

भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग
विकास आयुक्त का कार्यालय
नोएडा विशेष आर्थिक क्षेत्र
नोएडा दादरी रोड, फेस-II, नोएडा.201305, जिला - गौतमबुद्ध 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.12/01/2017 -प्रोज/

दिनांक: 07/02/2017

सेवा मे,

1. मुख्य कार्यपालक अधिकारी, न्यू ओखला औद्योगिक विकास प्राधिकरण, मुख्य प्रशासनिक भवन, सेक्टर - 6, नोएडा।
2. अतिरिक्त महानिदेशक विदेश व्यापार, वाणिज्य एवं उद्योग मंत्रालय, 'ए' विंग, इंद्रप्रस्थ भवन, आई पी एस्टेट, नई दिल्ली ।
3. आयुक्त, आयकर, ए 2 डी, आयकर भवन, सेक्टर 24, नोएडा ।
4. आयुक्त, सीमा शुल्क, नोएडा सीमा शुल्क आयुक्तालय, इनलैंड कंटेनर डिपो, तिलपता, दादरी, गौतम बुद्ध नगर, उत्तर प्रदेश - २०१३०६.
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, नोएडा।

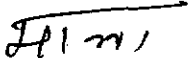
विषय: दिनांक 01.02.2017 को अपराह्न 03:00 बजे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी ।

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और डॉ. एल बी सिंघल, विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता मे दिनांक 01.02.2017 को अपराह्न 03:00 बजे सम्मेलन हॉल, प्रशासनिक भवन, नोएडा विशेष आर्थिक क्षेत्र, नोएडा मे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है ।

भवदीय,

संलग्नक : उपरोक्त




(माला रंगराजन)

उप विकास आयुक्त

प्रतिलिपि:

1. अवर सचिव (एस.ई.जेड.), वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली - सूचनार्थ।
2. विशेष कार्याधिकारी - विकास आयुक्त के सूचनार्थ।
3. वैयक्तिक सहायक - संयुक्त विकास आयुक्त के सूचनार्थ।
4. निर्दिष्ट अधिकारी, नोएडा विशेष आर्थिक क्षेत्र - सूचनार्थ एवं आवश्यक कार्यवाही के लिए.
5. सहायक विकास आयुक्त, सम्पदा अनुभाग, नोएडा विशेष आर्थिक क्षेत्र, सूचनार्थ एवं आवश्यक कार्यवाही के लिए.


उप विकास आयुक्त

Minutes of the meeting of the Approval Committee of Noida SEZ held under the chairmanship of Dr. L.B. Singhal, Development Commissioner (DC), Noida SEZ at 03:00 PM on 01/02/2017 in the Conference Hall of NSEZ.

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

- 1) Shri S.S. Shukla, Jt. Development Commissioner, NSEZ.
- 2) Shri Devender Singh, Asstt. DGFT, CLA, New Delhi.
- 3) Ms. Sandhya Maurya, Income Tax Officer, Income Tax Deptt., Noida.
- 4) Shri Ajit Kumar Tiwari, Supdt., Customs, Noida Commissionerate.

2. Besides, during the meeting (i) Smt. Mala Ranagarajan, Dy. Development Commissioner, NSEZ, S/Shri (ii) R.K. Srivastava Dy. Development Commissioner, NSEZ (iii) Md. Salik Parwaiz, Specified Officer, NSEZ, (iv) R.P. Verma, Asstt. Development Commissioner, NSEZ, (v) Rajendra Mohan Kashyap, PA to JDC, NSEZ, (vi) G.P. Singh, SDO, UPPCL, Noida and (vii) J.N. Tiwari, JE, UPPCB, Noida were also present to assist the Approval Committee.

3. At the outset, DC, NSEZ welcomed the participants. After brief introduction, each items included in the agenda were taken up for deliberation one by one. After detailed deliberations as well as interaction with the applicants / representatives of the units, the following decisions were taken:-

(i) Ratification of Minutes of last meeting of the Approval Committee held on 04/01/2017:-

It was informed that no reference against the decisions of the Approval Committee held on 04/01/2017 was received and therefore, Minutes of the meeting held on 04/01/2017 were ratified.

