

भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग
विकास आयुक्त का कार्यालय
नौएडा विशेष आर्थिक क्षेत्र
नौएडा दादरी रोड, फेस-II, नौएडा-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. 12/01/2018-प्रोज/

दिनांक: 12/12/2018

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, नौएडा सीमा शुल्क आयुक्तालय, इनलैंड कंटेनर डिपो, तिलपता, दादरी, गौतम बुद्ध नगर, उत्तर प्रदेश - २०१३०६.
5. उप सचिव, 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।

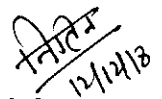
विषय: दिनांक 05/12/2018 को पूर्वाह्न 11:30 बजे आयोजित नौएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी।

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और डॉ. एल बी सिंघल, विकास आयुक्त, नौएडा विशेष आर्थिक क्षेत्र की अध्यक्षता में दिनांक 05/12/2018 को पूर्वाह्न 11:30 बजे सम्मेलन हॉल, प्रशासनिक भवन, नोएडा विशेष आर्थिक क्षेत्र, नौएडा में आयोजित नौएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त अद्योषित करने का निर्देश हुआ है।

संलग्नक: उपरोक्त

भवदीय,


(नितिन गुप्ता)

उप विकास आयुक्त

प्रतिलिपि:

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

उप विकास आयुक्त

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(दिनांक 05/12/2018 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

Minutes of 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 05/12/2018 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 Harish Kumar, Asstt. Commissioner, Customs, Noida Commissionerate.
- 3) Shri Sachin Jain, Asstt. Commissioner, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.).
- 4) Shri R.L. Meena, Asstt. DGFT, O/o Addl. DGFT, CLA, New Delhi.
- 5) Smt. Durgesh Nandini, Income Tax Officer, Income Tax Deptt., Noida.

2. Besides, during the meeting S/Shri (i) Nitin Gupta, Dy. Development Commissioner, NSEZ, (ii) Sanjay Tyagi, Specified Officer, NSEZ, (iv) M.V. Ruhella, ADC, NSEZ, (v) Shri Rajendra Mohan Kashyap, PA to JDC, NSEZ, (vi) Vijay, 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 12/11/2018.

It was informed that no reference against the decisions of the Approval Committee held on 12/11/2018 was received and, therefore, Minutes of the meeting held on 12/11/2018 were ratified.



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Item wise decisions on proposals included in agenda:

1.	<p>Proposal of M/s. Lister Moessner India Pvt. Ltd. for setting up a 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 Manufacturing & Export of (1).(i) Hookscrews, Bonds Rings (made of steel wire); (ii) Insulators made of plastic; (iii) Builders Hardware made of C.R./H.R. Stainless Steel, Aluminium, Copper and Brass; (ITC HS 83024190) (2).Clamps made out of M.S. Strip, Coil, Sheet and Wire, Aluminium, Stainless and Plastic Washers (ITC HS 730779990) with projected exports of Rs. 5700.00 Lakhs and NFE earnings worth Rs. 4275.00 Lakhs over a period of five years.</p> <p>1.2 S/Shri Sushil Kumar Chaudhry, B.K. Gupta and Patrick Arun Chaudhry, directors of the company appeared before the Approval Committee to explain the project. Shri Sushil Chaudhry informed that they have existing NSEZ unit, which is running at its full capacity from a small plot of 1000 sq.mtrs. They are getting more export orders and in order to execute the export orders based on quantum of enquiry, their management has decided to set up one more unit with new plant & machinery (additional) with more semi-auto process of manufacturing to achieve higher growth as projected.</p> <p>1.3 The Approval Committee observed that the applicant has shown requirement of built up area of 5000 sq. mtrs. The Approval Committee informed Shri Chaudhry that in NSEZ, land belongs to NSEZ Authority and the land is allotted to valid LOA holder on sub-lease basis. As on date, no plot of area of 5000 sq. mtrs. is available for allotment. However, a few plots of lesser area are available for auction through MSTC Ltd./financial institution. They may explore possibilities to participate in the auction. Shri Chaudhry submitted that they may be granted second LOA registration and they will explore possibilities including participating in auction to locate this proposed unit.</p> <p>1.4 The Approval Committee further informed the directors that after recent amendment in SEZ Rules vide notification dated 21/09/2018, the value of indigenous requirement of raw material, components, consumables, packing material, fuel etc. are also required to be taken into account while calculating NFE. After taking into account this; the revised NFE would be Rs. 27.36 Crores only.</p>
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	<p>1.5 The Approval Committee, after due deliberations, approved the proposal of M/s. Lister Moessner India Pvt. Ltd. for setting up a second unit in NSEZ for Manufacturing & Export of (i) Hookscrews, Bonds Rings (made of steel wire); (ii) Insulators made of plastic; (iii) Builders Hardware made of C.R./H.R. Stainless Steel, Aluminium, Copper and Brass; 2. Clamps made out of M.S. Strip, Coil, Sheet and Wire, Aluminium, Stainless and Plastic Washers with revised NFE projections of Rs. 27.36 Crores.</p>
2.	<p>Proposal of M/s. Affix Scaffolding India Pvt. Ltd. for setting up a 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 Manufacturing & Export of Scaffolding and Ladder and Accessories with projected exports of Rs. 8250.00 Lakhs and NFE earnings worth Rs. 7000.00 Lakhs over a period of five years.</p> <p>2.2 Shri Mohammad Shakeb Ahsan, director of the company, appeared before the Approval Committee to explain the project. Shri Ahsan informed that he is an NRI based in Qatar and they have a similar company already established and manufacturing same items in Qatar having annual turnover of 25 Million Qatari Riyal (approx. Rs. 50 Crores). He further informed that they have proposed to shift part manufacturing to India for export from India, as the company is importing most of raw materials and manpower from India only.</p> <p>2.3 He further informed that the entire cost of project will be funded by way of transfer of plant & machinery from Qatar. The requirement of funds will be borne by them and new funds will be infused whenever required for the project in India.</p> <p>2.4 The Approval Committee observed that the applicant has shown requirement of built up area of 2600 sq. mtrs. The Approval Committee informed Shri Ahsan that in NSEZ land belongs to NSEZ Authority and that is allotted to valid LOA holder on sub-lease basis. As on date, no plot in size of 2600 sq. mtrs. is available for allotment. However, a few plots of lesser area are available for auction through MSTC Ltd./financial institution. They may explore possibilities to participate in the auction. Shri Ahsan submitted that they may be granted LOA registration and they will explore possibilities including participating in auction to locate this proposed unit.</p>

