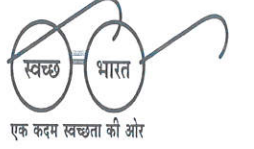




भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग  
विकास आयुक्त का कार्यालय  
**नौएडा विशेष आर्थिक क्षेत्र**  
नौएडा दादरी रोड, फेस-II, नौएडा.201305, जिला गौतम बुद्ध नगर  
Government of India, Min. of Commerce & Industry, Deptt. of Commerce,  
Office of the Development Commissioner  
**NOIDA SPECIAL ECONOMIC ZONE**  
Noida Dadri Road, Phase-II, NOIDA-201305, Distt. Gautam Budh Nagar (UP)



फा. सं. 12/01/2019-प्रोज/ 2631

दिनांक: 19/03/2021

सेवा में,

1. मुख्य कार्यपालक अधिकारी, न्यू ओखला औद्योगिक विकास प्राधिकरण, मुख्य प्रशासनिक भवन, सेक्टर - 6, नौएडा।
2. अतिरिक्त महानिदेशक विदेश व्यापार, वाणिज्य एवं उद्योग मंत्रालय, 'ए' विंग, इंद्रप्रस्थ भवन, आई पी एस्टेट, नई दिल्ली।
3. प्रधान आयकर आयुक्त, आयकर भवन, प्लाट सं.- ए-2डी, सेक्टर 24, नौएडा।
4. आयुक्त, सीमा शुल्क, नौएडा सीमा शुल्क आयुक्तालय, इनलैंड कंटेनर डिपो, तिलपता, दादरी, गौतम बुद्ध नगर, उत्तर प्रदेश - 201306.
5. निदेशक, वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली -110001
6. उप सचिव (आई एफ-1), बैंकिंग प्रभाग, आर्थिक मामलों का विभाग, वित्त मंत्रालय, भारत सरकार, तृतीय तल, जीवन दीप बिल्डिंग संसद मार्ग, नई दिल्ली।
7. महाप्रबंधक, जिला उद्योग केंद्र, कलेक्ट्रेट के पास, सूरजपुर, ग्रेटर नौएडा।


**विषय: दिनांक 10/03/2021 को अपराह्न 03:00 बजे आयोजित नौएडा विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी।**

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और श्री ए. बिपिन मेनन, विकास आयुक्त, नौएडा विशेष आर्थिक क्षेत्र की अध्यक्षता में दिनांक 10/03/2021 को अपराह्न 03:00 बजे विडियो कॉन्फ्रेंसिंग द्वारा आयोजित नौएडा विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है।

भवदीय,

संलग्नक: उपरोक्त

  
(नितिन गुप्ता)  
उप विकास आयुक्त

प्रतिलिपि:

1. विशेष कार्याधिकारी - विकास आयुक्त के सूचनार्थ।
2. वैयक्तिक सहायक - संयुक्त विकास आयुक्त के सूचनार्थ।
3. निर्दिष्ट अधिकारी, नौएडा विशेष आर्थिक क्षेत्र - सूचनार्थ एवं आवश्यक कार्यवाही के लिए।
4. सचिव, नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण- सूचनार्थ एवं आवश्यक कार्यवाही के लिए।
5. उप विकास आयुक्त (एडमिन) - सूचनार्थ एवं कार्यवृत्त के हिंदी अनुवाद के लिए।

उप विकास आयुक्त



भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग  
विकास आयुक्त का कार्यालय  
**नौएडा विशेष आर्थिक क्षेत्र**  
नौएडा दादरी रोड, फेस-II, नौएडा.201305, जिला गौतम बुद्ध नगर  
Government of India, Min. of Commerce & Industry, Deptt. of Commerce,  
Office of the Development Commissioner  
**NOIDA SPECIAL ECONOMIC ZONE**  
Noida Dadri Road, Phase-II, NOIDA-201305, Distt. Gautam Budh Nagar (UP)



फा. सं. 12/01/2019 - प्रोज/ 2632

दिनांक: 19/03/2021

सेवा मे,

1. कार्यपालक अभियंता, उत्तर प्रदेश पॉवर कारपोरेशन लिमिटेड, इ.यु.डी.डी.-II, सेक्टर - 18, नौएडा ।
2. उप आयुक्त, व्यापार कर/ SGST, खण्ड-14, सेक्टर -18, नौएडा ।
3. क्षेत्रीय अधिकारी, उत्तर प्रदेश प्रदूषण नियंत्रण बोर्ड, इ-12/1, सेक्टर -1, नौएडा ।

**विषय: दिनांक 10/03/2021 को अपराह्न 03:00 बजे आयोजित नौएडा विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी।**

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और श्री ए. बिपिन मेनन, विकास आयुक्त, नौएडा विशेष आर्थिक क्षेत्र की अध्यक्षता मे दिनांक 10/03/2021 को अपराह्न 03:00 बजे विडियो कॉन्फ्रेंसिंग द्वारा आयोजित नौएडा विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है।

संलग्नक: उपरोक्त

भवदीय,

*निति*  
19/3

(निति गुप्ता)

उप विकास आयुक्त

**नौएडा विशेष आर्थिक क्षेत्र**

(दिनांक 10/03/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

**Minutes of meeting of the Approval Committee of Noida SEZ held under the Chairmanship of Shri A. Bipin Menon, Development Commissioner (DC), Noida SEZ at 03:00 PM on 10/03/2021 through video conferencing.**

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

- 1) Shri Nitin Gupta, Dy. Development Commissioner, NSEZ (Nominee of Deptt. of Commerce in terms of letter dated 23/09/2008).
- 2) Shri Ashok Kumar, Superintendent, Customs, Noida Commissionerate.
- 3) Shri Rakesh Kumar, FTDO, O/o Addl. DGFT, CLA, New Delhi.
- 4) Shri Dhanesh Kamal, Income Tax Officer, Income Tax Deptt., Noida.
- 5) Shri Mukesh Goyal, Manager, New Okhla Industrial Development Authority, Noida.
- 6) Shri Garima Mishra, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.).

2. Besides, during the meeting S/Shri (i) Amit Kumar Gupta, Specified Officer, NSEZ, (ii) Pramod Kumar, Asstt. Development Commissioner, NSEZ, (iii) Arun Singh Parihar, Stenographer, Project Section, NSEZ, and (iv) K M Srivastava, AEE, UPPCB, Noida were also present to assist the Approval Committee. It was informed that the stipulated quorum for holding the meeting is available and meeting can proceed.

3. At the outset, the Chairman welcomed the participants. After 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 units, the following decisions were unanimously taken:-

**(i) Ratification of Minutes of last meeting of the Approval Committee held on 25/02/2021.**

It was informed that no reference against the decisions of the Approval Committee held on 25/02/2021 was received and, therefore, Minutes of the meeting held on 25/02/2021 were unanimously ratified by the Approval Committee.