A. mala

Item wise decisions on proposals included in agenda:

1.	<p>Proposal of M/s. Capgemini Technology Services India Limited for setting up a new Unit in NSEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ to undertake service activities viz. Development of Software and Information Technology and Information Technology Enabled Services with projected exports of Rs. 113116 Lakhs and NFE earnings worth Rs. 91228 Lakhs over a period of five years.</p> <p>Shri Sunil Janjani, authorized representative of the company appeared before the Approval Committee to explain the project. Shri Janjani informed that Capgemini is European Global IT Company and has global turnover of 12.9 Billion Euros. He further informed that the company has a total 44 units in 9 cities across India out of which 33 units are in SEZs and have approx. 95,000 employees. It was informed that annual turnover of the company in India was Rs. 7673 Crores during 2015-16.</p> <p>Shri Janjani also informed that during 2016 "iGate Global Solutions Ltd." was amalgamated with 'Capgemini India Pvt. Ltd.". This is a reverse merger/amalgamation approved by Court where Capgemini India Private Limited has been taken over by iGate Global Solutions Limited. It was further informed that it was mutually agreed that once the amalgamation process is over, IGATE will go through the exercise of name change to use Capgemini brand as already approved by the Court.</p> <p>The Approval Committee, after due deliberations, <u>approved the proposal of M/s. Capgemini Technology Services India Limited</u> for Development & Export of Software and Information Technology and Information Technology Enabled Services.</p>
2.	<p>Proposal of M/s. Aerotech FMS Pvt. Ltd. for setting up a new Unit in NSEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ to undertake service activities viz. Other Business Services (Aviation Support Services - Operations), Tourism and Travel related services with projected exports of Rs. 14772 Lakhs and NFE earnings worth Rs. 2708 Lakhs over a period of five years.</p>

A. mala

Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 01/02/2017)

Page 3 of 17

Shri Gurbux Singh Nagi, Director of the company appeared before the Approval Committee to explain the project. Shri Nagi informed that the company was established in 2009 and is into business of providing services to HNI Companies/ International Clients/ Govt. etc. and facilitating in getting permission for landing/ takeoff / fuel etc. through various civil aviation agencies worldwide.

Shri Nagi further informed that the proposed SEZ unit will be a support centre for all the requirements of customers at International Airports in various countries for obtaining permission related to aircraft movement such as worldwide flight permits, flight planning and dispatch services, catering/ hotel/ transport arrangements, fuel etc. He also informed that approx. 20 employee will work into the said unit.

It was informed to Shri Nagi that as per Section 2(z) of SEZ Act, 2005, "Services" means such tradable services which earn foreign exchange. Hence, the unit will have to comply with Section 2(z) of SEZ Act, 2005. If the services are rendered in Domestic market then it will have to be against free foreign exchange only. Shri Nagi ensured to comply with the same.

The Approval Committee observed that the applicant has shown requirement of built up area of 100 sq. mtrs. The Approval Committee informed Shri Nagi that as on date no SDF of 100 sq. mtrs is available in NSEZ for allotment. However, they may be allotted half SDF of 250 sq. mtrs. as per availability. Shri Nagi agreed that they may start export activities from half SDF.

The Approval Committee, after due deliberations, approved the proposal of M/s. Aerotech FMS Pvt. Ltd. for Other Business Services (Aviation Support Services - Operations), Tourism and Travel related services.

3. Proposal of M/s. Sirio India Inductive Components Pvt. Ltd. for Setting up a new unit in NSEZ.

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ to undertake Manufacturing of High Frequency Current Transformers and Coils (Electrical Goods) with projected exports of Rs. 3335 Lakhs and NFE earnings worth Rs. 2503 Lakhs over a period of five years.

Shri A.C. Michael, Shri Yatin Kavishwar and Shri Sanjeev Kiyawat authorized

A. Michael

representatives of the company appeared before the Approval Committee to explain the project. Shri Kavishwar informed that Sirio India Inductive Components Pvt. Ltd. is the Indian Arm of Sirio Italy and is operational since 9 years. He further informed that nature of business of Sirio India is 100% export oriented i.e. it manufactures the goods on behalf of its parent company M/s. Sirio Elettronics S.r.l. located in Italy. The applicant has also informed that they have agreement of sale & purchase of raw materials and for technical support with their parent company i.e. M/s. Sirio Elettronics S.r.l., Italy. Few of the customers they cater in the European market are Bosch, ABB, Highline and Binning, Krast, Micropower etc.