P. Gupta

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	<p>2.5 The Approval Committee further informed the directors that after recent amendment in SEZ Rules vide notification dated 21/09/2018, the value of indigenous requirement of raw material, components, consumables, packing material, fuel etc. are also required to be taken into account while calculating NFE. After taking into account of this; the revised NFE would be Rs. 20 Crores.</p> <p>2.6 The Approval Committee, after due deliberations, approved the proposal of M/s. Affix Scaffolding India Pvt. Ltd. for setting up a unit in NSEZ for Manufacturing & Export of Scaffolding and Ladder and Accessories with revised NFE projections of Rs. 20 Crores.</p>
3.	<p>Proposal of M/s. Uniperm International Pvt. Ltd. for setting up a 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 "Trading of all kind of healthcare products" with projected exports of Rs. 3100.00 Lakhs and NFE earnings worth Rs. 775.00 Lakhs over a period of five years.</p> <p>3.2 Shri K C Sharma, director of company appeared before the Approval Committee to explain the project. Shri Sharma informed that he has experience of approx. 25 years in local trading of medical devices. He further informed that he has another unit in DTA namely, M/s. G Healthcare, which is engaged in trading business since 2001 in the field of Cardiology, Nephrology & some General Surgical Disposables. They deal in the products of various brands such as Newtech Medical Devices, Cordis(Johnson & Johnson), Medtronic, Abbott Vascular, Boston Scientific, Terumo and various other companies.</p> <p>3.3 He further informed that the proposed NSEZ unit will be engaged in import and export of various healthcare items to various markets of US, Europe, South-East Asia and African Countries.</p> <p>3.4 The Approval Committee observed that the applicant has proposed for a space of 100 Sq. mtrs. It was informed that such a small space is not available in the zone. The minimum available space is around 330 sq. mtrs.. The applicant agreed that he would go for the SDF of the minimum available size.</p> <p>3.5 The Approval Committee, after due deliberations, approved the proposal of M/s.</p>



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Uniperm International Pvt. Ltd. for setting up a unit in NSEZ for "Trading of all kind of healthcare products subject to condition that:

- i) No DTA sale of trading items shall be allowed and unit will 100% export its products.
- ii) All transactions would be only in freely convertible currency.
- iii) Import/export of restricted/prohibited items would not be allowed and
- iv) Policy condition, if any, attached with any item of export/import would be strictly adhered to.

The Approval Committee further decided that the unit shall comply with relevant statutory compliance, if any, before commencement of operations at NSEZ.

4. Proposal of M/s. Royalux Exports for setting up a 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 manufacture & export of LED Lighting with projected exports of Rs. 24200.00 Lakhs and NFE earnings worth Rs. 16700.00 Lakhs over a period of five years. They have also projected to provide employment to 400 persons (200 male and 200 female).

4.2 Shri Hardeep Singh proprietor of the firm appeared before the Approval Committee to explain the project. Shri Singh informed that he entered in the electronics consumer durable business in early 1980s and LED lighting business in 2008. His company made a very good reputation in the LED lighting industry resulting in getting business from global lighting leaders Philips which also helped them to achieve a milestone of reaching group's annual turnover over Rs 200 CR. They have been awarded by "Phillips game changer award" for LED Lighting Production.

4.3 He further informed that future plans are to capture International markets. They have setup a LED Lighting Company in USA which is presently importing the LED Lights from China & catering to US markets. The US business viz. IKIO Led Lighting Co. is being headed by his son Mr Ekamdeep Singh. Under this company more than 1000 products are



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DLC listed & UL Certified.

