

NOIDA SPECIAL ECONOMIC ZONE

Minutes of the Approval Committee meeting of Mahindra World City (Jaipur) Ltd. Multi-Product SEZ, Jaipur, held under the Chairmanship of Shri A. Bipin Menon, Zonal Development Commissioner, NSEZ at 11:00 AM on 15.03.2023 in Hybrid mode at Conference Hall at 2nd Floor of O/o DC, NSEZ, Noida and through Video Conferencing.

The following members of Approval Committee were present during the meeting through video conferencing:-

- i. Shri Surender Malik, Joint Development Commissioner, NSEZ.
 - ii. Shri P.R. Sharma, Joint Director, Industry, Rajasthan, Jaipur.
 - iii. Shri Anil Lakhera, Deputy Manager, RIICO, Jaipur.
 - iv. Shri R.L. Meena, Asstt. DGFT, Jaipur (Rajasthan).
 - v. Shri Vimal Mishra, General Manager, Mahindra World City (Jaipur) Ltd. (representative of SEZ Developer).
- Besides, during the meeting (i) Shri Rajesh Kumar, Deputy Development Commissioner, NSEZ, (ii) Shri Buddhi Prakash, Specified Officer, Mahindra World City SEZ, Jaipur; (iii) Shri H.K. Meena, Assistant Development Commissioner, NSEZ and (iv) Shri Sunil Gulyani, Stenographer Gr.II, NSEZ were also present to assist the Approval Committee. It was informed that the quorum was available and the meeting could proceed.
 - At the outset, the Chairman welcomed the participants. After a brief introduction, items included in the agenda were taken up for deliberation one by one. After detailed deliberations amongst the members of the Approval Committee as well as interaction with the applicants / representatives of the developers / units, the following decisions were taken:-

1. Ratification of the Minutes of the first and second Approval Committee meetings held on 19.01.2023 and 25.01.2023:-

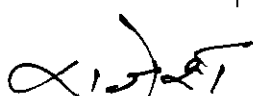
As no reference in respect of the decisions of the Approval Committee held on 19.01.2023 and 25.01.2023 were received from any of the members of the Approval Committee and therefore, the Minutes of the Meetings held on 19.01.2023 and 25.01.2023 were unanimously ratified.

Item No. 2:

2.1. Proposal for Revision in projections

2.1.1. M/s. Metlife Global Operations Support Center, vide its letter dated 17.01.2023 has submitted a proposal for enhancement in capital goods limit details of which are as under:-

Name of the Unit	M/s. MetLife Global Operations Support Center Private Limited
LOA No. & date	LOA No. 10/85/2012-SEZ/9216 dated 09.11.2012



Date of Commencement	19.08.2013			
LOA valid upto	18.08.2023			
Whether Bond-cum-LUT received/ Accepted	Yes			
Present approved area & location of the unit	Ground to 4 th Floor, Building No. B-2, Mahindra World City (Jaipur) Limited, Multi-Product SEZ, village Kalwara, Tehsil Sanganer, Jaipur (Rajasthan)			
Unit has submitted proposal for revision of projections in Bond-Cum-Legal Undertaking (Bond-cum-LUT) against Letter of approval (LOA), as given below:- (Rs. in lakhs)				
Particulars (for 5 years)	Existing Projections	Revised Projections		
Projected FOB value of exports	31839	42694		
Foreign Exchange outgo	3144	3147		
NFE Earnings	28695	39548		
Imported Capital Goods	2661	4803		
Indigenous Capital Goods	839	2499		
Imported raw materials	NIL	NIL		
Indigenous raw materials	NIL	100.00		
Employment	842	850		
Year-wise performance during current block of 5 years as per APRs.	Unit has commenced operation w.e.f. 19.08.2013. Current Block is for the period 19.08.2018 to 18.08.2023, which is as under:-			
	Year	FE Inflow	FE Outflow	NFE
	2018-19	6999.00	292.59	6706.41
	2019-20	9294.00	366.76	8927.24
	2020-21	8350.06	18.44	8331.62
	2021-22	8367.00	13.42	8353.58
	2022-23	Not due		
	Total:	33010.06	691.21	32318.85

2.1.2. Observations:-

(a) The unit had proposed increase in the imported and indigenous capital goods. And indigenous raw materials. Therefore, separate list of proposed imported and indigenous capital goods required to be submitted.

(b) The proposed increase in the imported capital goods was from Rs.2661/- lakh to Rs.4803/- lakh. However, the proposed increase in the foreign exchange outgo was only from Rs.3144/- lakh to Rs.3147/- lakh i.e. increase of only Rs.3/- lakh.

2.1.3 Shri Akshay Anand, Sr. Manager Taxation of the Unit attended the Meeting.

Signature

He informed that they are planning to expand the business in near future and need to procure some important imported and indigenous capital goods. Hence they have requested for enhancement in the value of imported and indigenous capital goods / raw materials and revision in export / NFE projections.

2.1.4 After due deliberations, the Approval Committee unanimously approved the proposal, This approval is subject to submission of unit's clarification on Point mentioned at 2.1.2(b) above and list of proposed imported & indigenous capital goods.

