



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/

दिनांक:/04/2021

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, प्लॉट 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 06/04/2021 को पूर्वाह्न 11:30 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 06/04/2021 को पूर्वाह्न 11:30 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. निर्दिष्ट अधिकारी, नौएडा विशेष आर्थिक क्षेत्र - सूचनार्थ एवं आवश्यक कार्यवाही के लिए।
3. सचिव, नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण- सूचनार्थ एवं आवश्यक कार्यवाही के लिए।
4. उप विकास आयुक्त (एडमिन) - सूचनार्थ एवं कार्यवृत्त के हिंदी अनुवाद के लिए।
5. कार्यपालक अभियंता, उत्तर प्रदेश पॉवर कारपोरेशन लिमिटेड, इ.यु.डी.डी.-II, सेक्टर - 18, नौएडा।
6. उप आयुक्त, व्यापार कर, खण्ड-14, सेक्टर -18, नौएडा।
7. क्षेत्रीय अधिकारी, उत्तर प्रदेश प्रदूषण नियंत्रण बोर्ड, इ-12/1, सेक्टर -1, नौएडा।

उप विकास आयुक्त

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 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 11:30 AM on 06/04/2021 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, Asstt. Manager, 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, (iv) Satya Vijay Verma, AEE, UPPCB, Noida and (v) S.K. Bharti, JE, UPPCL, 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 10/03/2021.

It was informed that no reference against the decisions of the Approval Committee held on 10/03/2021 was received and, therefore, Minutes of the meeting held on 10/03/2021 were unanimously ratified by the Approval Committee.



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

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

1. Insync Business Solutions Limited – Setting up a new unit in NSEZ.

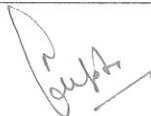
1.1 It was informed to the Approval Committee that M/s. Insync Business Solutions Limited has proposed to set up a new unit in NSEZ for “IT & IT Enabled Services” with projected exports of Rs. 4522.01 Lakhs and NFE earnings worth Rs.4454.19 Lakhs and proposed investment of Rs. 27 Lakhs in indigenous plant & machinery/capital goods and employment of 150 persons, over a period of five years.

1.2 Shri Anil Sharma, CFO of the company appeared before the Approval Committee in the said meeting through video conferencing and explained the proposal. Shri Sharma informed that they are working since 2009 in core IT areas like e-learning, digital content services, IT consultancy and product engineering services for domestic market. Now, they are looking for expansion through setting up SEZ unit in NSEZ mainly for US Market.

1.3 The Approval Committee observed that the company was incorporated in the year 2009 whereas the IEC was issued only on 23/02/2021. Shri Sharma informed that they were earlier working only to cater domestic market. No export business was carried out. However, as now, they are looking forward to new export markets, they have obtained IEC for their company.

1.4 On specific enquiry about the proposed IT/IT Enabled Services, Shri Sharma informed that they will do Software Development and BPO Services for banking/financial Institutions. The Approval Committee directed the applicant to provide description of proposed services as per Rule 76 of SEZ Rules, 2006 along with their CPC Code.

1.5 It was informed to the Approval Committee few shortcomings were observed in the application which are required to be rectified by the applicant.