4.4 Shri Singh also informed that now Royalux Export will start doing business with its US counter parts after starting production and supply from India to USA. Annual turnover of US Company is expected to be more than Rs 200 Crores in five years i.e. US \$30Million through a new facility set up in NOIDA SEZ. He further stated that they will establish the proposed unit for complete manufacturing in the zone.

4.5 The Approval Committee observed that the applicant has shown requirement of built up area of 2500 sq. mtrs. The Approval Committee informed Shri Singh that as on date, no plot in size of 2500 sq. mtrs. is available for allotment. Shri Singh submitted that to begin with, they may be allotted four SDFs to which Approval Committee agreed, subject to fulfillment of requisite formalities.

4.6 Shri Singh further informed that there was a mistake in the export projections while filing the application and the correct projections of export is Rs. 242 Crores instead of Rs. 2420 Crores and accordingly projected NFE for the five years are 129.90 Crores.

4.7 The Approval Committee informed Shri Singh that after recent amendment in SEZ Rules vide notification dated 21/09/2018, the value of indigenous requirement of raw material, components, consumables, packing material, fuel etc. are also required to be taken into account while calculating NFE. After taking into account of this; the revised NFE would be Rs. 94.90 Crores.

4.8 The Approval Committee, after due deliberations, approved the proposal of M/s. Royalux Export for setting up a unit in NSEZ for manufacture and export of LED Lighting, with revised NFE projections of Rs. 94.90 crore in five years.

5. Proposal in respect of M/s. Virtual Studio Pvt. Ltd. for renewal of LOA and revision in authorized operations.

It was informed to the Approval Committee that M/s. Virtual Studio Pvt. Ltd. has been granted an LOA dated 22/11/2010 for service activities viz. Designing, development, maintenance and promotion of sites; Live & on demand solutions for Internet & Mobile Broadcasters; and Creative Audio and Video recording, production & post production

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	<p>related facilities including corporate films. The unit has commenced its export activities w.e.f. 15/10/2012 and LOA of the unit is valid up to 14/01/2019.</p> <p>5.2 Shri Venkatesh Sharma and Smt. Sangeeta Sharma, directors appeared before the Approval Committee. Shri Sharma informed that their unit is very small with a promising potential. He further stated that now they have shifted their focus on their much needed marketing steps to enhance foreign exchange earnings.</p> <p>5.3 The Approval Committee observed that along with renewal of LOA, unit has also applied for revision in its authorized operations. Shri Sharma informed that the authorized operations are still the same as earlier however now they have indicated specific terms used for their service inline with current trend in the business.</p> <p>5.4 The Approval Committee, after due deliberations, approved the request of unit for renewal of LOA for remaining period of current block of five years i.e. upto 14/10/2022 subject to condition that unit shall comply with section 2(z)(iii) of SEZ Act, 2005. The Approval Committee also approved the proposal of unit for revision in the authorized operations.</p>
6.	<p>Proposal in respect of M/s. RA International for dissolution in partnership deed and change in shareholding of the company.</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. Interactivity Broadband Telecommunications Ltd for renewal of LOA and revision in authorized operations.</p> <p>It was informed to the Approval Committee that M/s. Interactivity Broadband Telecommunications Ltd had been issued an LOA dated 23.11.2005 for (i) Data Processing and Management and other IT Enabled Services and (ii) Movie Merchandising. The unit commenced its export activities w.e.f. 25/03/2008 and its LOA was valid upto 24/03/2018.</p> <p>7.3 It was informed that unit has applied for renewal of its LOA as well as revision in authorized operations. It was also informed that unit had also applied for prior approval</p>

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for change of name of company from M/s. Interactivity Broadband Telecommunications Ltd. to "M/s. Ionique Technologies Ltd."

7.4 It was also informed that the unit had initially applied for renewal of LOA in the month of February 2018 without any projections for next five years. The application of the unit was examined and unit vide this office letter dated 05/03/2018 was requested to submit requisite documents/information for consideration of renewal of LOA. However, unit had not submitted reply of the said letter dated 05/03/2018 till 15/11/2018. LOA of the unit could not be renewed in the absence of said details and currently LOA of the unit stands expired w.e.f. 24/03/2018.

7.5 It was informed to the Approval Committee that the unit has made exports worth Rs. 412.00 Lakhs and earned positive NFE earnings worth Rs. 385.50 Lakhs during previous block of five years between 2012-13(from 25/03/2013) to 2017-18. It was also informed that unit has not been working since 2015-16.

7.6 Shri Satish Mehta, director of company appeared before the Approval Committee and apologized for the delay in responding to this office letter dated 05/03/2018 and stated that the letter got misplaced at their end because NSEZ unit was closed between February 15th to March end for some structural repairs that were being carried out in the building.

7.6 Shri Mehta further informed that in compliance with RBI instructions, they have not made any exports from zone since September 2013 and thus there is no EDF or softex form required to be filled. The income between 2008 and 2013 was in nature of royalty/view income from exports made in 2008-09 in physical form.