Item No. 3: Monitoring of performance and submission of HS Code and Annual Production Capacity

3.1. M/s. Smartstream Technologies India Private Limited

3.1.1. M/s. Smartstream Technologies India Private Limited had been granted LOA No. 10/27/2017-SEZ/8553 dated 03.08.2017 for setting up an SEZ unit in the Ground floor, Tower -B1, Evolve, Mahindra World City (Jaipur) Ltd. SEZ at Vill. Kalwara, Tehsil-Sanganer, Distt-Jaipur (Rajasthan). The LOA was for providing "Software Development Services". The unit had commenced operations w.e.f. 29.03.2018 and completed 5 years of production. Since NFE is positive, the office of Development Commissioner had granted permission of renewal of LOA for next five years in terms of Rule 19(6A) of SEZ Rules, 2006. Accordingly, the performance of the unit during last five years of operations is placed before Approval Committee for review:

S.No.	Name of Unit	LOA date/Date of Production	1 st Five Year completed	Extension granted upto	Export for last five years	Import for last five years	Pending realization (BRC)	Employment
(i)	Smartstream Technologies India Pvt. Ltd	03.08.2017/29.03.2018	28.03.2023	28.03.2028	2900.06	Nil	Nil	70
	Year	2017-18	2018-19	2019-20	2020-21	2021-22	Nil	Total
	Export	377.11	622.09	618.24	630.67	651.95	Nil	2900.06
	Import	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	NFE	377.11	622.09	618.24	630.67	651.95	Nil	2900.06

21/2/21

The Committee deliberated upon and took note of the performance of the Unit.

3.2 M/s ASI Industries Private Limited

M/s. ASI Industries Limited had been granted LOA No. 10/56/2018-SEZ/14246 dated 26.12.2018 for setting up a unit at Plot No.PA-008-020 to 23 in the Mahindra World City (Jaipur) Ltd. Multi-Products SEZ at Village Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta, Tehsil-Sanganer, Distt- Jaipur (Rajasthan) for manufacturing of "Engineered Stone- Other [ITC (HS)-68109990]". The Unit had executed Bond-cum- LUT which was accepted by the Competent Authority. The unit had commenced production on 17.03.2020, and accordingly, the LOA was valid upto 16.03.2025.

3.2.2. The Approval Committee in its meeting held on 02.03.2022 had approved the proposal of M/s. ASI Industries Limited for exit under Rule 74A of SEZ Rules, 2006 and transfer of assets & liabilities including building at Plot No. PA-008-020 to 23 of SEZ unit to M/s. Marudhar Quartz Surfaces Private Limited, subject to compliance of provisions of Rule 74A of SEZ Rules, 2006.

3.2.3. Accordingly, M/s. ASI Industries Limited had applied for final exit from SEZ Scheme under Rule 74A of SEZ Rules, 2006. The unit has submitted requisite documents except followings:-

- i. No Dues certificate from SEZ Developer.
- ii. No Dues Certificate from SGST Deptt.
- iii. No Dues from Labour Department.

3.2.4. As per report dated 07.12.2022 received from CA firm, NSEZ, the status of NFE achievement is as follows:-

Year	FOB value of export (Rs. in lakhs)	NFE Earnings (Rs. in lakhs)	DTA Sales (Rs. in lakhs)	Pending Foreign Exchange realization
2019-20	4.30	(-)1680.63	0.00	0.00
2020-21	439.34	(-)1420.09	0.00	0.00
2021-22	5904.70	(-)266.60	2.79	0.00
2022-23 (from 01.04.2022 to 20.09.2022)	0.45	1975.47	2.79	0.00
Total :	6348.79	(-) 1391.85	5.58	0.00

As per report the unit has failed to achieve positive NFE. There is a negative NFE of Rs.(-)1391.95 lakhs upto 20.09.2022.

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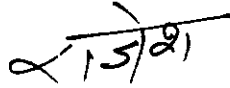
3.2.5 Shri Tushya Jatia, Director of the Unit attended the Meeting. The Unit has explained the reason of negative NFE and stated that the capital goods had been transferred (under Rule 74A of SEZs Rules) to another unit M/s. Marudhar Quartz Surfaces Private Limited. The latter was maintaining positive NFE, and hence the Committee should take lenient view upon them.

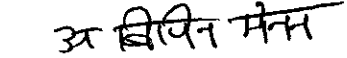
3.2.6 The Committee was informed that Rule 80 of SEZ Rules reads as under:-

"If an Special Economic Zone Unit, in case of bonafide default, fails to achieve the minimum specified Net Foreign Exchange or specified value addition, then such shortfall may be regularized after the Unit deposits an amount equal to one per cent, of shortfall in Free on Board."

3.2.7 After due deliberations, the Committee noted that there is a shortfall in NFE which had to maintained by each SEZ unit separately. Moreover, there was no mechanism to set off the shortfall of one unit with the excess NFE of another. The Committee directed the Unit to show cause as to why action under Rule 80 of SEZ Rules 2006 should not be taken in this case. The unit was also asked to provide reasons for difference in the APR and SEZ online data. On receipt of the reply from the Unit, the Committee authorised the office of Development Commissioner Noida SEZ to take a decision in the matter as per SEZ Act/Rule and FTDR.

The meeting ended with a vote of thanks to the Chair.


(राजेश कुमार)
उप विकास आयुक्त


(ए. बिपिन मेनन)
विकास आयुक्त