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

	<p>1.6 The Approval Committee, after due deliberations, unanimously decided to approve the proposal of M/s. Insync Business Solutions Limited for setting up a new unit in NSEZ subject to submission of description of proposed services as per Rule 76 of SEZ Rules, 2006 along with their CPC Code and rectification of deficiencies observed in their application.</p>
2.	<p>AF Ferrari Secure Logitech Private Limited – Setting up a new unit in NSEZ.</p> <p>2.1 The Approval Committee was informed that M/s. AF Ferrari Secure Logitech Private Limited has proposed to set up a new unit in NSEZ for (i) Warehousing of other Travel Goods; (ii) Warehousing of Jewellery Boxes; (iii) Warehousing of leather goods; (iv) Warehousing of smart watches; (v) Warehousing of watches with precious metal; (vi) Warehousing of other watches; (vii) Warehousing of writing instruments (Ball pens, Fountain Pens, refills etc.) with projected exports of Rs. 263.60 Lakhs and NFE earnings worth Rs.231.89 Lakhs and proposed investment of Rs. 40.00 Lakhs in indigenous plant & machinery/capital goods and employment of 3 persons, over a period of five years.</p> <p>2.2 It was informed that the said proposal was also considered by the Approval Committee in its last meeting held on 04/02/2021 wherein the Approval Committee had directed the applicant to submit addresses of their DTA offices and copies of documents related to Income Tax demand & deposit of 20% of demand raised. The Approval Committee further directed that on receipt of addresses, physical verification of the premises may be undertaken. The Approval Committee had also directed to obtain report from Income Tax Deptt. on the matter of demand of INR 1.25 Crores on company in Dec 2019 against some expenditure disallowance of INR 1.23 Crores. The Approval Committee had further directed to defer the proposal to the next Approval Committee on receipt of status of penalty imposed by Income Tax department and verification of DTA offices of applicant.</p> <p>2.3 It was informed to the Approval Committee that Income Tax Deptt. vide</p>

P. Gupta

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

its letter dated 04/02/2021 has provided their comments which is reproduced as under:

“As, you have been informed by the company that a demand of Rs. 1.25 Crores has been raised by the Income Tax Department on company in December, 2019 because some expenditure was disallowed by the department. On perusal of the enclosures provided by your good office letter dated 20.01.2021, it has been observed an order u/s 143(3) of I.T. Act, 1961 for A.Y. 2017-18 was passed by Circle-1(1), Delhi as that company was repeatedly requested to provide the details and nature of services and support provided by executive of Ferrari FZE to the assessee company. Since, the company was failed to provide conclusive evidence towards the payment of Management Fees to Ferrari FZE amounting to Rs. 1,23,86,922/-, the same was added to its total income u/s 69 of the Income Tax Act, 1961. Later on, an appeal against the assessment order has been filed by the assessee company on 01.01.2020 on the ground of disallowance of the expenses. It is also observed that in the said enclosure it has also been mentioned that the company has essentially deposited the required amount @20% of the demand which implies that the company is essentially performing the required operations and in such case no entity can be restricted to doing business. Merely on the basis of any income tax demand raised against the company (for which the assessee company is already in appeal) it may not be restricted to doing any business.”

2.4 It was also informed that a physical verification of the applicant's premises at Kalkaji, New Delhi was carried out by Officers of this office. Details of site verification are reproduced as under:

“(i) At the main entrance of the building, a small size plate with firm name as “AF Ferrari Secure Logitech Pvt Ltd” mentioning address as A-

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

2A, Gate No. 3, 2 Industrial Area, Kalkaji, New Delhi-110019 with a separate plate displaying GSTIN 07AAMCA1989R1ZP was affixed on the wall. The building was having only ground floor and the same was being used as a warehouse having a total approximate area of 3000 sq. feet.

(ii) At the time of visit of premises of the firm, around 15 persons/employee were available there, out of them two persons came forward and introduced themselves as Mr. Dauji Gupta, General Manager and Mr. Ashish Kumar Verma, Senior Manager of the company. They informed us that the premises is taken on lease for five years w.e.f. 06.04.2017 and consisted of office/staff Cabins, Conference room, Gallery (for normal warehousing activities) and Secured Storage Area (around 1250 sq.ft. meant for storage of precious goods meant only for one Customer namely M/s Richemont India Pvt. Ltd. with dedicated staff).

(iii) 3-4 persons were present in the said Secured/Restricted Storage Area, 08 persons were working on computers in their cabins, 01 person was working as Security Guard/Gate Keeper and making entry in registers. They took us to a room called Secured Warehouse Area. In Secured Area there were some iron racks (with no goods in them at the time of visit). On asking about the reason for non-availability of goods in racks, they informed that it is due to month end. There was another small room marked as Vault Storage (having area around 100 Sq Feet) in Secured Area containing various small sized boxes. They told us that precious goods like watches, jewellery of specific client are being stored in this Vault Storage.

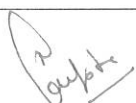
(iv) Some packing material like cartons and wooden boxes (packed/unpacked) were also available at the premises.