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(दिनांक 10/03/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

**(ii) Item wise decisions on proposals included in agenda:**

**1. Reyvan Impex - Setting up a new unit in NSEZ**

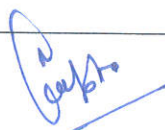
It was informed to the Approval Committee that M/s. Reyvan Impex has proposed to set up a new unit in NSEZ for "Manufacturing of Black Pepper Oil (33012935)(6600kgs/annum); Clove Oil(33012918)(1350kgs/annum); Cinnamon Oil (33012907)(900kgs/annum); Almond Oil (33013099)(2350kgs/annum); Cashew Oil (33013099)(1150kgs/annum); Walnuts Oil (33013099)(3250kgs/annum); Black Pepper Powder (09041200)(42900 kgs/annum); Clove Powder(09072000)(12150kgs/annum); Cinnamon Powder (09062000)(26100 kgs/ annum); Almond Powder (09109929)(2150kgs/annum); Cashew Powder (09109929) (3350 kgs/annum); Walnuts Powder (09109929)(1250 kgs/annum)" with projected exports of Rs. 2630.00 Lakhs and NFE earnings worth Rs.760.29 Lakhs and proposed investment of Rs. 19.06 Lakhs in indigenous plant & machinery/capital goods and employment of 16 persons, over a period of five years.

1.2 It was further informed that the said proposal was also considered by the Approval Committee in its meeting held on 04/12/2020 wherein on specific enquiry, the applicant had provided the following yield figures per 100 Kgs of the relevant spices:

<b>Spices</b>	<b>Oil</b>	<b>Powder</b>	<b>Loss</b>
Black Pepper	12-13 kgs	75-80 kgs	7-13 kgs
Clove	8-9 kgs	75-80 kgs	11-17 kgs
Cinnamon	2-3 kgs	80-85 kgs	12-18 kgs

1.3 It was further informed that the Approval Committee in the said meeting dated 04/12/2020 had noted that there is a variation upto 50% in yield of the different oils and after due deliberations, unanimously decided to defer the proposal with following directions:-

- (i) Matter may again be referred to Spice Board for the 3 spices duly incorporating the submission made by the representatives of the unit as indicated in Para 2.5 above and comments may be sought.



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(ii) Matter relating to Almonds/Walnut/Cashew may be referred to Cashew Board and APEDA.

(iii) In addition matter may be referred to other SEZs seeking clarification as to whether such units are working under their jurisdiction and if so what are details of yield of Oil, powder and wastage per 100 kgs in respect of Black Pepper, Clove and Cinnamon. The details provided by the applicant may also be shared with them.

1.4 It was informed that the Spice Board vide its letter dated 03/02/2021 has provided their comments which is reproduced as under:

*“1. In connection with the yield of essential oils, the details provided in the table below, may be noted.*

Spice	Yield reported by the firm(%)	Average Industrial yield reported by Spice Oil/ Oleoresin Sector (%)	Yield as per FSSAI Regulations (Min, %)
Black Pepper	12-13	2-2.5	2
Clove	8-9	15	17
Cinnamon	2-3	2.5-5	0.7

*Further, the volatile oil (minimum) for Black Pepper as per Agmark Standards (Spices Grading and Marking Rules, 2012) and the internationally accepted) Standards of Codex Alimentarius Commission (CXS 326-2017) are in the range of 2-2.2 % and 1-2 % respectively. It may be noted that there is a wide variance between the volatile oil yield reported by the firm and FSSAI & Industrial yield, for Black Pepper & Clove.*

*2. With regard to the yield of powder reported by the firm, the comments provided by Spices Board vide letter No.MKT-MISC/0005/2019 dt. 3/12/2020, which is reproduced below, may be noted.*

*It may please be noted that as per the practice followed by the Industry the by-product after the distillation of spice oil will be used for extracting oleoresin. The average industrial yield reported for spice oleoresin is 15-20%. Once the oleoresin is extracted the remaining*

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*material will be termed as spent / husk which cannot be further used for production of spice powders due to the possible residues of solvents used for oleoresin extraction, in the raw material.*

*It is learnt that usage of deoiled spices (raw material after extraction of oil) for producing spice powders are theoretically possible. However, once the spices are subjected to steam distillation, the colour profile, texture and natural feel of material undergoes a significant change and hence it is not advisable to use the deoiled spices for producing spice powders, as proposed by M/s. Reyann Impex."*

1.5 Shri Sandeep Aggarwal and Mrs. Pooja Aggarwal, Partners of the firm appeared before the Approval Committee in the said meeting through video conferencing and explained the proposal. Shri Aggarwal informed that they will import raw materials from Vietnam & other countries and their suppliers have confirmed about %yields of oils, on the basis of which they have given the projected data.

1.6 The Approval Committee observed that there has been huge difference in average yield of Oil as informed by the applicant vis-à-vis as reported by Spice Board & FSSAI except in case of Cinnamon.

1.7 The Approval Committee, after due deliberations, decided to approve the proposal of M/s. Reyann Impex for setting up a unit in NSEZ for Manufacturing of Cinnamon Oil (33012907)(900kgs/annum) and Cinnamon Powder (09062000) (26100 kgs/ annum) subject to the condition that no DTA sale shall be allowed. The Approval is further subject to submission of revised Form-F1 and projections only for the approved items.

2. **R.K. Retail Trade Pvt. Ltd. – Proposal related to change in registered office address of the company.**

It was informed to the Approval Committee that M/s. R.K. Retail Trade Pvt. Ltd. had filed application for setting up an SEZ unit in Noida SEZ on 24.10.2017. In Form 'F', the project report and other documents they had given the registered address as 167, Netaji Subhash Road, Kolkata-700007. However, as informed now the said registered office address of the company

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had already changed to 80, Girlish Park North, Ground Floor, Room No. 02, Kolkata-700006 w.e.f. 01.07.2012 (i.e. 5 year before making the application to this office). Moreover, it has been observed that the regd. office address has further been changed to Martin Burn Business Park, Unit No-1705, 17<sup>th</sup> floor, Plot No. 3, Sector-V, Salt Lake City, Kolkata – 700091 w.e.f. 01.01.2018 whereas unit has intimated the same very late i.e. on 30.08.2019 i.e. after approx. one and half year of the said changes.

2.2 It was further informed that the Approval Committee in its meeting held on 10/06/2020 had observed that in the instant case, the unit has submitted wrong information in Form-F & other documents at the time of setting up of SEZ unit in NSEZ. Besides, further changes in registered office address took place on 01/01/2018, but was intimated to this office after approx. 20 months which should have been intimated to this office forthwith in terms of condition No. 14 of Bond-cum-LUT. The Approval Committee observed that unit has been frequently changing its registered office address, without intimation to this office. The Approval Committee directed the Member representatives from Income Tax Deptt. & DGFT, present in the meeting, to obtain a verification report on the company on its all given addresses from their regional office at Kolkata. The Approval Committee further directed that details of the case will be provided to the member representatives of Income Tax Deptt. and DGFT for their information and necessary action.