Shri Kavishwar also informed that they propose to shift their unit currently operational at 14, Tilak Nagar Industrial Area, New Delhi to NSEZ and the intent of shifting is to expand their exports to American, African, South East Asian as well as Middle Eastern markets from India unit. He further stated that the various tax benefits that they will get after shifting would place them in a more beneficial position vis a vis their competitors and they expect to increase their market and customer with this move.

The Approval Committee informed the representatives of the company that Ministry of Commerce has issued an Instruction No. 11 in order to regulate shifting of existing business from DTA to SEZs to avail of the direct tax exemption on the export income. In terms of the said instruction, they will not get the Income Tax Exemption if they install old & used machinery in NSEZ unit. Shri Kavishwar informed that they have already submitted an undertaking that they will not claim any Income Tax benefit under Section 10AA of the Income Tax Act, 1961.

It was further informed to them that Ministry of Commerce has issued another Instruction No. 87 that "units in SEZs shall import only prime CRGO Steel for the goods to be cleared to DTA and all the conditions specified in the Steel Products (Quality Control) Second Order dated 12/03/2012 of Ministry of Steel should be complied with in respect of such goods cleared to DTA". Shri Kavishwar informed that the proposed unit will be a 100% export oriented and no DTA sale will be made by them.

The Approval Committee, after due deliberations, approved the proposal of M/s. Sirio India Inductive Components Pvt. Ltd. for Manufacturing of High Frequency Current Transformers and Coils (Electrical Goods) subject to condition that Unit will do 100%

A. mala

export and no DTA sale shall be allowed.

The representatives of company agreed with the decision of the Approval Committee and assured to comply with the same.

4. **Proposal in respect of M/s. GPL Exports Ltd. for monitoring of performance and Review of authorized operations.**

It was informed to the Approval Committee that M/s. GPL Exports has been issued an LOA dated 28/02/2013 for Manufacturing & Trading activities. The unit has commenced its export production w.e.f. 01/05/2003 and LOA of the unit is valid till 30/04/2018.

The Approval Committee observed that as per APR data, unit has made clearance of goods worth Rs. 15.90 Crores in Domestic Tariff Area (DTA) against trading LOA during previous five years. The Approval Committee also observed that the current block of 5 years of operations of unit commenced on 01/05/2013 and would therefore be completed on 30/04/2018. The Approval Committee further observed that the unit would be required to supply separate details of NFE achievement in respect of manufacturing & trading activities.

Shri Vikas Rungta and Shri Gulshan Kumar, authorized representatives of the company appeared before the Approval Committee. Shri Rungta informed that the unit is engaged into manufacturing of Lamp Holder. However, they require to import some of the parts viz cords, switch etc. which are not manufactured by them, to complete the Lamp Holder. He further informed that they have to provide the switches and cords to their customer separately as per their requirement.

It was informed to them that trading is part of services as per Rule 76 of SEZ Rules, 2006. Accordingly, in terms of Section 2(z) of the SEZ Act, 2005, sale of trading goods which have been done in the DTA has to be only in free foreign exchange. Accordingly, they will have to give the details in respect of goods traded in the DTA ^{whether} where sale has been affected against free foreign exchange and also give the details as to how it is going to be counted towards NFE under Rule 53 of SEZ Rules, 2006. Unit was advised to give the details in respect of past traded goods sold in DTA so that the NFE status could be ascertained. It was also decided that since SEZ is primarily meant for export, trading of goods only for sale in the DTA has to be discouraged and accordingly cannot be continued. However,

A. mala

they will be permitted to carry out trading activity for sale in the International market or supplies to SEZ/EOUs.

Shri Rungta informed that currently some goods are lying at the unit for clearance in DTA under Rule 53 of SEZ Rules, 2006 and he requested to give permission for clearing these goods in DTA against free foreign exchange as permissible under Rule 53 of SEZ Rules, 2006. He further stated that they will need 1 year time for removal of these goods. Approval Committee did not agree with his request for grant of time of 1 year.

Shri Rungta pleaded that they are working in the zone from 2003 and the stocks have been accumulated during the course of time. The Approval Committee, after due deliberations, allowed time for six months i.e. upto 31/08/2017 for clearance of goods already imported and lying in the stock of the unit, as on date of its meeting i.e. on 01/02/2017, in DTA against freely convertible currency as permissible under Rule 53 of SEZ Rules, 2006.