(v) Mr. Dauji Gupta, GM informed that their main work is to provide logistics related services to their clients and they have been working at this premises for last 6-7 years.

(vi) On asking about the relevant documents they produced copy of the documents viz Electricity Bill and registered rent agreement of the premises, Attendance Register, invoice issued by M/s AF Ferrari Secure Logitech Private Limited to their client and copy of GSTR-3B return.

(vii) Site photographs were also taken at the time of its visit.”

2.5 Shri Rohit J Kharadkar, director, Shri Dauji Gupta and Shri Ashish K



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

Verma authorized representatives of the company appeared before the Approval Committee through video conferencing and explained the proposal. Shri Gupta informed that AF Ferrari Secure Logitech Private Limited is a subsidiary of Ferrari Group incorporated in November 2013 and growing since then. AF Ferrari has presently offices in Mumbai, Surat, New Delhi, Jaipur and Kolkata. He further informed that the company offers quality service, timeliness, flexibility and responsiveness with accurate and customized solutions for high-value merchandise and commodities.

2.6 Shri Rohit Kharadkar informed that their clients include high end premium watches/writing instruments brands from Switzerland, France etc. which includes Rolex, Swatch, Cartier etc. He informed that the warehoused goods shall be exported/ sold to markets like India and neighbouring countries. He also informed that waiting time for these high end products is 1-2 weeks as the customers are not readily available. Further, as per clients requirements, they may require permission for temporary removal of goods in DTA for showcasing the products. He further stated that the writing instruments will be imported from Germany for warehousing and main export market for the same will be Dubai.

2.7 The Approval Committee observed that the proposed products also include the premium watches and writing instruments made of precious metals. Further, Precious and semi-precious metals are sensitive Commodities prone to misuse/ diversion with high revenue implication.

2.8 The Approval Committee, after due deliberations, unanimously decided to approve the proposal of M/s. AF Ferrari Secure Logitech Pvt. Ltd. for setting up a new unit in NSEZ for warehousing of (i) Warehousing of other Travel Goods (42021250); (ii) Warehousing of Jewellery Boxes(42023110, 42023990); (iii) Warehousing of leather goods (42021190, 42021290, 42022190, 42022210, 42022290, 42022990, 42023290, 42029100, 42029200, 42029900, 42050090, 42050090, 42023120, 42021110, 42021120, 42021140,42021250, 42022110, 42023110, 42023190); (iv)



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

Warehousing of smart watches (85176290); (v) Warehousing of watches except watches of or clad with precious metals (91011100, 91011900, 91012100, 91012900, 91021900, 91022100); (vii) Warehousing of writing instruments (Ball pens, Fountain Pens, refills etc.) except writing instruments of precious metals (96081019, 96081091, 96081099, 96082000, 96083019, 96083099, 96084000, 96086090) subject to the condition that Temporary removal of goods in DTA shall not be allowed.

3. **Kishan Lal Jewels Pvt. Ltd. - Renewal of LOA and monitoring of performance.**

3.1 It was informed that the said proposal was earlier considered by the Approval Committee in its meeting held on 10/03/2021 wherein the Committee has observed that the 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. The matter for Adjudication of said Show Cause Notice dated 20/02/2015 issued by NSEZ office was considered by it in its meeting held on 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.

3.2 The Approval Committee in its meeting held on 10/03/2021 had 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. The unit was directed to submit APR for the year 2019-20 so as to monitor the performance of unit. The validity of LOA was also extended for one month i.e. upto 30/04/2021.

3.3 It was informed to the Approval Committee that the legal opinion in the

R Gupta

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

matter has been sought and is awaited from the nominated legal firm of NSEZ. It was further informed that APR for the year 2019-20 is also awaited.

3.4 The Approval Committee, after due deliberations, unanimously decided to defer the matter for its next meeting with a direction to obtain legal opinion in the matter, at the earliest. The Approval Committee directed the unit to submit APR for the year 2019-20 immediately. The Approval Committee also decided to renew the validity of LOA for a period of three months i.e. upto 31/07/2021, so that working of the unit may not suffer.