2.3 It was also informed that DGFT, Kolkata vide email dated 11/02/2021 has forwarded its Inspection Report in respect of addresses of M/s. R.K. Retail Trade Pvt. Ltd., which is reproduced as under:

*“the team reached at the spot at 80, Girish park, North Ground Floor, R.No.-02, Kolkata-700006 where Shri Anuj Jain & Smt. Rina parekh met and stated to be the staff of the firm/company. But when asked about the papers-they could not help and referred their address at Salt Lake Office. The team thereafter, went to their address at Martin Burn*

*R  
GFT*

**नौएडा विशेष आर्थिक क्षेत्र**

(दिनांक 10/03/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

*Business Park, Salt Lake where Shri Amit Pitty, Co-Ordinator met the team.*

*However, the documents, procured are:- 1. Copy of Certificate of Incorporation (ROC-Add. As 167, N.S. Road, Kol.) of 80, Girish Park North), 2. Form No. INC-22 (of 80, Girish Park-North, Kol.) 3. GST Regn. Cft., REG-06, GSTR-1, GSTR-3B 4. PAN of Company, 5. KMC-e-demand Notice of 80, Girish Park, North, 6. Nabadiganta Industrial Township Authority (Acknowledgement Slip), 7-FIEO Membership Certificate (Salt Lake address), 8-IEC Code Certificate & and also Tax invoice of earlier address. As told that they are engaged in business of FMCG goods. Total employees there is 18 to 20 approx. the team was told & noticed as well.*

*So, the team is of the view that the firm/company is in existence at their declared addresses on the date and time of the inspection conducted by the team. Also took the photograph in Mobile Phone”.*

2.4 Shri Santosh Kumar, representative of the unit appeared before the Approval Committee through video conferencing. Shri Kumar informed that due to clerical mistake the address of the registered office as per Certificate of Incorporation was mentioned in the Form-F while applying for setting up of unit. He further informed that the registered office has been shifted for the convenience of the importers to the Martin Burn Business Park, Unit No. 1705, 17th Floor, Plot No. 3, Sector-V, Salt Lake City, Kolkata-700091 with effect from 01/01/2018. However, the Administrative and Accounts office of the Company has been continued to be situated at 80, Girish Park North, Ground Floor, Room No. 02, Kolkata-700006. He stated that the mistake in Form 'F' is purely due to typing error and was overlooked and not because of any ulterior motive behind it. He apologized for the above lapses and assured to follow the prevailing SEZ Rules.



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2.5 The Approval Committee, after due deliberations, decide to issue a Show Cause Notice to the unit under FT(D&R) Act 1992 for wrong submission of data in Form-F and non-intimation of change of registered office addresses to this office. The Approval Committee also empowered the Development Commissioner, NSEZ to issue Show Cause Notice and adjudicate the same after giving a personal hearing to the promoters of unit.

**3. AIR IT – Monitoring of performance and review of LOA.**

It was informed to the Approval Committee that M/s. AIR IT has been issued an LOA dated 15/11/2016 for Software Development Solutions & Mobile App Development. The unit commenced its export activities w.e.f. 31/10/2018 and its LOA is valid till 30/10/2023.

3.2 It was further informed that unit has not been paying lease rent and currently lease rent amounting to Rs. 13,44,101/- (approx. 11 qtrs.) is outstanding against the unit. Further, Unit has not submitted APR for the year 2019-20 till date. Besides, unit has also not filed any softex in any form (either physical/hard copy or through SEZonline). As per data received from NSDL, no export, import, softex, SERF has been shown to be made by the unit till date.

3.3 Shri Varun Kumar, proprietor of the firm appeared before the Approval Committee through video conferencing. He informed that they had generated only one invoice for export in 2018 and informed this office about commencement of activities. However, they could not implement the project after that. He further stated that afterwards due to COVID-19 pandemic their business was completely halted and they did not get any funds.

3.4 Shri Kumar further stated that now he is trying to revive the business by product partnership as the markets in USA are now overcoming the COVID situation. He further stated that he would be able to generate approx. 10000USD per month through these product partnership program.

3.5 As regards outstanding lease rent, Shri Kumar requested to give him

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some time to clear the dues so that he can arrange funds. He requested to grant him permission to deposit the outstanding lease rent in Instalments and assured to deposit ongoing rent on time.

3.6 The Approval Committee, after due deliberations, unanimously decided to defer the proposal for its next meeting with a direction to the applicant to deposit 50% of outstanding lease rent of Rs. 13,44,101/- latest by 31<sup>st</sup> March 2021.

**4. Magnum Aviation Pvt. Ltd. – Renewal of LOA and monitoring of performance.**

It was informed that M/s. Magnum Aviation Pvt. Ltd. has been issued n LOA dated 26/11/2007 for (i) Manufacturing of aircraft parts & MRO Services for civil aircrafts only (ITC HS 88031000, 88032000, 88033000, 88039000) and (ii) Trading of aircraft & helicopter spare parts/ tools & test equipment/ tyres for civilian aircrafts only (ITC HS 88031000, 88032000, 88033000, 88039000). The unit commenced its export production w.e.f. 01/02/2010 and its LOA is currently valid till 31/03/2021.

4.2 It was further informed that performance of unit during previous block of five years (between 01/02/2015-31/01/2020) are as under:

Year	Export		Forex Outgo	Values in Rs. Lakhs	
	Physical	Under Rule 53A		NFE Earning	DTA Sale
2014-15 (01.02.2015 - 31.03.2015)	151.42	63.21	160.14	54.49	72.49
2015-16	1,471.64	459.58	2,060.87	-129.65	219.05
2016-17	2,562.37	311.36	2,711.79	161.94	469.67
2017-18	240.98	466.39	696.38	10.99	318.59
2018-19	74.54	1,264.52	956.09	382.97	289.30
2019-20 (01.04.2019- 31.01.2020)	69.00	261.68	247.82	82.86	272.58
<b>Total</b>	<b>4569.95</b>	<b>2826.74</b>	<b>6833.09</b>	<b>563.60</b>	<b>1641.68</b>

4.3 It was further informed that earlier there was some mismatch in the

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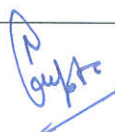
APR Data and NSDL Data.

4.4 Shri J.D. Dubey and Shri Manish Kumar, authorized representative of the unit appeared before the Approval Committee through video conferencing. Shri Dubey informed that being in MRO's services for various Indian and overseas civil aviation operators, in case of foreign operators, the clients had supplied their unserviceable wheels and brakes along with required spares on free of cost basis for use during the repairs. After servicing/repairing such wheels/brakes, the unit has exported them back the relevant operators and charged their labour cost incurred thereof only. He informed that they mentioned both the values i.e. free of cost (value of goods) and labour cost in their invoices as FOB value which is also reflected in respective shipping bills. Further, after deduction of free of cost value they have received the net realization amount i.e labour cost. However, NSDL has taken only net realization value as FOB value, whereas in case of import they have taken the full declared value of the good which has resulted in huge differences in the data's submitted by them and NSDL data.

4.5 Shri Dubey informed that they have received the payments against DTA sales in INR. He further stated that however, they have not taken these values in calculations of NFE Earnings.

4.6 The Approval Committee monitored the performance of unit and observed that unit has achieved positive NFE earnings during previous block of five years. The Approval Committee further observed that unit is engaged in MRO services and has made DTA Sales worth Rs. 1641.68 Lakhs against which payments have been received in INR, which is not in consonance with Section 2(z)(iii) of SEZ Act, 2005.

