

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: 08/11/2017

सेवा में,

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।

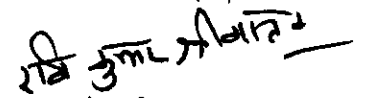
विषय: दिनांक 01/11/2017 को पूर्वाह्न 11:30 बजे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी।

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और डॉ. एल बी सिंघल, विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता में दिनांक 01/11/2017 को पूर्वाह्न 11:30 बजे सम्मेलन हॉल, प्रशासनिक भवन, नोएडा विशेष आर्थिक क्षेत्र, नोएडा में आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त अद्योषित करने का निर्देश हुआ है।

संलग्नक : उपरोक्त

भवदीय,



(आर.के. श्रीवास्तव)

उप विकास आयुक्त

प्रतिलिपि:

1. विशेष कार्याधिकारी - विकास आयुक्त के सूचनार्थ।
2. वैयक्तिक सहायक - संयुक्त विकास आयुक्त के सूचनार्थ।
3. निर्दिष्ट अधिकारी, नोएडा विशेष आर्थिक क्षेत्र - सूचनार्थ एवं आवश्यक कार्यवाही के लिए.
4. उप विकास आयुक्त, सम्पदा अनुभाग, नोएडा विशेष आर्थिक क्षेत्र, सूचनार्थ एवं आवश्यक कार्यवाही के लिए.

उप विकास आयुक्त

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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 11:30 AM on 01/11/2017 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 Rajesh Sharma, Asstt. Commissioner, Customs, Noida Commissionerate.
- 3) Shri Gobinda Banerjee, FTDO, O/o Addl. DGFT, CLA, New Delhi.
- 4) Shri Jagbir Singh, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.).
- 5) Shri A. K. Singh, Income Tax Officer, Income Tax Deptt., Noida.
- 6) Dr. B. B. Awasthi, Regional Officer, UPPCB, Noida.
- 7) Mukesh Goyal, Associate Architect, (Rep. of Noida Authority).

2. Besides, during the meeting S/Shri (i) R. K. Srivastava, Dy. Development Commissioner, NSEZ, (ii) Rajesh Kumar, Dy. Development Commissioner, NSEZ (iii) Md. Salik Parwaiz, Specified Officer, NSEZ, (iv) Prakash Chand Upadhyay, Asstt. Development Commissioner, NSEZ, (v) Rajendra Mohan Kashyap, PA to JDC, NSEZ, (vi) Meher Kumar Verma, SDO, UPPCL, Noida, and (vii) Kapil Muni, JE, UPPCL, 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 04/10/2017:-

It was informed that no reference against the decisions of the Approval Committee held on 04/10/2017 was received and therefore, Minutes of the meeting held on 04/10/2017 were ratified.



Item wise decisions on proposals included in agenda:

1. Proposal in respect of M/s. Hotz Industries Ltd. for ratification of one time permission granted for export and inclusion of additional authorized operations.

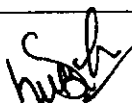
It was informed to the Approval Committee that M/s. Hotz Industries Ltd. was issued an LOA dated 26/04/2007 for manufacturing of Quilts, Cushion Covers, Curtains, Table Cover, Napkins & Garments. Unit commenced its export production w.e.f. 10/12/2008 and LOA of the unit is valid till 07/07/2018.

It was also informed that unit has been lying non-functional since 2010-11. The Approval Committee in its meeting held on 06/09/2017 had decided to extend the validity of LOA of M/s. Hotz Industries Ltd. for one year i.e. upto 07/07/2018 and decided that further renewal shall be considered on the basis of performance of unit during the extended period of validity of LOA.