The Approval Committee, after due deliberations, approved the trading activities subject to the following conditions:

1. Trading will be allowed only for physical export to any other country, for supply to other units and Developers in the same or other SEZ or EOUs, against freely convertible currency.
2. Existing stock can be cleared in DTA in freely convertible currency as permissible under Rule 53 of SEZ Rules, 2006 till 31/08/2017. Thereafter, no DTA clearance for trading goods shall be allowed.
3. Unit will maintain separate area earmarked for manufacturing and trading activities and maintain separate records/accounts of NFE for manufacturing and trading activities.
4. NFE status for manufacturing activity and trading activity will be seen separately.

The Approval Committee also informed that they shall be required to submit separate details of NFE achievement in respect of manufacturing & trading activities along with details of EEFC account of DTA buyers. However, monitoring of performance shall be done after completion of current five years block.

a. mala

The representative of the company informed that they want to include some new items of manufacture in their authorized operations. The Approval Committee advised them to submit their complete proposal along with ITC(HS) Code of each item, manufacturing process flow chart, list of additional plant & machineries/raw materials and revised projections etc. for consideration.

5. Proposal in respect of M/s. Sahdev Jewellers for change in constitution of the firm due to death of one of the promoter.

It was informed to the Approval Committee that Shri Ravi Sahdev, partner in M/s. Sahdev Jewellers, had informed that Sh. Vasdev Sahdev, another partner of M/s. Sahdev International had expired on 28/08/2016 and now he has started running this business as a proprietorship concern in his name.

Shri Ravi Sahdev, partner in the firm appeared before the Approval Committee and explained the proposal. He informed that Shri Vasdev Sahdev was his father and they both were holding 50-50% of shares. He also informed that he has submitted NOCs from other legal heirs and copy of intimation acknowledged by the office of Registrar of Firms regarding dissolution of partnership deed.

It was informed to him that the Specified Officer, NSEZ has informed that a team of officers was constituted for the purpose to conduct stock taking of M/s. Sahdev Jewellers, Plot No. 129G/36-37, NSEZ and a shortage of 25993.339 gms of imported gold has been found. Shri Ravi Sahdev stated that the shortage was due to excess wastages which were not written in some Invoices. He also informed that currently approx. 75 persons are working in the unit and they are not doing any sub-contracting outside of NSEZ.

The Approval Committee observed that Custom Authorities based on their investigation/records will take action against the unit as deemed appropriate under Customs & Excise Rules. Further, if any violations of SEZ Act/Rules/LUT is established, the Approval Committee after following due procedure will take separate action as deemed appropriate under FT(D&R) Act, 1962 including cancellation of LOA. The Committee also decided that keeping in view the gravity of the charges, unit would not be allowed sub-contracting of part-production or production process in DTA.

It was informed to the Approval Committee that Board of Approvals in its 69th meeting

A. mala

held on 23.02.2016 has issued clarification / instruction regarding Rule 74A of SEZ Rules, 2006. The extract of minutes of said meeting is reproduced below here:-

“The Joint Secretary (GPM) explained to the Board that representations have been received on the applicability of Rule 74A of SEZ Rules, 2006 in cases where the operational SEZ units continue to operate as such, i.e. on a going concern basis as a result of change of name, court approved mergers/de-mergers, slump sale, change of constitution from proprietorship to partnership & vice-versa, change of constitution from public limited company to private/limited liability company & vice-versa, company to partnership & vice-versa, change in shareholding up to 50 per cent, etc. and per se are not opting out/exiting out of the SEZ scheme.

With a view to promote the ease of doing business in India and that restructuring of entity/business is a fairly common occurrence, BOA decided that provisions of Rule 74A shall not apply to SEZ units that do not exit or opt out of the SEZ scheme by transferring its assets and liabilities to another person and the SEZ unit continues to operate as a going concern in the situations mentioned above. The UACs concerned, may consider such requests under Rule 19 (2) of the SEZ Rules, 2006.

In so far as Business Transfer Agreement is concerned, it was explained that certain acquisitions happen globally as a result of Business Transfer Agreement which result in transfer of the SEZ unit of the Indian company on a going concern basis to acquirer. The BOA decided that such cases resulting in change of ownership would be decided on merits by the Board of Approvals on a case to case basis.”

The Approval Committee, after due deliberations, approved the proposal of unit for change in constitution/partners of the unit from partnership firm to proprietorship firm of Shri Ravi Sahdev as the change in shareholding is less than 50%.