4.7 The Approval Committee, after due deliberations, unanimously decided to renew the LOA of the unit for one year i.e. upto 31/03/2022. The Approval Committee further directed the unit to submit break-up of DTA sales of Rs. 1641.68 Lakhs with respect to sale of goods and services and empowered the Development Commissioner to take actions under FT(D&R) Act, 1992 for



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issuance of SCN and adjudication of the same, in case unit has violated any Act and Rules made thereunder. After adjudication of SCN, further renewal of LOA of the unit may be considered and approved by Development Commissioner on file.

**5. Kishan Lal Jewels Pvt. Ltd. – Renewal of LOA, adjudication of SCN dated 20/02/2015 and monitoring of performance.**

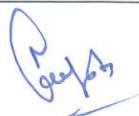
It was informed to the Approval Committee that M/s. Kishan Lal Jewels Pvt. Ltd. has been issued an LOA dated 28/08/2008 for manufacturing of gold jewellery. The unit commenced its export production w.e.f. 26/08/2009 and its LOA is valid till 31/03/2021.

5.2 It was further informed that performance of unit during previous block is as under:

Values in Rs. Lakhs			
Year	FOB Value of Export	Forex Outgo	NFE Earning
2014-15	7067.24	7018.58	48.66
2015-16	14500.81	14368.71	132.10
2016-17	12200.31	12180.16	20.15
2017-18	14593.97	14507.25	86.72
2018-19	23480.89	23274.84	206.05
<b>Total</b>	<b>71843.22</b>	<b>71349.54</b>	<b>493.68</b>

As per NSDL Data, unit has made exports worth Rs. 25268.90 Lakhs and Rs. 5406.65 Lakhs during 2019-20 & 2020-21 (till 30.09.2020) respectively.

5.3 It was further informed that unit has been issued a Show Cause Notice on 20/02/2015 for Violation of SEZ Rules & Act and non-fulfilment of terms & condition of LOA in view of the seizure of 6.225 kgs. Gold & Gold Jewellery of 22 cts. Purity (3 kgs Gold & 3.225 kgs gold jewellery) by NSEZ Customs of value about Rs. 1.73 Crores while leaving the zone with an intention to evade custom duty of approx. Rs. 25 Lakhs. It was also informed that the matter for Adjudication of said Show Cause Notice dated 20/02/2015 issued by NSEZ office was considered by the Approval Committee in its meeting held on



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04/11/2015. The Specified Officer, NSEZ had informed during the meeting that the investigation in the matter has been completed and draft Show Cause Notice has been prepared. UAC was of the view that no decision can be taken in this case at this stage. Accordingly, the matter was deferred till the decision from Deptt. of Revenue is received.

5.4 It was further informed that the details of achievement of value addition by the unit during previous block of five years (as received from NSEZ Customs) are as under:

Previous Block of five years (26/08/2014-25/08/2019)			Values in INR
Year	Export	Input	%Value addition achievement
2014-15	46,06,99,390	44,72,78,867	3%
2015-16	1,45,00,81,148	1,40,10,43,631	3.5%
2016-17	1,22,00,31,338	1,17,87,74,048	3.5%
2017-18	1,45,93,96,712	1,41,00,44,754	3.5%
2018-19	2,34,80,89,416	2,26,86,81,463	3.5%
2019-20 (01.04.18- 25.08.19)	1,12,33,22,892	1,08,53,34,108	3.5%

5.5 The Approval Committee directed the unit to immediately submit APR for the year 2019-20 so as to monitor the performance of unit.

5.6 The Approval Committee, after due deliberations, unanimously decided to extend the validity of LOA for one month i.e. upto 30/04/2021. The Approval Committee further directed to obtain legal opinion in the matter and deferred the proposal for the next UAC for further renewal of LOA, monitoring of performance and adjudication of SCN dated 20/02/2015.

6. **M.M. Knitwears – Renewal of LOA and monitoring of performance.**

It was informed to the Approval Committee that M/s. M.M. Knitwears has been issued an LOA dated 18/11/2003 for Manufacturing of Readymade Garments and Trading of Garments & Textiles. The unit commenced its export production w.e.f. 14/03/2005 and its LOA is valid till 31/03/2021.

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6.2 It was further informed that performance of unit during previous block of five years are as under:

Values in Rs. Lakhs			
Year	FOB Value of Export	Forex Outgo	NFE Earning
2015-16	0.00	18.91	-18.91
2016-17	65.83	0.06	65.77
2017-18	79.28	8.15	71.13
2018-19	19.61	0.00	19.61
2019-20	231.46	0.00	231.46
<b>Total</b>	<b>396.18</b>	<b>27.12</b>	<b>369.06</b>

6.3 The Approval Committee observed that performance of unit is very low as compared to their projections during previous five years. Unit had informed that most of the buyers have shifted to new markets like Bangladesh, Vietnam, Thailand etc. as cost of production in these countries are much less. Due to slow down in various economies in the last five to six years, they have to diversify to new markets. Last year they have set up infrastructure for meeting requirements of garments for "eShakti.com Pvt. Ltd.". Further due to COVID-19, the production has been discontinued for few months and now they are making small quantities only for eShakti.com Pvt. Ltd.

6.4 The Approval Committee observed that there is data mismatch between the figures of APR and that of received from NSEZ Customs.

6.5 It was informed that Lease rent amounting to Rs. 2,20,648/- is currently outstanding against the unit.

6.6 The Approval Committee, after due deliberations, unanimously decided to renew the LOA for a period of one year i.e. upto 31/03/2022. The Approval Committee also directed the unit to get the mismatch in data rectified. When the data mismatch is rectified, then matter shall be placed before the Approval Committee for monitoring of performance and further renewal of LOA.

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**7. Orient International – Renewal of LOA and Amendment in authorized operations.**

It was informed to the Approval Committee that M/s. Orient International has been issued an LOA dated 11/05/2009 for (i) Manufacturing and Trading of Self adhesive labels, self adhesive paper, hand labeler, ink rolls, parts of hand labeler, inks, cores, polythin (48211020) (7800000 sq.mtrs./annum) and (ii) Trading of Barcode Printer and parts, Barcode Scanner and parts, Thermal Transfer Ribbon, Washcare, Customized Software, Computer and Computer Parts, Barcode Mobile Terminals and parts, RFID Readers and parts, RFID Tags, POS Printer and parts, Security EAS gates and parts, Security EAS Tags, Barcode Mobile Printer and parts, Digital Keyboard and parts, Automatic Label Applicators and parts, Label Rewinders and parts. The unit commenced its export production w.e.f. 21/09/2010 and its LOA is valid till 31/03/2021.

7.2 It was further informed that along with renewal of LOA unit has also proposed to amend its authorized operations by removing Trading of Barcode Printer and parts, Barcode Scanner and parts, Thermal Transfer Ribbon, Washcare, Customized Software, Computer and Computer Parts, Barcode Mobile Terminals and parts, RFID Readers and parts, RFID Tags, POS Printer and parts, Security EAS gates and parts, Security EAS Tags, Barcode Mobile Printer and parts, Digital Keyboard and parts, Automatic Label Applicators and parts, Label Rewinders and parts.