7.7 He further informed that now they have shifted focus from movie merchandising to "the development of non-polluting, fuel cell powered systems for the media industry". Further, India is extremely competitive location for the production of bespoke and low quality equipment used in the media industry which includes equipment such as satellite vans, satellite teleports, drones for film shooting, power packs to back digital equipment at film shooting sites and accompanying digital infrastructure such as cloud data centres and video playout facilities. Shri Mehta further stated that they will procure the vans from



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other manufacturers and assemble all the parts like fuel cells, solid state batteries into the van and then will export the same. He also mentioned that unit would make fresh investment of Rs. 250 crores (Rs.179 crores on indigenous capital goods and Rs.71 crores on imported capital goods).

7.8 Shri Mehta further stated that they have proposed to change name of company from M/s. Interactivity Broadband Telecommunications Ltd. to "M/s. Ionique Technologies Ltd.". However, there will not be any change in shareholding pattern of the company pursuant to said change of name.

7.9 It was further informed that the DOC vide Instruction No. 89 dated 17/05/2018 has issued revised guidelines regarding change in shareholding pattern, name change of SEZ Developer and SEZ Units which inter alia states as under:

"5(ii) Re-organisation including Change of name, change in shareholding pattern, business transfer arrangements, court approved mergers and demergers, change in constitution of Units located in SEZs may be undertaken with the prior approval of Approval Committee in respect of Units subject to the condition that the unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern. All liabilities of the unit will remain unchanged on such reorganization.

6. Such reorganization shall be subject to the following safeguards:

- i) Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered entity;*
- ii) Fulfilment of all eligibility criteria applicable, including security clearances etc., by the altered entity and its constituents;*
- iii) Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. Acts/Rules which regulate issues like capital gains, equity change, transfer, taxability etc.*
- iv) Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished*

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immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.

v) The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.

vi) The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.

vii) The unit shall furnish details of PAN and jurisdictional assessing officer of the unit to CBDT."

7.10 It was informed that Department of Commerce vide Instruction No. 90 dated 03/08/2018 has also clarified that "it may not be interpreted that prior approval of BOA/UAC is to be taken before approaching the Registrar of Companies or the National Company Law Tribunal as is being some in some cases came to the notice of this department".

7.11 The Approval Committee observed that lease rent amounting to Rs. 42,85,945/- is currently outstanding against the unit. Shri Mehta stated that as the company was closed for so much time, financial condition of the company is not good. He requested to renew their LOA for new items and give them some time for payment of lease rent.

7.12 The Approval Committee , after due deliberations, took following decision:

- (i). In-principle approval for renewal of LOA for one year subject to deposition of entire lease rent by 31.03.2019.
- (ii). Formal LOA renewal letter will be issued only after payment of entire lease rent.
- (iii). Full facts of the case alongwith updated status will be put up before Approval Committee in its meeting to be held in April, 2019.
- (iv). The authorized operations of the company have been revised as under, which



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	<p>would be adjusted as per ITC(HS):</p> <ul style="list-style-type: none">a) Data Broadcast.b) Movie merchandisingc) Assembly of Speciality vehicles having fuel cells and solid state batteries. <p>(v). Change of name of company from M/s. Interactivity Broadband Telecommunications Ltd. to "M/s. Ionique Technologies Ltd." was approved in terms of Instruction No. 89 dated 17/05/2018 and Instruction No. 90 dated 03/08/2018 and subject to submission of required documents for change of name.</p>
8.	<p>Proposal in respect of M/s. Groupe iSOURCE for Monitoring of Performance and Renewal of LOA.</p> <p>It was informed to the Approval Committee that M/s. Groupe iSOURCE has been issued an LOA dated 21/02/2008 for Information Technology Enabled Services. The unit commenced its export activities w.e.f. 01/10/2008 and LOA is valid till 30/11/2018.</p> <p>8.2 It was informed to the Approval Committee that the unit has made exports worth Rs. 573.70 Lakhs and earned positive NFE earnings worth Rs. 558.13 Lakhs during previous block of five years between 2013-14 to 2017-18.</p> <p>8.3 The Approval Committee observed that unit has achieved positive NFE earnings during previous block of five years and took note of the same. The Approval Committee further observed that no foreign exchange is pending for realization.</p> <p>8.4 The Approval Committee after due deliberations, decided to extend the validity of LOA for remaining period of current five years block i.e. upto 30/09/2023 subject to condition that unit shall comply with section 2(z)(iii) of SEZ Act, 2005.</p>
9.	<p>Proposal in respect of M/s. Coster India Packaging Pvt. Ltd. for Monitoring of performance in view of exit request of unit.</p> <p>It was informed to the Approval Committee that M/s. Coster India Packaging Pvt. Ltd. had been issued an LOA dated 02/02/2005 for (1) Mechanical Spray Pumps (2) Trading of:</p>

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Aerosol Valves & Sprayers, Semi Assembled Aerosol Valve, Pumps & Sprayers Components for above Item, Aerosol Crimping Machine. Assembling Machine Dip Tube Fitting Machine (3) Manufacturing of: Aerosol Valve and Sprayers. Semi Assembled Mechanical Spray Pumps, Aerosol Valve and Sprayers. . The unit commenced its export activities w.e.f. 25/09/2007 and LOA was valid till 24/09/2017.