6. Proposal in respect of M/s. Ventura Electricals Hindustan Ltd. for renewal of LOA and monitoring of performance.

It was informed to the Approval Committee that the unit has been issued LOA dated 20/07/2011 for Manufacturing and Trading Activities. The unit has commenced its export

A. mala

production w.e.f. 15/12/2011 and LOA of the unit was valid till 14/12/2016. It was further informed that LOA of the unit was extended for two months i.e. upto 13/02/2017 so that working of the unit does not suffer.

It was informed to the Approval Committee that the unit has requested for renewal of LOA for further five years. The Approval Committee noted that the Unit has made exports worth Rs. 871.38 Lakhs and earned positive NFE of Rs. 844.95 Lakhs during last block of five years. The Approval Committee however observed that unit has not submitted separate details of NFE achievement for manufacturing & trading activities.

Shri Deepak Gupta, director of the company appeared before the Approval Committee. He informed that they have made only physical exports and no DTA sale against trading LOA has been undertaken from the zone. It was informed to Shri Gupta that unit has to maintain positive NFE achievement separately for both manufacturing & trading activities.

The Approval Committee, after due deliberations, decided to renew the LOA for remaining period of five years i.e. upto 14/12/2021. The Approval Committee also directed the unit to submit separate details of NFE achievement for manufacturing & trading activities.

7. Proposal of M/s. Popular Card Technology Pvt. Ltd. for renewal of LOA and monitoring of performance.

It was informed to the Approval Committee that the unit has been issued LOA dated 27/09/2011 for (i) Manufacturing & Trading of Plastic Card Products and (ii) Manufacturing of Plastic Card Body & Smart Card subject to condition that no DTA Sale of Trading Activities will be allowed. The unit has commenced its export production w.e.f. 01/02/2012 and LOA of the unit was valid till 31/01/2017. It was further informed that LOA of the unit was extended for one month i.e. upto 28/02/2017 so that working of the unit does not suffer.

It was informed to the Approval Committee that the unit has requested for renewal of LOA for further five years. The Approval Committee noted that the Unit has made exports worth Rs. 9676.82 Lakhs and earned positive NFE of Rs. 3432.80 Lakhs during last block of five years. The Approval Committee observed that in APRs, unit has mentioned that

A. male

they are making sale within NSEZ & STPI units in DTA under warehousing certificate. It has been also been observed that unit has not submitted separate details of NFE achievement for manufacturing & trading activities.

Shri Jayant Sahoo, director of the company appeared before the Approval Committee. He informed that currently approx. 35 employees are working in the unit. He further informed that 80% of their total sales have been made to other SEZ units mainly to M/s. Syscom Corporation Pvt. Ltd. He also informed that they are not undertaking any trading activity in the zone. He also gave his consent to remove the trading activities from their authorized operations.

The Approval Committee, after due deliberations, decided to delete trading activities from existing authorized operations of the unit. Revised authorized operations of the unit would be as under:

- (i) Manufacturing of Plastic Card Products.
- (ii) Manufacturing of Plastic Card Body & Smart Card.

The Approval Committee also decided to renew the LOA for remaining period of five years i.e. upto 31/03/2022.

8. Review of LOA and adjudication of SCN dated 10/02/2014 issued to M/s. Global partners (India).

It was informed to the Approval Committee that the unit was issued LOA dated 25/07/2011 for Trading in readymade garments and accessories for garment industries such as buttons, tapes, labels, chetons, needles and consumables. The unit commenced its export production w.e.f. 25/11/2011 and LOA of the unit was valid till 24/11/2016. Unit has been allotted SDF No. I-(B), NSEZ to carry out its authorized operations.

The Approval Committee observed that unit has not submitted APRs since inception. As per details of export/import received from NSEZ Customs, performance of the unit during previous block of five years are as under:

Year	(1) Exports	(2) Import	(3) NFE Earnings
2011-12	2.03	72.65	-70.62
2012-13	658.16	816.13	-157.97
2013-14	--	--	--

A. mala

Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 01/02/2017)

Page 11 of 17

2014-15	--	--	--
2015-16	--	--	--
Total	660.19	888.78	-228.59

The Approval Committee also noted that unit has not been paying lease rent and currently approx. Rs. 29,05,104/- is outstanding against the unit. This office has already issued Recovery certificates against the promoters.