7.3 The performance of unit during previous block of five years are as under:

Year	Values in Rs. Lakhs		
	Export	Forex Outgo	NFE Earning
2015-16 (21.09.15-31.03.16)	699.26	72.46	626.80
2016-17	1090.10	108.47	981.63
2017-18	928.16	95.60	832.56
2018-19	744.81	30.85	713.96
2019-20	382.71	6.12	376.59
<b>Total</b>	<b>3845.04</b>	<b>313.5</b>	<b>3531.54</b>

7.4 The Approval Committee, after due deliberations, unanimously decided

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to renew the LOA of M/s. Orient International for remaining period of current five years block i.e. upto 20/09/2025 subject to receipt of duly signed revised Form-F1. The Approval Committee also approved the proposal of unit for removal of "Trading of Barcode Printer and parts, Barcode Scanner and parts, Thermal Transfer Ribbon, Washcare, Customized Software, Computer and Computer Parts, Barcode Mobile Terminals and parts, RFID Readers and parts, RFID Tags, POS Printer and parts, Security EAS gates and parts, Security EAS Tags, Barcode Mobile Printer and parts, Digital Keyboard and parts, Automatic Label Applicators and parts, Label Rewinders and parts" from its existing authorized operations.

8. **Citixsys Tech Solutions Pvt. Ltd. – (i) Change in directors/shareholding pattern; (ii) Enhancement in export projections; (iii) review of LOA and (v) Adjudication of SCN dated 08/12/2020.**

It was informed that there has been 100% change in directors of M/s. Citixsys Tech Solutions Pvt. Ltd. The first directors have left the company in July 2015. Besides, one more director Mr. Pankaj Mathur had joined as director on 15/06/2015 and ceased to be a director on 24/11/2016. However, unit has never informed about any changes in directors to this office. Further, there has been 100% change in shareholding pattern of the company at two times (*first on 30/09/2014 and secondly on 16/12/2014*). Besides, registered office of unit has also been changed w.e.f. 16/04/2019.

8.2 It was further informed that as on date, none of the original directors/shareholder (at the time of setting up of unit in NSEZ) are currently present in the company. It was informed that as per condition No. 14 of Bond-cum-LUT executed by the unit, *the unit is required to intimate any changes in the Board of Directors/Partners, telephone No., E-mail address, Web-Site, Passport No., Bank Address and Factory address, forthwith, to the Development Commissioner and the Specified Officer.* However, in the instant case, the unit failed to comply with the same and did not intimate about change in board of directors/shareholding pattern and regd. Office address of the company. The current information has been given only after enquiry made by this office.



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8.3 It was further informed that unit has also submitted a proposal for enhancement in export projections stating that they have been allotted a new SDF No. B-9, NSEZ for the enhancement of their business.

8.4 It was further informed that the Unit was issued a Show Cause Notice dated 08/12/2020 for violation of condition No. 14 of Bond-cum-LUT for non-intimation of change of directors, shareholding pattern and registered office address of the company. The unit was also granted personal hearing on 14/12/2020 before Development Commissioner, NSEZ. Unit vide its letter dated 10/12/2020 submitted its reply to the said SCN dated 08/12/2020 stating that due to unawareness, they missed to inform changes in Board of directors, registered office address of their company to the office of Development Commissioner.

8.5 It was also informed that during personal hearing on 14/12/2020, Mr. Kailash Jain, authorized representative of the company appeared. He reiterated that due to unawareness, they missed to submit information related to change in Board of directors, registered office address of their company to this office. He also assured that this will not happen again in future.

8.6 The Approval Committee, after due deliberations, empowered the Development Commissioner to adjudicate the Show Cause Notice dated 08/12/2020. The Approval Committee further took note of changes in directors, shareholding pattern & registered office address of the company without prejudice to the action being taken against the unit as per SCN issued and adjudication to be done by the Development Commissioner. The Approval Committee also approved proposal of unit for enhancement in export projections. The permission letter regarding revised projections shall be issued after receipt of CPC Codes against authorized operations. The Approval Committee also directed to refer the matter of Shareholding changes to NSEZ Authority for appropriate action to examine the issue of levy of transfer charges.

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**9. Vikas Ecotech Ltd. – Review of LOA and monitoring of performance.**

It was informed that M/s. Vikas Ecotech Limited has been issued LOA dated 18/10/2016 for Manufacturing of (i) Methyl Tin Mercaptide (MTM) [ITC HS – 38123090] (ii) PVC Compound [ITC HS-39042190] (iii) Thermoplastic Compound (TPR/TPE, Brand name Veeprene) [ITC-40021990] (iv) SOE Compound (Brand name – V Blend) [ITC- 39039090]. The unit commenced its export production w.e.f. 20/03/2017 and its LOA is valid till 19/03/2022.

9.2 It was further informed that a complaint has been received against M/s Vikas Ecotech Ltd., SDF No. J-6, NSEZ alleging that Sh. Vikas Garg, MD of the Listed company committed a massive financial fraud on the company, its shareholders, investors and Institutions. Further the complainant alleged that all the business done is fake, are all the offices and business shown in books are not truth. Further, he mentioned that no one is sitting in NSEZ premises or nothing is being manufactured in this SEZ office.

9.3 It was also informed that there has been change in directors of the company as observed from the MCA details. However, unit has not informed this office about any such changes in the board of directors and its shareholding.

9.4 Shri Sunil Dhameja, authorized representative of the company appeared before the Approval Committee through video conferencing. Shri Dhameja informed that since January 2020, they have not done any business due to COVID-19 pandemic. Further, during 2020-21 (till date) no export or import has been made. Shri Dhameja informed that they are hoping to restart the business by May-June 2021.

9.5 Shri Dhameja informed that they are mainly manufacturing PVC Compound which are Food Grade material and exporting the same to USA. He further stated that they are also manufacturing Veeprene and exporting the same to Bangladesh. He informed that these Veeprene are used in making sole of Footwears.

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9.6 The Approval Committee observed that lease rent amounting to Rs. 5,49,600/- is currently outstanding against the unit. Shri Dhameja assured to deposit entire lease rent within a week.

9.7 Further, the Approval Committee asked the representative of unit to deposit recoverable duty amount of Rs. 15,35,100/- as decided by the Approval Committee in its meeting held on 05/07/2017. On this, the unit representative requested for adjustment against his dues on Custom Deptt. the Approval Committee directed the Specified Officer to examine the matter and give his report on the same.

9.8 Shri Dhameja further informed the Approval Committee that Company has been issued an SCN by the DRI. He did not disclose the background of the case and reasons for issuance of such SCN. The Approval Committee directed him to provide a copy of SCN to this office which he agreed.

9.9 The Approval Committee, after due deliberations, deferred the matter with a direction to the unit to submit details of changes in directors, future business plan and copy of orders received from their clients along with details of raw materials and plant & machinery installed in the unit. He was also directed to provide a copy of SCN issued by DRI.