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

4.1 It was informed that the said proposal was earlier considered by the Approval Committee in its meeting held on 10/03/2021 which was deferred 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.
- (vi) Separate projections in respect of manufacturing, trading & services activities for next five years.

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

M Gupta

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

4.2 It was further informed that the said decision was conveyed to the unit vide this office letter dated 23/03/2021 with a request to comply with the direction of Approval Committee and submit the required documents/information. However, till date no reply of unit has been received.

4.3 Shri Naveen Khurana and Shri Rakesh Nagpal, authorized representative of the unit appeared before the Approval Committee through video conferencing. Shri Khurana informed that they import machines in CKD Form and then the machines are assembled and software is installed in it before export. Shri Khurana further informed that they did not make any DTA sale during previous five years.

4.4 The Approval Committee observed that as per the submitted APRs as well as NSDL Data, unit has made DTA Sales.

4.5 The Approval Committee, after due deliberations, unanimously decided to defer the proposal for its next meeting with a direction to the unit to submit reply to this office letter dated 23/03/2021 and also give a detailed presentation before the Approval Committee regarding their proposal. The Approval Committee also decided to renew the validity of LOA for a period of three months i.e. upto 31/07/2021, so that working of the unit may not suffer.

5. Cooper Pharma Limited - Updation of ITC(HS) Code of authorized operations allowed under LOA, permission for job-work in DTA and monitoring of performance.

5.1 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.

5.2 It was further informed that unit has submitted an application to (i) update the ITC(HS) Code of their authorized operations as 30043911,

R. Gupta

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

30049094, 30049049, 30049099, 29371900; (ii) Inclusion of Manufacturing of Food Supplement viz Vitamin, Multivitamins Capsules (total 14 items)(under ITC(HS) 30045090, 30045031, 30045037, 30045032); and (iii) Permission for job-work in DTA for manufacturing of medicines. Further, the unit has also requested to grant them permission to export the finished products lying in their factory.

5.3 Shri Rakesh Bhargava, authorized representative of the unit appeared before the Approval Committee through video conferencing. He informed that they cannot perform all activities in SEZ premises because they have a small space. Besides, they also didn't have Drug License for the NSEZ unit. Hence, they were getting the Job work done from their DTA unit in Dehradun.

5.4 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. He further stated that they are doing packaging and labelling in NSEZ.

5.5 On specific query as to what address they mentioned on finished products exported from NSEZ, Shri Bhargava could not give satisfactory reply and just stated that they do not mention address of manufacturing unit/plant on the packaging of manufactured drugs.

5.6 The Approval Committee observed that unit has not submitted complete Drug License for their NSEZ Unit as well as DTA unit as directed by it in its earlier meeting. The Approval Committee further observed that instead of giving one consolidated reply, unit has been giving information in bits & pieces vide its several letters and that too are incomplete and create a lot of confusion. On specific enquiry, he also informed that they are availing Income Tax Exemption for their NSEZ unit.

5.7 Shri Bhargava informed that the raw materials, which are lying in the



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

store, have specific self-life. But due to lack of job work permission these raw materials will become waste and they will suffer a great financial loss for want of job work permission. Further, they also have some consignments lying ready to dispatch for export from last two months. With regard to job-work permission, the Approval Committee observed that the Specified Officer is competent to take a decision in the matter in terms of provisions of SEZ Rules, 2006.

5.8 The Approval Committee, after due deliberations, deferred the matter with the direction to the unit to submit following documents/information:

- (i) List of 31 APIs lying in the NSEZ unit with ITC(HS) COdes.
- (ii) List of 44 formulations/finished products (with ITC(HS) Codes) which are lying in NSEZ unit for export.
- (iii) Copies of complete Drug License of NSEZ unit as well as DTA unit along with annexures including Form-25/Form-28 as mentioned by the unit representative in the meeting.
- (iv) Manufacturing process flow chart of proposed additional product giving therein complete details of raw materials and processes to be done.

5.8 The Approval Committee also decided that unit may sell the raw materials, which are imported by it and lying in NSEZ premises, in DTA on payment of duty. The Approval Committee further directed that physical verification of the NSEZ premises may be undertaken.