It was informed that the Approval Committee in its meeting held on 04/05/2016 had reviewed the LOA of unit and took following decision:

- 1) The Unit shall restart the export activities within the validity period failing which no further renewal shall be granted;
- 2) Unit shall make all efforts to make NFE positive for the current block of five years, failing which SCN shall be adjudicated and penalty will be imposed in accordance with the provisions of Foreign Trade (Development & Regulations) Act, 1992;
- 3) Unit shall clear entire outstanding lease rent at the earliest possible.

However, till date unit has neither informed about re-commencement of export activities nor has requested for renewal of LOA after expiry of its validity on 24/11/2016.

The Approval Committee monitored the performance of the unit in terms of Rule 54 of SEZ Rules, 2006 and came to the conclusion that the unit has not achieved positive Net Foreign Exchange Earning and failed to abide by the terms and conditions of the Letter of Approval and Bond-cum-Legal Undertaking. The unit vide email dated 30/01/2017 was requested to appear before the Approval Committee. But no one on behalf of the unit appeared before the Approval Committee.

The Approval Committee, after due deliberations, came to the conclusion that the unit has not achieved positive Net Foreign Exchange Earning and failed to abide by the terms and conditions of the Letter of Approval and Bond-cum-Legal Undertaking. The Development Commissioner in consultation with members of Approval Committee decided to issue a show cause notice to the unit as to why penalty should not be imposed on them (i) for failure to achieve positive NFE and (ii) failure to submit APRs under section 11 of FT(D&R) Act, 1992 read with Rule 25 of SEZ Rules 2006.

The Approval Committee also decided that LOA of the unit stands expired w.e.f. expiry of its validity on 24/11/2016 and consequently lease right being coterminous with validity

A. male

	<p>of LOA also stands expired on 24/11/2016 in terms of provisions of Rule 11(5) of SEZ Rules, 2006. The Approval Committee further directed the Estate Management section to take necessary action against the unit as appropriate under provisions of P.P. Act.</p>
9.	<p>Proposal in respect of M/s. Noida Plast Pvt. Ltd. for review of implementation of project, monitoring of performance and renewal of LOA.</p> <p>It was informed to the Approval Committee that the unit has been issued LOA dated 07/02/2006 for Manufacturing & Export of <u>Hand Pump, their Spares and Pipes</u>. Unit commenced its export production w.e.f. 05/06/2008. Unit has been allotted Plot No. 69, NSEZ to carry on its authorized operations.</p> <p>It was informed that LOA of the unit and allotment of Plot No.69 was earlier cancelled by the Approval Committee against which M/s. Noida Plast Pvt. Ltd. had preferred an appeal with BOA. The BOA in its meeting held on 30/12/2015 heard the appellant and after detailed deliberations, remanded the case back to DC, NSEZ to consider it in the Approval Committee after examining the business plan and other relevant details of the applicant and take appropriate decision. Accordingly, the Approval Committee in its meeting held on 10/02/2016 taking into consideration decision of BOA, renewed the validity of LOA for a period of one year i.e. upto 09/02/2017 and decided to review the progress of the project in January, 2017.</p> <p>Shri A.K. Singhal, authorized representative of the company appeared before the Approval Committee. He informed that they have re-commenced export production w.e.f 09/01/2017. He informed that they are manufacturing Hand-pump & their parts and currently 30-40 employees are working.</p> <p>The Approval Committee reviewed the implementation of project and after due deliberations, decided to renew the LOA for remaining period of current five years block i.e. upto 04/06/2018.</p>
10.	<p>Case of M/s. RFB Latex Ltd. for monitoring of performance/APRs under Rule 54 of SEZ Rules, 2006.</p> <p>It was informed to the Approval Committee that the unit has been issued LOA dated 19/12/1988 for Manufacturing & Export of Latex surgical gloves etc. Unit commenced its</p>

A. mala

export production w.e.f. 01/08/1990 and LOA is valid till 31/03/2017. Unit has been allotted Plot No. 24, 78-80, NSEZ to carry on its authorized operations. The Approval Committee was informed that the unit has now applied for renewal of LOA for 5 years beyond 31/03/2017.

The Approval Committee noted that the unit has made exports worth Rs. 14016.52 Lakhs and earned positive NFE of Rs. 9008.08 Lakhs during last block of five years. It was informed to the Approval Committee that Lease rent of Rs. 10,52,971/- [Rs. 3,46,908/- in respect of Plot No.24 + Rs. 7,06,063/- in respect of Plot No. 78-80] is currently outstanding against the unit.