**10. Proposals related to updation of ITC HS Codes of the authorized operations allowed under LOA of different units.**

10.1 It was informed that as per amendment of SEZ Rules, 2006 as published in Gazette Notification dated 19/09/2018, Rule 19(2) of the SEZ Rules, 2006 have been amended as under:

*“The Letter of Approval shall specify the items of manufacture [along with the corresponding Indian Trade Classification (Harmonised System) of Export and Import Items, 2017] or particulars of service activity, including trading or warehousing, projected annual export and Net Foreign Exchange Earning for the first five years of operations, limitations, if any on Domestic Tariff Area sale of finished goods, by-products and rejects and other terms and conditions, if any, stipulated by the Board or Approval*

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10.2 In view of above, NSEZ units were directed to submit ITC HS Codes of each items mentioned in the approved authorized operations in their LOA, if not already mentioned. In the case of service units, units were requested to provide the CPC Code of services provided by them.

10.3 It was further informed that based on the intimation of following units, ITC(HS) codes of their authorized operations have been updated in this office records as well as at SEZonline system subject to ratification by Approval Committee:

S.No.	Unit Name	Issued letter date
1.	Gripwel Fasteners Pvt. Ltd.	04/03/2021
2.	C & S Electric Ltd.	11/02/2021

10.4 The Approval Committee, after due deliberations, ratified the permissions as granted above.

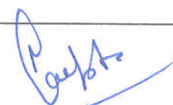
11. **Cooper Pharma Limited – Updation of ITC(HS) Code of authorized operations allowed under LOA.**

It was informed that M/s. Cooper Pharma Limited has been issued an LOA dated 25/09/2017 for manufacturing of Pharmaceuticals products like Tablets, Capsules, Syrup, Ointment, Liquid Injectable and Dry Injections. The unit has commenced its export production w.e.f. 02/11/2018 and its LOA is valid till 01/11/2023.

11.2 It was further informed that unit has submitted an application to update the ITC(HS) Code of their authorized operations as 30049099. Further, the unit has also requested to grant them permission for job-work for manufacturing of medicines.

11.3 The Approval Committee observed that unit has proposed to do entire manufacturing process through job-work stating the reason that all these technical facilities are presently not available in the unit.

11.4 Shri Rakesh Bhargava, authorized representative of the unit appeared before the Approval Committee through video conferencing. He informed that



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they cannot perform all activities in SEZ premises because they have a small space of 660 mtrs where they have to manage the facilities of manufacturing as well as office premises. Hence, they will be getting the Job work done from their DTA unit in Dehradun which is spread over in 7200 sq. mtrs of land with all plant & machineries already installed.

11.5 Shri Bhargava further informed that they have obtained Drug Licence for manufacturing on 25/01/2021 against NSEZ address. He mentioned that they did Job-work on the basis of permissions from Customs in 2018 and 2019. Therefore, unit did not do any manufacturing of Drugs inside zone prior to 25/01/2021.

11.6 The Approval Committee, after due deliberations, deferred the matter with a direction to the unit to submit details of authorized operations & production and list of raw materials along with their 8 digit specific ITC(HS) Code and flow chart, copy of Drug Licence of their DTA unit.

12. **Ebix Cash Pvt. Ltd. – Adjudication of SCN.**

It was informed to the Approval Committee that M/s. EbixCash Pvt. Ltd. (all three units) were issued Show Cause Notice for violation of condition No. 13 of Bond-cum-LUT for non-intimation of change of name and non-compliance with terms & conditions of LOA.

12.2 It was further informed that unit has submitted its reply to the said SCNs on 05/02/2021 wherein it has stated that they are a very well law complied Company. They have generated so many employments Pan India and they are trying to generate more and more employments to contribute in Indian economy. In the matter of Change in Shareholding and Change in name, inadvertently they have not sent any intimation / approval to this office. Unit has further stated that they have done all acts in good faith and there is no mens rea. Unit has apologized for non-intimation of change of name and requested to condone the same without initiating any legal action against the Company.

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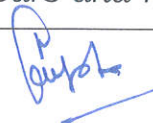
12.3 It was further informed that unit was also granted personal hearing before the Development Commissioner, NSEZ at 12:30PM on 08/02/2021. During hearing, it was decided to place the complete facts before the Approval Committee. The unit was also directed to submit CPC Code of services they are carrying out. Unit vide its letter dated 08/02/2021 has submitted CPC Codes as under:

<b>CPC Code</b>	<b>Description as per DGFT</b>
84210	Systems and software consulting services
84220	Systems analysis services
84230	Systems design services
84240	Programming services
84250	Systems maintenance services
84310	Data processing and tabulation services
84320	Input preparation services
84390	Other data processing services

12.4 The Approval Committee, after due deliberations, empowered the Development Commissioner to adjudicate the Show Cause Notice issued to M/s. EbixCash Pvt. Ltd. (all three units).

**13. Indo Aerospace Solutions Pvt. Ltd. – Addition of items in LOA.**

It was informed that M/s. Indo Aerospace Solutions Pvt. Ltd. has been issued an LOA dated 11/05/2009 for *“(1)Trading in Consumables needed in aerospace including hardware, aerosols and chemicals, paints, lubricants, oils and greases, aircraft tyres (under ITC HS-880330), (2) Trading in Raw material to include metals and composites to be used by both Aerospace and other industries(under ITC HS 72,76,81, 7606 (3) Trading in Aircraft rotables and expendables (under ITC HS 880330) (4) Manufacturing of Raw material / Metals Composites to be used by both Aerospace and other industries under ITC HS 76061200, 72259900, 72221119, 76082000, 76042930, 73045110, 72191400, 72221919, 7404, 74072910, 74072990, 73044900, 76042930 (5) Manufacturing & Trading of (i) Other bars and rods of other alloy steel: angles,*



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*shapes and sections of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel (7228); (ii) Other bars and rods of iron or non-alloy steel (7215); (iii) Aluminium tubes and pipes (7608); and (iv) Packaging cases boxes (4415)".*

13.2 It was further informed that unit has submitted an application for inclusion of Manufacturing & Trading of Nickel Alloy Round Bars (75051220) in its authorized operations.

13.3 Shri Ajay Singh, authorized representative of the unit appeared before the Approval Committee. He informed that all their material is certified to Aerospace Material Specification (AMS). They carry material report for each material which shows their Aerospace Quality, Test and specifications. The Nickel Alloy material that they want to deal with is specifically manufactured to these Aerospace Quality standards making it specific to the Aerospace Industry only. Nickel Alloy is largely used in manufacturing aircraft engines in their essential parts including blades, sheets and discs etc. Nickel prevents chloride induced stress corrosion cracking, attack of organic and inorganic compounds and more. Nickel Alloy is hardenable and a common metal for jet engine structural parts that are used at the high temperatures.

13.4 He further stated that they shall import Nickel Alloy Round Bars which will be used under Trading or Manufacturing, depending on the customer's requirements but they do ensure that it will be used within the purview of SEZ Rules 2006 so that it generates Foreign Exchange and their NFE stays positive. He further stated that these will further be used for manufacturing parts for aircraft engines for some of their esteemed customers like Rolls Royce, GE Aviation and Pratt & Whitney. He also stated that basically they undertake cutting and polishing only.

13.5 The Approval Committee directed the unit to submit an undertaking that these items will be used only for aviation industry. The Approval Committee also directed the unit to submit copy of End User Certificate from their buyers.