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

6.1 It was informed to the Approval Committee that M/s. FIM Industries Pvt. Ltd. had submitted an application (online request ID: 1112000000685) to set up a new unit in NSEZ for "Manufacturing of Textile Car Cover, Packaging Boxes, Protective Cases for all vessels including boats/ yatches /aircrafts/ special vehicles etc., Camping Tents, Products made of Special material for safe delivery of goods in difficult terrain (HSN Code 63079090)" with projected

gupta

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

exports of Rs. 22846.08 Lakhs and NFE earnings worth Rs. 11372.50 Lakhs and proposed investment of Rs. 450.34 Lakhs and Rs.141.71 Lakhs in imported and indigenous plant & machinery/capital goods respectively, over a period of five years.

6.2 It was further informed that the said proposal was considered by the Approval Committee in its meeting held on 05/02/2020, wherein the Approval Committee deferred the project with a direction to applicant to submit some documents/ information with respect to its directors/ shareholders/ foreign partner/ source of funds. However, till date no reply has been received from the applicant.

6.3 It was also informed that as no one from the applicant unit appeared for the earlier meeting held on 10/03/2021, the Approval Committee had deferred the proposal for its next meeting.

6.4 It was further informed that again no one from the applicant company appeared for the meeting. It was also informed that applicant vide its email dated 12/03/2021 mentioned that due to Covid pandemic, their partners are not able to travel to India & they will proceed on improvement of current situation so that their partner can also travel & participate.

6.5 The Approval Committee observed that the applicant has not submitted reply to the query raised by it in its meeting held on 05/02/2020 till now. Further, none of company's representatives are appearing before the meeting even through video conferencing despite giving several opportunities.

6.6 The Approval Committee, after due deliberations, decided to reject the proposal of M/s. FIM Industries Pvt. Ltd. for setting up a unit in NSEZ in terms of Section 15(3) of SEZ Act, 2005 as neither the applicant has replied to the queries nor did it appear before the Committee through video conferencing.



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

7. R.A. International – Renewal of LOA.

7.1 It was informed that M/s. R.A. International was issue an LOA dated 29/01/2010 for manufacturing of Plain & Studded Gold Jewellery. Unit commenced its export production w.e.f. 18/06/2010 and its LOA was valid till 17/06/2020. The unit has been allotted Plot No. 129G/31, NSEZ to carry out its export activities. The 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	2294.38	2215.08	79.30
2016-17	1252.09	1219.12	32.97
2017-18	0.00	0.00	0.00
2018-19	0.00	0.00	0.00
2019-20	0.00	0.00	0.00
Total	3546.47	3434.20	112.27

7.2 It was further informed that now the unit has applied for renewal of LOA for next block of five years for manufacturing of Plain Gold Jewellery (71131910).

7.3 It was further informed that earlier unit had applied for dissolution of partnership deed. The Approval Committee in its meeting held on 06/02/2019 took note of submission of Shri Dinesh Verma, partner in the firm that he and his father (other partner in the firm) have mutually decided to dissolve their partnership business and decided to close M/s. R.A. International as they already have another unit in NSEZ namely M/s. Shree Shyam Exports which will continue working in the zone. The Approval Committee directed him to submit their written submission w.r.t. their decision of exit from SEZ Scheme subject to compliance of relevant exit formalities. However, unit has till date neither submitted registered dissolution deed nor has given their submission regarding decision on exit. Now, the unit has applied for renewal of LOA.

7.4 Shri Dinesh Verma, partner appeared before the Approval Committee through video conferencing. Shri Verma informed that their LOA was expired

Shri Verma

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

during the lockdown period due to which they could not submit application for renewal of LOA. He further stated that due to some family business dispute, they were not performing their business since 2017. Now, all the dispute have been settled down. Besides, they have also got some query for orders from foreign buyer and trying to execute their plan.

7.5 Shri Verma further informed that they will import the raw material i.e. Gold Bar on FOC basis from their client and after manufacturing plain gold jewellery will be exported to the said client.