It was further informed to the Approval Committee that the unit vide its letter dated 03/10/2017 received in this office on 05/10/2017 has stated that after receipt of letter of renewal, they have been carrying out the final process for their export orders. However, during clearing the goods at the Customs point, the officer on duty brought to their notice that the LOA issued to them does not cover "**Export of Fabric Material**" under authorized operations. As the consignments were ready for export, on request of the unit on the ground of urgency, one time permission for export of 'Knitted Fabric' was granted vide this office letter dated 09/10/2017 subject to ratification by the Approval Committee.

Shri Arun Jain, Managing Director appeared before the Approval Committee. Shri Jain informed that in the export business the company has to be flexible and have to improvise products from time to time to remain in business. Since they have restarted their export activities in NSEZ, they were able to get export orders from Bangladesh for "**Knitted Fabric**" instead of garments as they were assured that if the quality and timely delivery of Knitted fabric is ensured then subsequently they would get orders for garments.

Shri Jain further requested to include "Home Furnishing items" in their authorized operations. The Specified Officer, NSEZ informed them that "Home Furnishing items" include various items which are not related to their existing authorized operations. He



further advised them to make specific request for inclusion of the items in Home Furnishing under relevant chapter heading related to Textile & Garments sector which they want to be included in their authorized operations.

The Approval Committee, after due deliberations, ratified one time permission for export of 'Knitted Fabric' granted to the unit vide this office letter dated 09/10/2017. The Approval Committee also allowed inclusion of "Knitted Fabric" in their authorized operations.

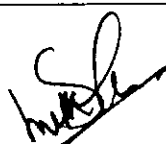
The Approval Committee further directed the unit to submit complete list of specific items, which they want to include in their authorized operations along with ITC HS Code, manufacturing process flow chart of each of the item, list of raw materials/machinery required for manufacturing of each of the item so that the same can be placed before the Approval Committee in its next meeting.

2. Proposal in respect of M/s. Global Dent Aids Pvt. Ltd. (Trading unit) for Renewal of LOA; inclusion of additional authorized operations and Monitoring of performance.

It was informed to the Approval Committee that M/s. Global Dent Aids Pvt. Ltd. (Trading Unit) has been issued an LOA dated 24/10/2007 for Trading of Tooth Brushes, Tooth Brush Handles, Denture Brushes, Cleaning Brushes, Tooth Paste, All types of plastic products including plastic handle, Mouth Mirrors, Boxes and Cases, Inter dental brushes, Twisted Wire brushes, Nylon Filaments, Stainless Steel Wire including Plastic Coated Wire, All types of packing goods including printed cards and boxes. The unit commenced its export activities w.e.f. 30/10/2007 and LOA is valid till 29/12/2017.

It was informed to the Approval Committee that unit has submitted a request for renewal of LOA along with a proposal to include Trading of Floss Threader, Dental Floss Holder, Dental Floss, Pick and Flosser, Flosser, Oral Care Kit, Gum Stimulator, Anti-snoring Mouth Piece, Snore Guard, Dental Guard, Customized brushes for oral care, Dental Handpiece, Toothpaste, Finger Brushes.

The Approval Committee observed that unit has made exports worth Rs. 3108.42 Lakhs and earned positive NFE worth Rs. 1107.24 Lakhs during previous block of five years i.e. between 2012-13 to 2016-17. The Approval Committee took note of achievement of



positive NFE by the unit.

Shri Vineet Khullar, Managing Director of company appeared before the Approval Committee. Shri Khullar informed that all the proposed products are related to oral care only. He further informed that no DTA sales have been made during last five years.

Shri Khullar informed that they have two other units in NSEZ namely M/s. Global Dent Aids Pvt. Ltd. (manufacturing unit) and M/s. M.R. Utility Products Pvt. Ltd..He informed that his unit is doing 100% Physical export to USA and Europe. He further informed that their cumulative export turnover during last year was approx. Rs. 100 Crores out of which export from trading was merely Rs. 12 Crores. He also informed that approx. 800 employees are currently working in their all three units.