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13.6 The Approval Committee, after due deliberations, unanimously decided to approve the proposal of unit for inclusion of Manufacturing & Trading of Nickel Alloy Round Bars (75051220) in its authorized operations subject to submission of above documents/information and further subject to condition that no DTA sale of trading goods outside Rule 53(A) of SEZ Rules, 2006 shall be allowed and separate records for trading & manufacturing shall be maintained. Unit shall also provide End Use Certificate under each supply.

**14. NMTronics (India) Pvt. Ltd. – Renewal of LOA and inclusion of additional items in authorized operations.**

It was informed to the Approval Committee that M/s. NMTronics (India) Pvt. Ltd. has been issued an LOA dated 21/10/2004 for following activities:

“(i) Import/ Procurement of Surface Mounting Technology Machines and Re-Export after making Calibration, Overhauling, Refurbishing, Re-Conditioning, Repair and Testing & Programming (30 Nos./annum). (subject to condition that no DTA sale will be permitted in respect of these items); (ii) Engineering services; (iii) Trading of ESD Tables, ESD Chairs, ESD Consumables, Die Attach Machines, Wire Bonder Machines, Pressure Swing Absorption Nitrogen Generator Machines and Spare Parts and Accessories of SMT Machines; (iv) Software Application and Related Engineering Services.”

14.2 It was further informed that performance of unit during previous block of five years are as under:

Year	Export		Forex Outgo	Values in Rs. Lakhs	
	Physical	Under Rule 53A		NFE Earning	DTA Sale
2015-16 (07/11/2015-31/03/2016)	142.74	527.87	469.26	201.35	303.39
2016-17	305.99	1636.58	1148.22	794.35	0.00
2017-18	513.42	3477.60	3107.31	883.71	2357.86
2018-19	407.59	3656.09	3015.57	1048.11	2945.60
2019-20	280.96	686.46	826.85	140.57	756.15
<b>Total</b>	<b>1650.70</b>	<b>9984.60</b>	<b>8567.21</b>	<b>3068.09</b>	<b>6363.00</b>

14.3 It was further informed that along with application for renewal of LOA, unit has also proposed for amendment in authorized operations.



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14.4 The Approval Committee observed that unit has made DTA sales worth Rs. 6363 Lakhs during previous block of five years upto 31/03/2020 whereas condition for no DTA sale was imposed in the LOA. Further, unit has also not given specific code of the products they will manufacture or trade.

14.5 Shri Soni Saran Singh, MD, Shri Naveen Khurana and Shri Rakesh Nagpal, authorized representative of the unit appeared before the Approval Committee through video conferencing. Shri Singh informed that their manufacturing activity is limited to bringing in CKD machines and modifying suiting to the customer's product from conceptional stage to final product enabling machines.

14.6 It was also informed that there has been variation between the APR Data and NSDL Data. Shri Khurana informed that the variation is due to the fact that the APR data consists of Export of engineering services as well while the NSDL data is only covering the goods exported/deemed export. The Approval Committee observed that unit has neither given separate projections nor has given separate NFE achievement details in respect to manufacturing and trading & service activities.

14.7 The Approval Committee, after due deliberations, decided to defer the proposal for its next meeting with a direction to the unit to submit following:

- (i) Separate 8 digit ITC(HS) Code of each proposed authorized operations of manufacturing and trading.
- (ii) Complete CPC Code of each service activities.
- (iii) Reasons as to why DTA sales were made when they were not allowed for the same.
- (iv) A detailed written submission on the Deemed export made by the unit along with documentary evidence.
- (v) Complete and separate process flow chart in respect of new and old machines.

The Approval Committee also extended the validity of LOA for one month i.e. upto 30/04/2021.

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15. **Sriram Compounds – Renewal of LOA.**

It was informed to the Approval Committee that M/s. Sriram Compounds has been issued an LOA dated 19/01/2005 for manufacturing of (i) Sealing System for Food and Beverage Industry (39019090) (3500M.Tons/ annum) and (ii) Packaging Coating like Lacquer, Varnish, Size and their Components (used for outside and inside of Food and Beverage Can, Closure and Packages) (32089090). The unit commenced its export production w.e.f. 11/10/2005 and its LOA is valid till 31/03/2021.

15.2 It was further informed that performance of unit during previous block of five years are as under:

Values in Rs. Lakhs				
Year	FOB Value of Export	Forex Outgo	NFE Earning	DTA Sale
2015-16 (11/10/2015-31/03/2016)	128.85	66.84	62.01	0.00
2016-17	47.34	28.71	18.63	1.07
2017-18	0.00	0.00	0.00	0.00
2018-19	0.00	0.00	0.00	0.00
2019-20	21.68	0.00	21.68	0.00
<b>Total</b>	<b>197.87</b>	<b>95.55</b>	<b>102.32</b>	<b>91.07</b>

15.3 Shri Nitin Mehta, authorized representative of the unit appeared before the Approval Committee through video conferencing. Shri Mehta informed that they operate based on annual contracts with all their customers which have penalty clauses if they are not able to provide the right quality at the agreed price and at agreed time. Besides, the raw materials used for manufacturing of these products are customized (being a knowledge driven entity, manufacturing unique products the raw materials are specific). Based on their annual sale contracts, they integrate their supply chain for smooth sourcing. He further stated that they are facing a multi faceted inability to perform as per their potential and present demand with the present practice of a 3 month grant of an LoA, as they could not close their contracts or make a commitment.

15.4 The Approval Committee observed that performance of the unit during previous block of five years is very low. The Approval Committee could not

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agree for renewal of LOA for a period of five years keeping in view the dismal performance of the unit.

15.5 The Approval Committee, after due deliberations, unanimously decided to extend the validity of LOA for one month i.e. upto 30/04/2021. The Approval Committee further directed the unit to submit copies of export orders received by them. The Approval Committee also directed to take the decision of further renewal on file on the basis of information/documents provided by the unit.

16. **Plastic Processors & Exporter Pvt. Ltd. – Interpretation/ clarification of penalty amount.**

It was informed that M/s. Plastic Processors & Exporter Pvt. Ltd. was issued an SCN dated 08/09/2014 for non-achievement of positive NFE during block period 2008-09 to 2013-14. The Approval Committee in its meeting held on 17/10/2014 had imposed a penalty @ 1% of the value of imported goods to be calculated by NSEZ Customs in respect of negative NFE (negative NFE to the tune of Rs. 95.97 Lakhs) during the block period 2008-09 to 2012-13. Accordingly, NSEZ Custom vide this internal Memo dated 18/11/2014 and subsequent reminders dated 28/10/2015, 14/01/2020 & 17/03/2020 was requested to calculate the value of imported goods from 2008-09 to 2012-13 in respect of negative NFE.

16.2 It was further informed that NSEZ Customs in reply vide its letter dated 22/12/2020 has stated that the value of the goods imported by unit during the period from 2008-09 to 2013-14 may be fetched from the APR data submitted for the relevant period. It has further been stated that the import data provided in the para No. 3 of the SCN dated 08/09/2014 may be considered for the penal action.