7.6 Shri Verma also informed that he and his father are the partners in the instant firm. Further, he also has another partnership firm with his brother namely M/s. Shree Shyam Exports which is working on the same premises on sharing basis. He stated that as the LOA of main allottee i.e. M/s. R.A. International is expired, the validity of sharing permission to M/s. Shree Shyam Exports is also expired. He requested to renew the LOA of M/s. R.A. International for a block of five years.

7.7 The Approval Committee keeping in view non-performance by the unit since 2017-18 did not agree for renewal of LOA for five years in one go.

7.8 The Approval Committee, after due deliberations, decided to renew the validity of LOA for one year from expiry of its validity i.e. from 18/06/2020 to 17/06/2021 subject to condition that raw materials shall be obtained on outright purchase or on loan from Nominated Agencies in terms of provisions of SEZ Rules, 2006. The Approval Committee also directed the unit to submit copies of orders for further renewal and deferred the matter for its next meeting.

8. **Advance Ispat (India) Pvt. Ltd. – Renewal of LOA and monitoring of performance.**

8.1 It was informed that M/s. Advance Ispat (India) Pvt. Ltd. has been issued an LOA dated 01/06/2004 for manufacturing of Scaffolding. The unit commenced its export production w.e.f. 24/11/2006 and its LOA was valid



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

till 31/03/2021. Further, unit has not made any export since 2010-11. The unit has been allotted Plot No. 129G/10-12, NSEZ admeasuring 2280 Sq.mtrs. to carry out its authorized operations.

8.2 It was also informed that the Approval Committee in its meeting held on 05/12/2018 had decided to treat LOA of M/s. Advance Ispat (India) Ltd. as cancelled as already lapsed w.e.f. expiry of its validity i.e. from 23/11/2016 keeping in view no export by the unit since 2010-11. The unit filed an appeal before the BOA against the said decision. The BOA in its meeting held on 25/02/2019 remanded back the case to UAC, NSEZ for reconsideration on the basis that unit was not provided sufficient opportunity to be heard before cancellation and the unit has done Job-work for other SEZ units when exports were not effected.

8.3 It was further informed that in pursuance of above directions of BOA, the Approval Committee in its meeting held on 07/08/2019 keeping in view the decision of BOA and having regard to the job-work amounting to approx. Rs. 32 Lakhs annually done by the unit which was duly verified by NSEZ Customs, decided to renew the LOA for a period upto 31/03/2021 and directed the unit to commence their export activities within the renewed period. However, as per APRs submitted by the unit as well as NSDL Data, it may be observed that unit has not commenced its export activities till date.

8.4 Shri Ashish Aggarwal, director of the company, appeared before the Approval Committee through video conferencing. Shri Aggarwal informed that after renewal of LOA they did not have much export orders. Further due to COVID-19 pandemic, they could not revive the business during the said period.

8.5 The Approval Committee expressed its displeasure over the non-performance by the unit for such a long time. The Approval Committee also observed that a huge area admeasuring 2280 Sq.mtrs. is also lying unutilized due to non-performance by the unit.



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

8.6 The Approval Committee, after due deliberations, unanimously decided to defer the proposal for its next meeting with the direction to the unit to submit their complete and concrete business plan for starting their work in NSEZ duly supported with documentary proof like export orders. The Approval Committee also directed the Customs Division, NSEZ to carry out inspection of the unit and furnish a report on working of the unit.

9. **GSR Industries – Inclusion of additional authorized operations in LOA.**

9.1 It was informed that M/s. G.S.R. Industries has been issued an LOA dated 17/03/2011 for manufacturing of Smoking Glass Pipes, Hookah, Chillums & Cups, Incense Sticks & Stand etc. The unit commenced its export production w.e.f. 16/07/2011 and its LOA is valid till 15/07/2021.

9.2 It was further informed that unit has submitted a proposal for inclusion of additional items viz. Manufacturing of (i) Cigarette paper in Booklets or tubes (48131000), (ii) Paper for Cigarette Filter Tip (Filter Booklet) (48239014) (9 Million pieces/annum) in its authorized operations.