The Approval Committee, after due deliberations, decided to extend the validity of LOA of M/s. Global Dent Aids Pvt. Ltd. (Trading unit) for remaining period of five years i.e. upto 29/10/2022. The Approval Committee also allowed inclusion of additional trading items in their authorized operations. The Approval Committee further decided that 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 foreign exchange and no DTA sale shall be allowed.

3. Proposal in respect of M/s. Gee Cee Exim Pvt. Ltd. for Renewal of LOA and Monitoring of performance.

It was informed to the Approval Committee that M/s. Gee Cee Exim Pvt. Ltd. has been issued LOA dated 25/09/2007 for Manufacturing & Export of OHE Conductors and Copper Strips. The unit has commenced its export production w.e.f. 23/12/2009 and LOA of the unit is valid till 01/12/2017.

The Approval Committee observed that during the first block of five years i.e. between 2009-10 to 2013-14(upto 30/09/2013), unit had made exports worth Rs. 0.69 Lakhs and earned negative NFE worth Rs. 27.26 Lakhs.

It was informed that the Approval Committee in its meeting held on 07/12/2016 had extended the validity of LOA upto 01/09/2017 and directed the unit to commence export



production within this validity.

Shri M. M. Mittal, Director appeared before the Approval Committee. He informed that he was detected with cancer and due to his ill health, he could not carry out operations in the unit for last few years. He stated that now he is fit and will full-fledged start the work in the unit. He informed that he has been in export for long and his annual export from DTA has been Rs. 1250 Crores (approx.), which he has given to his sons. Now he himself will be concentrating on export activities from NSEZ. He further submitted that they will make exports worth Rs. 7-8 crores this year and requested to extend the validity of LOA.

The Approval Committee observed that lease rent amounting to Rs. 5,62,186/- is currently outstanding against the unit. The Approval Committee further observed that during the first block of five years, unit has achieved negative NFE earnings to the tune of Rs. 27.26 Lakhs and hence the unit is liable for penal action under the provisions of Foreign Trade (Development and Regulation) Act, 1992 and the rules made there under.

The Specified Officer, NSEZ informed that unit had taken capital goods out of NSEZ worth approx. Rs. 57 Lakhs for job work which has not been brought back by the unit. Hence, the unit is also liable to pay the Custom Duty on the said Capital Goods.

The Approval Committee, after due deliberations, took following decisions:

- (i) **In respect of negative NFE earnings:** Unit shall be liable to pay the duty on the unutilized goods in terms of Rule 54 of SEZ Rules, Paragraph (ii) of Annexure-I of SEZ Rules, Rule 25 & Rule 37 of SEZ Rules as may be calculated by NSEZ customs. Besides, decision on imposition of penalty on the shortfall of reconciled value of NFE shall be taken up by the Approval Committee.
- (ii) The unit shall immediately clear entire lease rent in respect of Plot No. 72-73, NSEZ.
- (iii) The unit shall ensure to deposit Customs duty on capital goods transferred from NSEZ for job work, if the same is not returned.
- (iv) The Approval Committee also decided to extend the validity of LOA upto 31/03/2018.



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The Approval Committee also directed Shri Mittal to clear entire dues within one month to which Shri Mittal gave his consent and ensured to deposit the lease rent immediately. He also assured to settle all dues in a week's time. Further, Approval Committee deferred the matter for its next meeting.

4. **Proposal in respect of M/s. Glide Chem Pvt. Ltd. for Renewal of LOA; Monitoring of performance and violation of condition No.14 of Bond-cum-LUT.**

It was informed to the Approval Committee that M/s. Glide Chem Pvt. Ltd. had been issued an LOA dated 22/05/2005 for (i) Manufacturing of Povidone Iodine; (ii) Trading of Chlorhexidine Salts, Polyvinyl Pyrrolidone (PVP) and Peg (Polyethylene Glycols) and (iii) Manufacturing of Chlorhexidine Salts. The unit commenced its export production w.e.f. 01/10/2002 and LOA is valid till 30/11/2017.