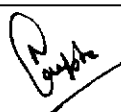
9.2 It was further informed that Approval Committee in its meeting held on 12/11/2018 monitored the performance of the unit under Rule 54 of SEZ Rules, 2006 on the basis of APRs and noted the achievement of positive NFE by the unit. The Approval Committee in its earlier meeting held on 12/11/2018 had also directed to ascertain as to whether payments against trading activity in DTA have been received in INR. In case trading has been made in DTA against payment in INR, then the matter may be placed again before the Approval Committee alongwith recalculated NFE achieved by the unit.

9.3 It was informed to the Approval Committee that the unit has submitted details in respect of trading activities and on examination; it has been observed that although the unit has achieved positive NFE earnings, the unit has made total DTA sale worth Rs.1,07,04,297/- against payment in INR.

9.4 Shri Suresh Sareen, authorized representative of the unit appeared before the Approval Committee. It was informed to him that as per Section 2(z)(iii) of SEZ Act 2005, "Services means such tradable services which earn foreign exchange". Hence, the above sales are not as per SEZ Act/Rules and value of Rs. 1,07,04,297/- had to be against free foreign exchange but the unit has received payments in INR.

9.5 The Approval Committee informed Shri Sareen 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 Approval Committee gave him the option to settle the matter as per section 11(4) of the FT(D&R) Act, 1992 for violation of SEZ Act and Rules by imposing penalty to regularize authorized operation. Shri Sareen gave his consent to settle the case under section 11(4) of the Foreign Trade (Development & Regulation) Act. Shri Sareen, however, requested for a minimum penalty.

9.6 In light of facts & circumstances of the case, DC, NSEZ in consultation with the



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members of the Approval Committee, imposed a penalty of 0.1% of the value of trading rendered in DTA against payment in INR subject to minimum Rs.10,000/- on the unit as per section 11(4) of the FT (D&R) Act, 1992.

9.7 The Approval Committee also decided that the unit may be allowed final exit subject to deposition of penalty amount.

10 **Proposal of M/s Samsung Overseas Ltd. for Change in directors of the company.**

It was informed to the Approval Committee that M/s. Samsung Overseas has been issued LOA dated 05/10/2012 for service activities namely (i) System Software Development, (ii) Financial control and accounting system (iii) Production management and inventory control (iv) Project feasibility studies and project monitoring systems (v) Back office/Remote data entry and (vi) IT Enabled services. The unit commenced its export activities w.e.f. 15/04/2013 and LOA is valid till 30/09/2019.

10.2. It was informed that the unit has intimated about change in directors and as per the DIR-11/12 submitted in respect of cessation/appointment of directors that old directors namely Smt. Jaya Satija & Shri Ashish K Satija had resigned the company on 05/07/2016 and new directors namely, Shri Bhushan Kumar Chandna, Mrs. Rekha Gill and Mr. Vikas Ahlawat were also appointed in the year 2016.

10.3 It was further 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.

10.4 Smt. Rekha Gill, director of the company appeared before the Approval Committee. She informed that pursuant to change in directors, there was also minor change in shareholding pattern of the company as under:

Name of shareholder	Shareholding percentage before change (as available in this office records)	Shareholding percentage after change (as intimated by the unit)
i) Mr. Rajesh Satija	83.63%	85.92%
ii) Smt. Renu Satija	3.14%	2.72%

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iii) Satija Stud Farm Pvt. Ltd.	13.23%	11.35%
iv) Shri Parveen Satija	0.001%	0.001%
v) Shri Ashish K Satija	0.001%	0.001%
vi) Smt. Jaya Satija	0.001%	0.001%
vii) Smt. Chand Rani Satija	0.001%	0.001%

10.5 Smt. Gill further informed that they inadvertently could not inform this office about the said changes due to oversight without any malafide/willful intentions. She apologized for the same and assured that such mistake will not be repeated in future.

10.6 It was further informed that the DOC vide Instruction No. 89 dated 17/05/2018 has issued revised guidelines regarding change in shareholding pattern, name change of SEZ Developer and SEZ Units which inter alia states as under:

"5(ii) Re-organisation including Change of name, change in shareholding pattern, business transfer arrangements, court approved mergers and demergers, change in constitution of Units located in SEZs may be undertaken with the prior approval of Approval Committee in respect of Units subject to the condition that the unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern. All liabilities of the unit will remain unchanged on such reorganization.