Shri P.S. Ratra, Director appeared before the Approval Committee. He assured to clear the entire outstanding lease rent within 7 days and also assured that in future he will ensure that lease rents are paid well in time.

The Approval Committee approved the extension of validity of LOA of M/s. RFB Latex Ltd. for next five years beyond 31/03/2017 subject to payment of outstanding lease rent.

11. Proposal of M/s. Samtex Fashions Limited for Exit and transfer of assets & building at Plot No. 134 & 135, NSEZ to Capgemini Technology Services India Ltd. under Rule 74A of SEZ Rules, 2006.

It was informed to the Approval Committee that M/s. Samtex Fashions Ltd. has submitted a proposal for exit from SEZ scheme and transfer of its assets & Building at Plot No. 134 & 135, NSEZ to M/s. Capgemini Technology Services India Ltd. under provisions of Rule 74A of SEZ Rules, 2006 as per following details:

Name & Address of Transferor	M/s. Samtex Fashions Ltd. Plot No. 134 & 135, NSEZ (16200 Sq. mtrs.)
Whether formal request for exit from SEZ Scheme has been made by the transferor	Yes
<u>Details of LOA of transferor</u>	
Date of LOA	17/06/1993
DCP	01/02/1995
Date of LOA validity	31/03/2018
Whether the unit (Transferor) has held lease of land for not less than a period of 5 years on the date of transfer	Sub-lease deeds are valid upto the validity of LOA i.e. upto 31/03/2018.
Name of Transferee	M/s. Capgemini Technology Services India Ltd.

A. mala

Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 01/02/2017)

Whether the transferee fulfils all eligibility criteria applicable to a unit; if yes, details of LOA of transferee: Date of LOA DCP Date of LOA validity	It has applied for setting up a unit in NSEZ
---	--

It was informed to the Approval Committee that the above proposal of M/s. Samtex Fashions Ltd. was placed before the Committee constituted under the chairmanship of JDC, NSEZ to examine the case under Rule 74A and 3rd proviso to Rule 19(2) held at NSEZ on 04/10/2016. The Committee noted that Rule 74A of the SEZ Rules, 2006 inter alia provides as under:-

'The unit may opt out of Special Economic Zone by transferring its assets and liabilities to another person by way of transfer of ownership including sale of Special Economic Zone units inter-alia subject to the following conditions:-

- (i) The unit has held a valid Letter of Approval as well as Lease of Land for not less than a period of five years on the date of transfer;*
- (ii) The unit has been operational for a minimum period of two years after the commencement of production as on the date of transfer;*
- (iii) Such sale or transfer transactions shall be subject to the approval of the Approval Committee.'*
- (iv) The transferee fulfils all eligibility criteria applicable to a unit; and*
- (v) The applicable duties and liabilities, if any, as calculated under rule 74, as well as export obligations of the transferor Unit, if any, shall stand transferred to the transferee Unit which shall be under obligation to discharge the same on the same terms and conditions as the transferor Unit."*

It was further informed that the Committee constituted to examine cases under Rule 74A observed that the transferor unit has held a valid LOA and lease deed for more than 5 years and has been in operation for more than two years. The said Committee further observed that the transferee has made request to work from the said premise. The Committee also observed that the transferee currently does not hold a valid LOA. However, it has applied for setting up a unit in NSEZ which shall be placed before the Approval Committee in its meeting to be held on 01/02/2017. Thus the Committee was of the view that in current scenario the proposal does not meet all the conditions of Rule 74A. However, the proposal for transfer of assets & Building/Plot shall meet the eligibility conditions of Rule 74A, in case the request of transferee for setting up a unit in NSEZ gets approved by the Approval Committee.

A. male

It was also informed that the said Committee recommended, in-principle the proposal of M/s. Samtex Fashions Limited for transfer of assets & Building at Plot No. 134&135, NSEZ to M/s. Capgemini Technology Services India Limited in terms of Rule 74A of SEZ Rules, 2006 subject to approval of request of transferee for setting up a unit in NSEZ by the Approval Committee.

Shri Atul Mittal, Director and Shri Hemant Sangal, authorized representative of M/s. Samtex Fashions Ltd. and Shri Sunil Janjani, authorized representative of M/s. Capgemini Technology Services India Ltd. appeared before the Approval Committee. Shri Mittal informed that they have been working in the zone for last 25 years. However, due to slow down in export orders during last few years, they have decided to exit from the zone.