The Approval Committee observed that unit has made exports worth Rs. 4501.49 Lakhs and earned positive NFE worth Rs. 766.86 Lakhs during previous block of five years i.e. between 2012-13 to 2016-17. The Approval Committee took note of achievement of positive NFE by the unit.

It was informed to the Approval Committee that while making application for renewal of LOA, unit has shown projections of NFE earnings for next five years worth Rs. 66.75 Lakhs and indigenous projections of CG & Raw material as Rs. 210.50 Lakhs. Hence, the projections are not viable as the unit will be at loss of Rs. 143.75 Lakhs during next five years.

It was further informed to the Approval Committee that as per this office records there were four directors in the unit namely, Mr. Gagan Preet Singh Duggal, Mr. Jatinder Singh Kohli, Mrs. Gursharan Kohli and Mrs. Balveen Kaur during time of setting up of unit in 2002. However, as per details of company data from MCA and IEC details, it has been observed that now there are only two directors on the company namely Mr. Gagan Preet Singh Duggal and Mr. Jatinder Singh Kohli. The unit has never intimated this office about the changes in directors, which is a violation of Condition No. 14 of Bond-cum-LUT.

Shri Gaganpreet Singh, director of the company appeared before the Approval Committee. He informed that they had submitted information in this office regarding resignation of



two directors namely Mrs. Gursharan Kohli and Mrs. Balveen Kaur in 2007. He further informed that they have not done any trading activity during last five years.

It was informed to Shri Singh that the projections he had submitted for renewal of LOA is not viable. Shri Singh informed that there was a typographical mistake in the submitted balance sheet. However, now they have submitted revised projected foreign exchange balance sheet showing projected NFE earnings worth Rs.1666.75 Lakhs, during the Approval Committee.

The Approval Committee further observed that the unit has been allowed Trading activities in its authorized operations, which is currently not being carried out by them. Shri Singh informed that although they are currently not carrying out any trading activities, they may require trading activities at a later stage. Hence, they would like to retain the Trading activities. Shri Singh informed that they will not sell trading items in DTA and will do 100% exports.

The Approval Committee, after due deliberations, took note of change in director of the unit. The Approval Committee also decided to renew the LOA for remaining period of five years i.e. upto 30/09/2022. Approval Committee further decided that 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 foreign exchange and no DTA sale of trading items shall be allowed.

5. Proposal in respect of M/s. Surabhi International for Renewal of LOA and Monitoring of performance.

It was informed to the Approval Committee that M/s. Surabhi International has been issued LOA dated 21/04/2005 for (i) Manufacturing of Jewellery of Gold/Silver/ Platinum and Palladium (Plain or Studded with Diamond/Colour Stones/Precious & Semi Precious Stones) and (ii) Permission for Import of Semi-Finished Articles and Jewellery in Silver, Gold, Palladium and Platinum Studded and Plain, Studded with Diamond, Precious and Semi-Precious stones and Enamel for further processing and re-export. The unit has commenced its export production w.e.f. 21/04/2005 and LOA of the unit was valid till 11/07/2016.



It was informed to the Approval Committee that unit vide this office letter dated 23/10/2017 was advised to submit their option w.r.t. instant project either for renewal of LOA along with credible business plan, if they desire to continue in Noida SEZ **OR** for exit from SEZ scheme. The unit in reply of the said letter dated 23/10/2017 has submitted its request for renewal of LOA.

Shri Mayank Jain, partner appeared before the Approval Committee. He informed that due to slowdown in export business from 2012 to 2016, they were struggling to survive. However, now due to changes in government policy and introduction of GST etc, their business has improved tremendously during last six months. He stated that in keeping up with changes they forgot for applying renewal of LOA of NSEZ unit and apologized for delay in applying for renewal.