6. Such reorganization shall be subject to the following safeguards:

- i) Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered entity;*
- ii) Fulfilment of all eligibility criteria applicable, including security clearances etc., by the altered entity and its constituents;*
- iii) Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. Acts/Rules which regulate issues like capital gains, equity change, transfer, taxability etc.*
- iv) Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.*

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- v) *The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.*
- vi) *The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.*
- vii) *The unit shall furnish details of PAN and jurisdictional assessing officer of the unit to CBDT."*

10.7 It was informed that Department of Commerce vide Instruction No. 90 dated 03/08/2018 has also clarified that "it may not be interpreted that prior approval of BOA/UAC is to be taken before approaching the Registrar of Companies or the National Company Law Tribunal as is being some in some cases came to the notice of this department".

10.8 The Approval Committee informed Smt. Gill 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 Approval Committee gave her the option to settle the matter as per section 11(4) of the FT(D&R) Act, 1992 for violation of SEZ Act and Rules by imposing penalty. Smt. Gill gave her consent to settle the case under section 11(4) of the Foreign Trade (Development & Regulation) Act. However, she requested for a minimum penalty.

10.9 In light of facts & circumstances of the case, DC, NSEZ in consultation with the members of the Approval Committee, imposed a penalty of Rs. 10,000/- on the unit as per section 11(4) of the FT (D&R) Act, 1992.

10.10 The Approval Committee, after due deliberations, decided to take the intimation of unit for change in directors and shareholding pattern of the company on records subject to deposition of penalty of Rs. 10,000/-. The Approval Committee also warned the unit to be more careful in future for timely compliances.



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11 Proposal in respect of M/s. Encee International for renewal of LOA.

It was informed to the Approval Committee that M/s. Encee International had been issued an LOA dated 30/04/2002 for Manufacture & Export of plain Gold Jewellery. The unit commenced its export production w.e.f. 05/08/2002 and its LOA was valid till 04/08/2017.

11.2 It was further informed to the Approval Committee that unit has been lying non-functional and has not made any export during previous block of five years since 2012-13. It was also informed that LOA of the unit was already expired on 04/08/2017. However, unit has submitted application for LOA renewal on 17/09/2018 that is after delay of more than one year.

11.3 Shri Rajnish Jain, partner in the firm appeared before the Approval Committee. He informed that they could not apply for renewal of LOA in time due to his illness and lack of marketing & orders. He further stated that now they have started marketing overseas (Dubai) where they used to previously export their consignment of gold jewellery.

11.4 The Specified Officer informed the Committee about an incident in the unit, the details of which are as under:

"On the Basis of an intelligence that some unauthorised activities were being carried out in the factory premises of M/s Encee International, Plot No. 158, NSEZ, Noida, the Deputy Commissioner, (Customs), NSEZ, Noida, deputed a team of Customs officers to conduct necessary enquiry / verification.

The team of Customs officers visited the factory premises M/s Encee International, Plot No. 158, NSEZ, Noida on 29.08.2018. During the visit of the officers three persons namely Shri Nandan Bera, Shri Sujit Kumar Bera and Shri Subhash Chandra Pal were present in the factory premises and five machines installed in the factory premises, out of five machines 03 machines were for chain making, one machine for gold rolling and one for wire drawing and all five machines were in working condition.

The officers conducted the inspection/verification in the presence of two independent witnesses and proceedings were recorded under panchnama dated 29.08.2018. During the visit of the officers the factory was found operational and yellow

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metal was found loaded on the chain making machines and also there was stock of yellow metal in the form of yellow metal wire, raw yellow metal chains and small yellow metal granules /cuttings. On demand by the officers Shri Sujit Kumar Bera produced all the yellow metal available in the factory premises besides the yellow metal being processed on the machines. The officers detained the entire stock of yellow metal collectively weighing 2471 grams as detailed in Annexure-A to the Panchnama dated 29.08.2018 under Section 110 of Customs Act,1962 as on demand by the officers none of the three employees namely Shri Nandan Bera, Shri Sujit Kumar Bera and Shri Subhash Chandra Pal could produce any evidence documentary or otherwise accounting for the same. The detained goods as detailed in Annexure-A to the Panchnama dated 29.08.2018 were handed over to the Manger, CWC, NSEZ Noida for safe custody.

Statement of Shri Sujit Kumar Bera and Shri Nandan Bera were recorded under Section 108 of the Customs Act, 1962. In their statements dated 29.08.2018 both inter alia stated that they were working as gold jewellery artisans in the said factory ; that they had only been involved in making of the gold jewellery and all the function of the unit were being done on the direction of the owner of the Company Shri Sanjeev Kumar Jain; that the such instructions were conveyed to them telephonically; that gold as raw material was received by them through a messenger sent by Shri Sanjeev Kumar Jain and after preparation of gold jewellery the same is handed over to the messenger sent by Shri Jain; that no documents were prepared by them for receiving and disposal of goods.

In the course of investigation summons dated 30.08.2018 were issued to Shri Sanjeev Kumar Jain. In response to the summons Shri Vipul Jain appeared instead of Shri Sanjeev Kumar Jain. In his statement dated 30.08.2018 Shri Vipul Jain inter alia stated that Shri Sanjeev Kumar Jain did not hold any position in the company and that Shri Sujit Kumar Bera and Shri Nandan Bera had mistakenly uttered the name of Shri Sanjeev Kumar Jain as owner of the company; that Shri Rajnish Kumar Jain, his father was looking after all the work of the company but that day he was out of the town.