9.3 Shri Rajdip Singh, partner in the firm along with Shri Prakash Sinha & Ms. Neha Suneja, authorized representative appeared before the Approval Committee through video conferencing. Shri Singh informed that they have received good export orders for these additional products from Europe. He further stated that currently the goods are exported from China. However, now they are planning to shift to India for these operations.

9.4 It was informed to the Approval Committee that M/s. G.S.R. Industries has been working from Plot No. 187-189, NSEZ on sharing basis with M/s. Bullet International. However, LOA of M/s. Bullet International has already been expired w.e.f. 31/03/2016. Bullet International had applied for exit from SEZ Scheme. However, as the exit formalities are yet to be completed, final exit permission has not been granted to the unit till date.

9.5 Shri Singh informed that both M/s. GSR Industries and M/s. Bullet International have same promoters. They have obtained sharing permission



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

for M/s. GSR Industries on the above plots in 2011. Later LOA of M/s. Bullet International was lapsed. He requested to transfer the assets including Plot No. 187-189, NSEZ in favour of M/s. GSR Industries.

9.6 The Approval Committee suggested him to apply for exit of Bullet International & transfer of assets & liabilities at Plot No. 187-189 to M/s. GSR Industries under Rule 74A of SEZ Rules, 2006 which will be separately considered.

9.7 The Approval Committee, after due deliberations, unanimously approved the proposal of M/s. GSR Industries for inclusion of additional items viz. Manufacturing of (i) Cigarette paper in Booklets or tubes (48131000), (ii) Paper for Cigarette Filter Tip (Filter Booklet)(48239014)(9 Million pieces/ annum) in its authorized operations. The Approval Committee also extended LOA validity of M/s. Bullet International upto 30/06/2021 exclusively for exit purpose subject to submission of written request to this effect by the unit. GSR Industries have also been directed to ensure to obtain a valid sharing permission to work from Plot No. 187-189, NSEZ.

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

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

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

11.1 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,

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

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 Committee”

11.2 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.

11.3 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.	Ganpati Overseas	04/03/2021
2.	UUDS Magnum Aero Pvt. Ltd.	15/03/2021
3.	United Drilling Tools Limited	19/03/2021
4.	Embarc Information Technology Pvt. Ltd.	30/03/2021
5.	Divya Creations	01/04/2021

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

12. Proposal for Monitoring of performance of units in terms of Rule 54 of SEZ Rules, 2006.

(i) Kriti Metform Limited – The Approval Committee monitored the performance of unit for the period 2012-13 to 2017-18 on the basis of submitted APRs and noted achievement of positive NFE earnings by the unit during block period 05/10/2012 to 04/10/2017. The Approval Committee further observed that as per CA report, foreign exchange amounting to Rs. 335.37 Lakhs is outstanding for realization as on 31/03/2018. The Approval Committee directed the nominated CA firm to re-examine the value of pending foreign exchange and also to obtain current status of the same from



नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

the unit including permission from RBI for time extension to realize the pending foreign exchange along with investment details.

(ii) Maharishi Ayurveda Products Pvt. Ltd. - The Approval Committee monitored the performance of unit for the period 2015-16 to 2019-20 on the basis of submitted APRs and noted achievement of positive NFE earnings by the unit during block period 01/04/2015 to 31/03/2020. The Approval Committee further observed that as per CA report, foreign exchange amounting to Rs. 461.53 Lakhs is outstanding for realization as on 31/03/2020. The Approval Committee directed the nominated CA firm to re-examine the value of pending foreign exchange and also to obtain current status of the same from the unit including permission from RBI for time extension to realize the pending foreign exchange.

(iii) Avisor India Pvt. Ltd. - The Approval Committee monitored the performance of unit for the period 2014-15 to 2018-19 on the basis of submitted APRs and noted achievement of positive NFE earnings by the unit during block period 01/04/2014 to 31/03/2019. The Approval Committee further observed that as per CA report, foreign exchange amounting to Rs. 9.86 Lakhs is outstanding for realization as on 31/03/2019. The Approval Committee directed the nominated CA firm to re-examine the value of pending foreign exchange and also to obtain current status of the same from the unit including permission from RBI for time extension to realize the pending foreign exchange.