Shri Jain informed that their core business is Silver Jewellery. He further informed that they have a unit in DTA in Hosiery Complex which has annual turnover of Rs. 3.5 Crores (approx.). He further informed that they have made exports worth Rs. 1 Crore from the said DTA unit during last six months.

The Approval Committee directed Shri Jain to submit copies of shipping bill/export documents for the exports made by them during last six months.

Shri Jain further informed that they have confirmed orders from different countries such as Thailand, United Kingdom, USA etc. He stated that they intend to do complete in-house manufacturing activity. He also stated that the machines are already installed in the unit and they can start the work from January after cleaning work in the NSEZ unit premises. He also ensured that he is seeking approval for carrying his own work and not for transfer of the Plots.

The Approval Committee, after due deliberations, decided to extend the validity of LOA upto 31/03/2018 subject to condition that they shall re-start export activities within this extended validity period. The Approval Committee further amended the authorized operations of the unit to "Manufacturing & Export of Silver Jewellery (Plain & Studded with/without Color stones/precious/semi-precious Gem stones). The Approval Committee further decided that Unit will carry out complete in-house manufacturing



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	<p>activities and no job work/sub-contracting in DTA shall be allowed. Further, Approval Committee decided that under Rule 74A transfer of Plot shall not be allowed to the unit and if the unit want to exit, it has to surrender the plot to NSEZ Authority.</p>
6.	<p>Proposal in respect of M/s. Kanak Exports for Monitoring of performance and Review of LOA.</p> <p>No one from the unit appeared for the meeting. The Approval Committee deferred the matter for its next meeting.</p>
7.	<p>Proposal in respect of M/s. P.P. Jewels Pvt. Ltd. for Monitoring of performance; Review of LOA and Eviction of unauthorized Occupancy.</p> <p>No one from the unit appeared for the meeting. It was informed to the Approval Committee that Shri Ajay Goyal, authorized representative of the company has telephonically requested for deferment of the proposal. The Approval Committee deferred the matter for its next meeting with the direction that units may be informed that this is last opportunity being given to them and they should comply with the directions of Approval Committee passed in its earlier meeting held on 06/06/2017.</p> <p>The Approval Committee further directed that separate agenda in respect of M/s. P.P. Jewels Pvt. Ltd. and M/s. P.P. Jewellers (Delhi) duly mentioning their block wise past performance should be submitted before it in next meeting for consideration.</p>
8.	<p>Proposal in respect of M/s. Mectroncis Marketing Services for Monitoring of Performance.</p> <p>It was informed to the Approval Committee that M/s. Mectroncis Marketing Services has been issued an LOA dated 25/10/2011 for trading activities. Unit has commenced its operations w.e.f. from 21/04/2012 and LOA is valid till 20/04/2022.</p> <p>It was informed that the Approval Committee in its earlier meeting held on 02/08/2017 had observed that unit has been mainly doing trading in DTA and there has been very less physical export. The Approval Committee also observed that sale in DTA against Rupees, is not as per Rules and supply by trading units has to be in foreign exchange in terms of</p>



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Rule 76 of SEZ Rules, 2006 read with Section 2(z) of SEZ Act, 2005.

It was further informed that the Approval Committee in its meeting held on 02/08/2017 extended the validity of LOA of the unit for five years i.e. upto 20/04/2022 and also directed the unit to provide break up of international trading/supplies to SEZs/EOUs/DTA. It was informed to the Approval Committee that as per information submitted by the unit, following sales have been made in INR:

Sales	Value (INR)	SEZ/DTA Unit name/Countries of export
SEZ	34,22,250	Sahasra Electronics Pvt. Ltd.
EXPORT	81,180	Nepal
DTA	26,05,868	Mectronics Marketing Services (DTA Unit) (value-22,17,573) / Integrated Assembly Solutions (value-3,88,295)
Total	61,09,298/-	

Shri Pankaj Saxena, authorized representative of the unit appeared before the Approval Committee. Shri Saxena informed that they have made DTA sales to EOUs/units in other SEZs/EHTPs under Rule 53 (m) of SEZ Rules, 2006. He further informed that only 1-2% of total sales have been made against INR.