Shri Rajnish Jain appeared for his statement on 31.08.2018. In his statement dated 31.08.2018 he inter alia stated that M/s ENCEE International, Plot No. 158, NSEZ, Noida is a partnership firm with him, his son Vipul Jain, his brother Neeraj Jain and his sister in law Smt. Bindu Jain were four partners in the above firm; that he was looking after day to day working of the firm and take care all the activities of the firm and the other partners



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are silent partners; that the firm was established in the year 2002; that they were granted LOA for manufacturing of Plain Gold Jewellery which was valid only upto 17.08.2017 and had since expired; on being asked about 2471 grams yellow metal recovered from his factory premises, he stated that the recovered yellow metal was 22 Carat Gold which his workers informed him that they had received from Shri Sanjay Sahoo, contractor of M/s Jayshree Jewellers, NSEZ, Noida; he further admitted that the gold was received in his factory without any challan / document through Shri Sanjay Sahoo, Contractor; that they were informally doing job-work i.e. making gold chains from the gold received from M/s Jayshree Jewelelrs, NSEZ, Noida off and on for the past two years; that the entire activity was being carried out by Shri Sujit Kumar Bera, his care taker and other labour after his approval, he was not visiting the factory but the work was being carried out in his knowledge and he used to give instructions or they used to talk to his younger brother Shri Sanjeev Jain in his absence telephonically; that the entire activity was being carried out on word of mouth basis and there was no written documents / accounts being maintained the entire transaction were carried out verbally; that they made the last export in 2009-10 after that they had no orders so the entire work of our factory stopped; that he could not monitor the LOA as the factory was almost closed, however, they were just doing some job-work to sustain the salary of their workers / care taker and to meet the regular expenses like rent, electricity, etc; that he accepted that his LOA was not valid / renewed and the factory was working illegally, and he regrets the same; that on being asked about letter dated 31.08.2018 submitted in response to summon dated 31.08.2018, he stated that on receiving the Summons and information about the recovery of 2471 grams yellow metal (22 Carat Gold) he became desperate and could not understand what to do, then Shri B.P. Sharma, (CA) father of Shri Chakshu Sharma, Partner of M/s Jayashree Jewellers, NSEZ Noida advised him to submit such letter; that Shri B.P. Sharma (CA) only prepared and handed over the voucher No. 2018/069 dated 28.08.2018 to him on 31.08.2018 and advised him to submit the same alongwith letter which he signed on 31.08.2018 and submitted to the department in response to the summons and also sent the same through speed post on 31.08.2018.

Since, it was evident from the above facts and statements that Shri Rajnish Jain was unable to disclose the proper source of procurement of said yellow metal and acquired in



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contravention of the provisions of Customs Act,1962 read with SEZ Rules,2006 on reasonable belief that the goods liable to confiscate under Customs Act,1962 were seized under Seizure Memo dated 06.09.2018 under Section 110 of Customs Act,1962 after appraisalment by the Jewellery Appraiser, NSEZ, Noida . After the appraisalment it was found that the recovered yellow metal was 22 carat Gold of 2471 grams and valued at Rs.6200326/- (approximately) the value of said gold has been calculated as per Notification Nos. 76/2018-Cus (NT) dated 31.08.2018 and 74/2018-Cus (NT) dated 16.08.2018. The seized 22 Carat of Gold weight 2471 grams sealed with Customs Brass Seal No.5 was handed over to CWC Staff, NSEZ, Noida under Supurdnama dated 06.09.2018 for safe custody.

Further, during the investigation, a summons was also issued to Shri Chakshu Sharma, partner in M/s Jayashree Jewellers and a his statement was tendered under Section 108 of Customs Act, 1962. In his statement dated 12.09.2018 Shri Chakshu Sharma inter alia stated that the gold recovered from the factory premises M/s ENCEE International, Plot No. 158, NSEZ, Noida belong to them it was sent for job-work by Shri Sanjay Kumar Sahoo his contractor under voucher dated 29.08.2019; that he was not aware about the LOA status of the factory and he was not aware how the voucher issued by him was not found alongwith the gold recovered from the factory premises of M/s ENCEE International, Plot No. 158, NSEZ, Noida.

The facts stated by Shri Chakshu Sharma were contrary to the facts as revealed during the course of investigation which indicate that the 2471 grams gold recovered from the factory premises M/s ENCEE International, Plot No. 158, NSEZ, Noida was not accompanied by any document viz voucher / challan duly confirmed by the employees working in the factory and also admitted by the owner of the factory Shri Rajnish Kumar Jain in his statement dated 31.08.2018 under Section 108 of Customs Act,1962.

Further, in respect of letters dated 04.09.2018 & 31.08.2018 represented by M/s Jayshree Jewellers and M/s Encee International respectively received through noting dated 11.09.2018 by Deputy Development Commissioner NSEZ, it appears that procedures laid down in proviso under Rule 41(f) of The Special Economic Zones Rules, 2006 has not been followed by the receiving units i.e. M/s Encee International and even by the supplying unit at the time of seizure of goods as mentioned in above paras.