(iv) Complete Surveying Technologies Pvt. Ltd. (Unit-I) - The Approval Committee monitored the performance of unit for the period 2014-15 to 2018-19 on the basis of submitted APRs and noted achievement of positive NFE earnings by the unit during block period 06/10/2014 to 05/10/2019. The Approval Committee further observed that no foreign exchange is outstanding for realization.

(v) India Exports - The Approval Committee monitored the performance of unit for the period 2015-16 to 2019-20 on the basis of submitted APRs and

Output

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

noted achievement of positive NFE earnings by the unit during block period 06/10/2015 to 05/10/2020. The Approval Committee further observed that no foreign exchange is outstanding for realization.

13. Radha Jewellery Pvt. Ltd. – Interpretation/ clarification on shortfall of value addition achievement.

13.1 It was informed that the Approval Committee held on 05/01/2021 had considered proposal in respect of Radha Jewellery Private Limited for monitoring of performance in view of exit request by the unit as per following details of value addition:

Rs. In Lakhs						
Details received from unit					Details received from Customs NSEZ	
Year	Exports	Inputs	Value Addition achieved	Value addition prescribed	Input	Value addition achieved
22.07.2013-31.03.2014	1,305.57	1248.81	4.55	5	1,923.06 (FY 2013-14)	4.20
01.04.2014-31.03.2015	1,456.86	1387.61	5.00	5	1,384.85	5.20
01.04.2015-31.03.2016	769.43	727.43	5.79	6-7	725.68	6.03
01.04.2016-31.03.2017	763.41	720.29	6.00	6-7	718.51	6.25
01.04.2017-31.03.2018	174.94	165.05	6.00	6-7	164.72	6.20

13.2 It was further informed that on the basis of Customs data, the Approval Committee observed that during 2013-14, unit has achieved value addition of 4.20% in respect of studded jewellery as against the prescribed VA norms of 5%. As such there is shortfall of 0.80% of value addition achievement by the unit and directed the unit to pay an amount equal to 1% of shortfall in FOB value in terms of Rule 80 of SEZ Rules, 2006.

13.3 It was further informed that during examination, following were observed:

- The Customs provided import data of Rs. 1923.06 Lakhs for the complete financial year 2013-14 and accordingly the value addition for

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 06/04/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

the year 2013-14 came to 4.20%.

- As per APRs submitted by the unit for the year 2013-14, total consumed import of raw material has been shown as Rs. 1947.09 Lakhs. Further, during the period 22/07/2013-31/03/2014, total inputs were informed as Rs. 1248.81 Lakhs and value addition achievement as 4.55%.
- The UAC held on 05/01/2021 took the value informed by NSEZ Customs for the year 2013-14 and observed that unit has achieved 4.20% VA during 2013-14 and hence, there was a shortfall of 0.80%.
- The norms of achievement of value addition came into effect on 22/07/2013.

13.4 It was also informed that shortfall in value addition has been relooked as earlier value was taken for full year 2013-14 (*i.e. input Rs. 1923.06 Lakhs against full year FOB Value of Rs. 2003.86 Lakhs*) instead of taking the value for corresponding period 22/07/2013 to 31/03/2014 (*i.e. input Rs. 1248.81 Lakhs against FOB Value of Rs. 1305.57 Lakhs*).

13.5 The Approval Committee, observed that to achieve 5% value addition during 22/07/2013-31/03/2014, FOB value should be Rs. 1311.26 Lakhs and hence shortfall in FOB value is Rs. 5.69 Lakhs and 1% of Rs. 5.69 Lakhs comes to Rs. 5690/-.

13.6 The Approval Committee, after due deliberations, took note of the same and directed the unit to deposit an amount of Rs. 5,690/- i.e. equal to 1% of shortfall in FOB value in terms of Rule 80 of SEZ Rules, 2006 before consideration/ issue of final exit on file.

Meeting ended with a vote of thanks to the Chair.



(Nitin Gupta)
Dy. Development Commissioner



(A. Bipin Menon)
Development Commissioner