The Approval Committee observed that unit has done trading in INR including DTA sale worth Rs. 26,05,868/-. The Approval Committee observed that it needs to be relooked into in terms of Section 2(z) of SEZ Act, 2005 and if need be, NFE calculations has to be revised.

The Approval Committee, after due deliberations, deferred the proposal for its next meeting with a direction to the unit to submit revised NFE details showing complete break up of international trading/supplies to SEZs/EOUs/DTA, so as to ascertain correct status of NFE achievement.

9. **Proposal of M/s. Ramashankar Lakshminarayan Exports 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 & export of Flavored Chewing Tobacco under ITC HS Code 24039910 with projected exports of Rs. 18000 Lakhs and NFE



earnings worth Rs.17932.57 Lakhs over a period of five years.

Shri Rajendra Kumar and Shri Behari Lal, directors appeared before the Approval Committee to explain the project. Shri Rajendra Kumar informed that they have already been operating one partnership firm in the name of 'Rama Shankar Laxmi Narayan & Brothers' in Varanasi, Uttar Pradesh for last 50 years for manufacturing & export/sale in local market for chewing tobacco. He further informed that they will export mostly to Middle East, Thailand etc.

The Approval Committee observed that the applicant has projected export of Rs. 180 Crores over a period of five years. However, cumulative annual income of both directors are Rs. 18 Lakhs only and the project has been proposed to establish by promoter's own finance. The Approval Committee was not sure if the project is viable keeping in view very high export projections and relatively very small income of the promoters.

Shri Behari Lal informed that the project shall be financed through their other firm 'Rama Shankar Laxmi Narayan & Brothers' in which other partners are family members. He further informed that they have already been making export in the brand name 'Parijat' from the said DTA unit through third party exporters.

The Approval Committee observed that Shri Rajendra Kumar and Shri Behari Lal have only 6% and 9% shareholding in their DTA firm. Hence, it was not sure whether other partners of the said firm are also agreed to make investment in the proposed project in NSEZ.

The Approval Committee after due deliberations, directed the applicant to submit complete details of directors of existing company, source of finance of the proposed project in NSEZ, NOC from other partners of existing firm to use brand name with a copy of board resolution duly signed by MD of the company, details of shareholders of M/s. Rama Shankar Laxmi Narayan & Brothers and details of third party exporters through which they have made export from DTA unit. The Approval Committee further directed that jurisdictional Central Excise may also be requested for proper verification of existing business of promoters and credentials of the said DTA firm 'Rama Shankar Laxmi Narayan & Brothers'. Hence, Approval Committee deferred the matter for its next meeting.

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10. Proposal in respect of of M/s. Jet Tech Systems for Non-compliance with exit formalities; Monitoring of performance and Review of LOA.

It was informed to the Approval Committee that M/s. Jet Tech Systems was issued LOA dated 17/02/2011 for IT/ITES (BPO/KPO, Back office support, Development and Customization of software for mobile industry). The unit commenced its export activities w.e.f. 26/09/2011 and LOA was valid till 25/09/2016.

It was informed that the Approval Committee in its meeting held on 02/03/2016 has monitored the performance of unit wherein Shri Rakesh Kumar, authorized representative of the firm informed that the promoters have decided to stop their activities & close their NSEZ unit. The Approval Committee had directed the unit to apply for exit from SEZ scheme and surrender SDF No. C-6(B) to NSEZ.

It was further informed that the unit has handed over the possession of SDF No. C-6(B), NSEZ on 16/08/2016. However, it has till date not complied with any of the exit formalities as conveyed vide this office letter dated 28/04/2016.

No one from the unit appeared for the meeting.

The Approval Committee took note of positive NFE achieved by the unit and directed that matter may be pursued with the unit to complete exit formalities, at the earliest.

