of insulating materials like PU, PIR and rockwool with binder can be used to form the panels depending on the need of the customer.

The total project, including land, building etc. will cost Rs. 37.44 crores, the major part of which will be financed mostly by internal accruals. The projected capacity of the plant is approx. 783360 linear meters per year working on single shift basis.

The company has submitted all the supporting documents. Similar continuous sandwich panels making machines have been approved by many other manufacturers in recent past.

The committee may consider the application.



S. No	Description of Goods	Purchase order no.	Supply date	Price in Euro	Price in INR
1	Cannon A-system 200 Std High pressure polyurethane foaming unit for the production of sandwich panels with Non-ODS Technology.	LII/PUP/IMP/0011/2006-07 Dated 05.05.2006	22 nd September	368000	22080000/-
2	Press for Sandwich Panels PMC 350T 12500*1400.	Do			
Total Price INR					22080000/-
Duty @ 15% INR					3312000/-

The total project will cost 393.0 Lacs and will be financed mostly from internal accruals.

The company has submitted all the supporting documents.

It may be mentioned that similar PU sandwich foam plants have been approved in the recent past for many companies manufacturing foam panels for cold storages, cabins, telecom shelter etc.

The committee may consider the application.