The Approval Committee observed that the proposal of M/s. Capgemini Technology Services India Ltd. for setting up a unit in NSEZ has been approved by it in this meeting itself and hence the proposal fulfils the eligibility criteria of Rule 74A of SEZ Rules, 2006.

The Approval Committee, after due deliberations, approved the proposal of M/s. Samtex Fashions Limited for exit from SEZ scheme under Rule 74A of SEZ Rules, 2006 and transfer of its assets & building at Plot No. 134 & 135, NSEZ to M/s. Capgemini Technology Services India Ltd. subject to fulfillment of exit formalities by M/s. Samtex Fashions Limited; payment of applicable transfer charges and submission of an undertaking by incoming entrepreneur i.e. M/s. Capgemini Technology Services India Ltd. on stamp paper duly notarized regarding taking over the assets & liabilities of existing unit.

12. Proposal of M/s. Indus Valley Partners (India) Pvt. Ltd. for setting up its fifth Unit in NSEZ.

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ for Software Development with projected exports of Rs. 2136.79 Lakhs and NFE earnings worth Rs. 1346.91 Lakhs over a period of five years. It was further informed that applicant has already been issued four LOAs in NSEZ, out of which two LOAs are yet to be implemented.

Ms. Ravneet Kaur, Shri Chander Prakash and Shri M.P. Kaila, authorized representatives of the company appeared before the Approval Committee to explain the project. Ms. Kaur

A. mala

informed that the proposed unit will undertake a new line of software development activity based on the project received by their client for which they require separate LOA. Ms. Kaur further informed that some of the construction work related to unit set up are remaining due to which two LOAs are yet to commence commercial activities.

It was informed to the Approval Committee that on initial examination, few deficiencies have been observed in the application, which needs to be rectified by the applicant.

The Approval Committee, after due deliberations, approved the application of M/s. Indus Valley Partners (India) Pvt. Ltd. for setting up its fifth unit in Noida SEZ subject to rectification of deficiencies observed in their application.

13. Proposal in respect of M/s. Cyient Ltd. for change in Directors; matter relating to violation of condition no.14 of Bond-cum-LUT and monitoring of performance

It was informed to the Approval Committee that M/s. Cyient Ltd. has been issued an LOA dated 10/11/2008 for Software Development & IT Enabled Service. The unit has commenced its export activities w.e.f. 31/07/2012 and the LOA is valid till 30/07/2017.

It was further informed that the unit had intimated about appointment of Ms. Andrea Bierce & Mr. John Paterson w.e.f 15/10/2014 and cessation of Mr. Shankar Narayanan & Mr. Jayant Sabnis w.e.f. 06/08/2015 & 21/04/2016 respectively. It was further informed that there is **no** change in the pattern of shareholding due to change in directors.

The proposal was earlier considered by the Approval Committee in its meeting held on 04/01/2017. 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, Pass port No., Bank Address and Factory address, forthwith, to the Development Commissioner and the Specified Officer. However, the unit has failed to comply with the same and intimated about change in directors after delay of 2 years, which is violation of condition No. 14 of Bond-cum-LUT executed by unit.

The authorized representatives of the unit present during the said meeting held on 04/01/2017 admitted the delay on their part and requested for help in sorting these issues out. They further assured that they will be more careful in future. It was informed

a. male

Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 01/02/2017)

Page 17 of 17

to them that as per section 11(4) of the Foreign Trade (Development & Regulation) Act, there is a provision to settle the cases where a person admits any contravention. The representatives informed that they are not authorized by the company to take such decisions. It was assured by them that they will bring the above aspect of the case in the notice of the promoters/appropriate authority of their company.

Shri Sanjit Kumar Pal, authorized representative of the company appeared before the Approval Committee. He informed that the company is ready to settle the case as per section 11(4) of the FT(D&R) Act, 1992 for non-intimation of change in directors timely. Shri Pal, however, requested for a minimum penalty.


In the light of facts & circumstances of the case, DC, NSEZ in discussion with members of the Approval Committee imposed a penalty of Rs. 10,000/- on the unit in terms of section 11(4) of FT(D&R) Act, 1992. The Approval Committee also decided to take note of change in Board of Directors subject to payment of penalty of Rs. 10,000/- by the unit.

Meeting ended with thanks to the Chair.



(S. S. Shukla)

Jt. Development Commissioner



(Dr. L. B. Singhal)

Development Commissioner