11. Proposal in respect of M/s. Jassal Impex Pvt. Ltd. for Monitoring of performance and Review of LOA.

It was informed to the Approval Committee that M/s. Jassal Impex Pvt. Ltd. was issued LOA dated 21/03/2016 for manufacturing & export of Readymade Garments and Artificial Jewellery. The unit did not commence its export production. LOA of the unit was valid till 20/03/2017. The unit was allotted SDF No. G-7, NSEZ.

It was further informed that the unit has not been paying lease rent and currently lease rent amounting to Rs. 14,31,595/- is outstanding against the unit.

Attention of the members was invited to Rule 11(5) of SEZ Rules, 2006, which says that notwithstanding any other conditions in the Lease Deed, the lease rights would cease to



exist in case of the expiry or cancellation of LOA and in this case, LOA of M/s. Jassal Impex Pvt. Ltd. had expired 20/03/2017. Also, the unit has not submitted any request for extension of validity of its LOA.

Shri Deepak Jassal, authorized representative of the company appeared before the Approval Committee. Shri Jassal informed that they have placed orders for glass beads for manufacturing activities which was received at destination in June 2016. However, as they executed Bond in June 2016, they were not allowed to import the same. As a result this consignment had reached their factory in October 2016 resulting the damage of Rs. 6.5 lakhs approx. He further informed that as a result of delay their buyer cancelled the orders, which affected their image badly.

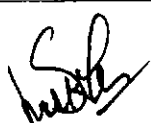
He informed that due to cancellation of old orders; no new orders and change in market scenarios, they are having no hope of starting the production. Shri Jassal informed that now they want to close the factory and surrender the LOA & SDF. He further informed that they have deposited more than Rs. 20 Lakhs at the time of possession of SDF which included onetime charge and security deposit. He requested to inform them the final payable amount so that they can make the payment to the department.

Shri Jassal further stated they have imported some goods for manufacturing which are now lying in the factory premises. He requested to allow them permission to export the lying goods. The Approval Committee observed that LOA of the unit has already expired on 20/03/2017.

The Approval Committee, after due deliberations, directed the unit to first clear the dues and submit an application for extension of LOA for the purpose of clearing the lying goods and to complete exit formalities. Shri Jassal ensured to submit the application within a week. The Approval Committee accordingly deferred the matter for its next meeting.

12. Proposal in respect of M/s. Associated Lighting Company for Monitoring of Performance.

It was informed to the Approval Committee that M/s. Associated Lighting Company has been issued an LOA dated 28/12/2005 for (i) Manufacturing of Electrical Lamps, Lamp Shades, Textile Made-Ups. (ii) Import of Energy Saving Lamps (CFL) for Export as a



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Component for Finished Goods i.e. Electric Lamps. (iii) Articles of Base Metal suitable for use with Furniture/Home accessories (iv) Articles of Iron & Steel suitable for use with Furniture / Home accessories and (v) Furniture & Parts thereof. The unit commenced its export production w.e.f. 01/04/2006 and its LOA is valid till 31/03/2021.

It was informed to the Approval Committee that unit has not been paying lease rent in respect of Plot No. 101 & 102, NSEZ. Currently, lease rent amounting to Rs. 3,95,407/- is outstanding against the unit. Besides, unit has also not submitted APRs for the period 2015-16 & 2016-17 till date.

No one from the unit appeared for the meeting.

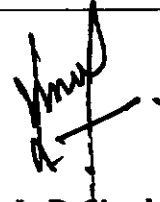
The Approval Committee deferred the matter with a direction to Specified Officer, NSEZ to carry out physical inspection of the premises of the unit. The Approval Committee also directed to verify the details of export, import from NSEZ Customs and place block wise performance of the unit before it for monitoring.

Meeting ended with thanks to the Chair.



(S. S. Shukla)

Jt. Development Commissioner



(Dr. L. B. Singhal)

Development Commissioner