16.3 It was also informed that as per para No. 3 of the said SCN dated 08/09/2014, unit had made import (consumed) worth Rs. 1043.32 Lakhs during the period from 2008-09 to 2012-13. Further, as per APR 2013-14,

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unit has not made any import. On the basis of Customs comments, the value of penalty (@1% of value of imported value) came to Rs. 10,43,320/-. Accordingly, unit vide this office letter dated 22/01/2021 was asked to deposit penalty of Rs. 10,43,320/-.

16.4 Now, Unit has stated that they are of the considered view that the penalty of 1% was to be calculated on the value of goods in respect of which positive NFE could not be achieved by them, i.e. on Rs.95.97 lakhs and not on their entire quantum of imports against which they had fulfilled their NFE obligations. Unit has stated that they are accordingly ready to comply and pay their dues including penalty of 1% in respect of negative NFE of Rs.95.97 lakhs.

16.5 It was informed to the Approval Committee that Rule 80 of SEZ Rules, 2006 states that *"If an Special Economic Zone Unit, in case of bona fide default, fails to achieve the minimum specified Net Foreign Exchange or specified value addition, then such shortfall may be regularised after the Unit deposits an amount equal to one percent of shortfall in Free on Board Value"*

16.6 The Approval Committee observed that the direction of the Approval Committee was to impose penalty on the import of goods in respect of negative NFE and not on the entire value of imported goods during the block of five years.

16.7 The Approval Committee, after due deliberations, directed to reconfirm the negative NFE earnings from Customs Division during 2008-09 to 2013-14 based on records available. The Approval Committee further directed to take suitable action as per directions of Approval Committee as observed in para 16.5 above.

17. **Maharishi Ayurveda Products Pvt. Ltd. – Amendment in Authorized operations**

It was informed to the Approval Committee that M/s. Maharishi Ayurveda Products Pvt. Ltd. has been issued an LOA dated 20.03.1987 for (1) Herbal

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Preparations, Cosmetics and Toiletries (ITC(HS) 30039011) (Capacity: 1500 M.Tons/annum)(2) Copper Cups (74199990) (15000 pcs /annum), Silver Tongue Scraper (74199990) (50000pcs/annum), Stainless Steel Tongue Scraper (82055190) (50000pcs/annum), Catalogues (49111020) (20000pcs/annum), Tips of Ayurveda Book (49011010) (10000Nos/annum), Books on Ayurveda (49011010) (5000Nos/annum), Paper Bags (48191090) (30000pcs/annum), Printed Leaflets (49011020) (20000pcs/annum)". The unit commenced its export production w.e.f. 30/03/1987 and its LOA is valid till 31/03/2025.

17.2 It was further informed that unit has submitted a proposal to include "(i) Soaps (34011190); (ii) Toothpase (33061020); (iii) Shampoo & Shower Gel (33051090); and (iv) Hair Oil (33059019)" under approved authorized operations namely "Cosmetics and Toiletries". The unit has also requested to include Packing materials viz. (i) Printed Labels (48211020); (ii) Printed Boxes (48191010); (iii) Caps/Lids (39235010) in its authorized operations.

17.3 Shri Sudhir Bakshi, authorized representative of the unit appeared before the Approval Committee through video conferencing. Shri Bakshi informed that sometimes the packaging materials got damaged during transit and the buyers ask for new packing materials against these damaged materials. Accordingly, they need to export some packing material for repacking of damaged products received by buyer in transit which might be sent as a separate consignment or along with another consignment to the said buyer.

17.4 The Approval Committee observed that ITC(HS) Code of approved authorized operations i.e. Stainless Steel Tongue Scraper has been mentioned incorrectly as 82055190 and the item appears to be fall under 73269099. Further ITC(HS) Code of Soaps has been given as 34011190 which is also incorrect and the same falls under 34011110.

17.5 The Approval Committee, after due deliberations, approved the proposal of unit for inclusion of "(i) Soaps; (ii) Toothpase; (iii) Shampoo &

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Shower Gel; and (iv) Hair Oil” under approved authorized operations namely “Cosmetics and Toiletries” subject to submission of correct ITC(HS) Code of exiting i.e. Stainless Steel Tongue Scraper as well as proposed items by the unit. The Approval Committee also approved inclusion of trading of (i) Printed Labels (48211020); (ii) Printed Boxes (48191010); (iii) Caps/Lids (39235010) only for 100% physical export.

18. **Anagram Systems - Monitoring of performance in view of final exit request by the unit.**

It was informed that while monitoring the performance of unit, the Approval Committee in its meeting held on 04/02/2021 had observed that as per APR, there is no pending Forex as on 31/03/2020. However, as per CA verification report forex of Rs. 26.51 Lakhs was pending for realization during 2013-14. The Approval Committee decided to defer the proposal with a direction to M/s. Anagram Systems to submit Status of realization/write-off of pending foreign exchange of Rs. 26.51 Lakhs along with copy of application/appeal submitted to Trade Tax Deptt. for further consideration in the matter. The Approval Committee had also extended the validity of LOA upto 15/03/2021 exclusively to submit above documents and complete exit formalities.

18.2 It was further informed that unit vide its letter dated 23/02/2021 submitted in this office on 08/03/2021 has informed that the payment against the above outstanding is already received by them vide cheque No. 262305, dated 30.12.2020 for Rs.26.51 lakhs from the Unit, i.e. M/s. Smart Chip Pvt. Ltd. which has taken over M/s. Adhikaar Datapro Systems Pvt. Ltd. Unit has also stated that trade tax appeal for their DTA Unit for year 2016-17 is about to be closed and they are likely to get closing orders in couple of weeks and this appeal has no relation with their SEZ business in NSEZ. Unit has further stated that they do not have any unutilized Form-I for surrender to NSEZ.

18.3 It was informed that LOA of the unit is currently valid till 15/03/2021 and performance of unit are as under (as per CA verification sheet):

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Year	Values in Rs. Lakhs			
	FOB Value of Export		Forex Outgo	NFE Earning
	Physical Exports	Under Rule 53		
2013-14	0	31.70	30.20	1.50
2014-15	0	01.30	4.39	-3.09
2015-16	0	47.10	44.20	2.90
2016-17	0	74.53	68.60	5.93
2017-18	0	0.00	4.39	-4.39
2018-19	0	25.20	4.39	20.81
2019-20	0	14.10	0.00	14.10
<b>Total</b>	<b>0</b>	<b>193.93</b>	<b>156.17</b>	<b>37.76</b>

18.4 The Approval Committee monitored the performance of unit in terms of Rule 54 of SEZ Rules, 2006 and after due deliberations, unanimously took note of achievement of positive NFE Earnings by the unit. The Approval Committee also noted that no foreign exchange is pending for realization. The Approval Committee approved the proposal of M/s. Anagram Systems for exit & transfer of assets & liabilities including building at Plot No. 153-154, NSEZ to M/s. Idemia Syscom Corporation Pvt. Ltd. under Rule 74A of SEZ Rules, 2006 and directed project section to process the remaining exit formalities on file.

19. **FIM Industries Pvt. Ltd. - Setting up of unit in NSEZ.**

No one from the applicant unit appeared for the meeting. The Approval Committee decided to defer the proposal for its next meeting.

Meeting ended with a vote of thanks to the Chair.



**(Nitin Gupta)**  
**Dy. Development Commissioner**



**(A. Bipin Menon)**  
**Development Commissioner**