Further, in respect of letters dated 04.09.2018 & 31.08.2018 represented by M/s

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Jayshree Jewellers and M/s Encee International respectively received through noting dated 11.09.2018 by Deputy Development Commissioner NSEZ, it is bring to your kind notice that during investigation of the case, following discrepancies were found:

- **M/s Encee International does not have Letter of Approval presently.**
- **During the visit of the said unit no records regarding receiving of the yellow metal in M/s Encee International were found.**
- **All the workers, involved in the manufacturing of the Jewellery in M/s Encee International were not having NSEZ Gate Pass and residing in the unit in unauthorised way.**
- As per statement of Shri Shri Rajnish Jain, he was unable to disclose the proper source of procurement of said yellow metal and he also stated that Shri Chakshu Sharma, Partner of M/s Jayashree Jewellers, NSEZ Noida advised him to submit a letter and he also stated that Shri B.P. Sharma (CA) only prepared and handed over the voucher No. 2018/069 dated 28.08.2018 to him on 31.08.2018 and advised him to submit the same alongwith letter which he signed on 31.08.2018. Whereas, Shri Chakshu Sharma in his statement dated 12.09.2018 stated that the said Voucher was prepared by Shri Praveen Kumar Srivastava, Authorized Signatory on 28.09.2018. Thus it is amply evident that the facts stated by both are contrary to each other.
- Shri Sanjay Shau, so called contractor to whom goods were handed over by M/s jayashree Jewellers is neither at pay role of the unit nor have any authorization to doing any job work in NSEZ. He also does not have any NSEZ Gate Pass.
- Further, in May 2018, similar type of offence i.e. diversion of the gold of the unit to M/s S.I. Overseas for job work without any proper documentation had also occurred."

11.5 **Shri Jain admitted that they were informally doing job-work i.e. making gold chains** from the gold received from M/s. Jayshree Jewellers, NSEZ Noida off and on for the last two years. He further informed that they made last export in 2009-10 and after they had no orders so the entire work was stopped. Further, he could not monitor the LOA as the factory was almost closed, however, they were just doing some job-work to sustain the salary of their workers/ caretaker and to meet the regular expenses.

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11.6 The Approval Committee **observed that LOA of the unit was already expired on 04/08/2017. However, unit has submitted application for LOA renewal on 17.09.2018 that is after delay of more than one year that too after the enquiry/verification by the NSEZ Customs.**

11.7 The Approval Committee further observed that performance of unit during last block of five years are as under:

Values in Rs. Lakhs			
Year	FOB Value of Export	Forex Outgo	NFE Earning
2012-13 (05/08/12 to 31/03/13)	0.00	0.00	0.00
2013-14	0.00	0.00	0.00
2014-15	0.00	0.00	0.00
2015-16	0.00	0.00	0.00
2016-17	0.00	0.00	0.00
2017-18	0.00	0.00	0.00
Total	0.00	0.00	0.00

11.8 The Approval Committee also observed that as per the provisions of Rule 11(5) of SEZ Rules, 2006, "the lease rights would cease to exist in case of the expiry or cancellation of LOA" and in this case, LOA of M/s. Encee International had expired 04/08/2017.

11.9 The Approval Committee, after due deliberations, observed as under:

- unit has not done any export from 2012-13 (as given in para 11.7 above);
- was indulging in un-authorized activities as reported by NSEZ Customs (as given in para 11.4 above);
- LOA of the unit has already expired on 04.08.2017 and consequently lease deed has also expired in terms of Rule 11(5) of SEZ Rules; (as explained in para 11.8 above).
- Unit has not applied for extension of LOA in time (as explained in para 11.6 above).

In view of the above stated facts, the Approval Committee was of the view that there is no merit in the case for grant of extension of LOA. Accordingly, Approval Committee unanimously decided not to renew the LOA, which has already expired on

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	<p>04.08.2017, taking into account above facts and Rule 19 (6)(B) of SEZ Rules,2006 (as amended).</p> <p>11.10 The Approval Committee also observed that lease rights of Plot No. 153, NSEZ being co-terminus with the validity of LOA also cease to exist on 04/08/2017 in terms of provisions of Rule 11(5) of SEZ Rules, 2006. The Approval Committee directed the Estate Management section to take necessary action against the unit as appropriate under provisions of P.P. Act to takeover possession of space allotted to it.</p> <p>11.11 The applicant, if aggrieved by this order of Approval Committee, may under Rule 55 read with Rule 56 of the SEZ Rules, 2006, prefer an appeal against this order in the Form J (in duplicate), to the appropriate Appellate Authority, i.e. Board of Approval, Ministry of Commerce & Industry, Department of Commerce, Udyog Bhavan, New Delhi within 30 days from the date of receipt of this order duly accompanied by prescribed fee and other documents to support the grounds of objection mentioned in the appeal.</p>
12	<p>Proposal in respect of M/s. Hitech Overseas for Monitoring of performance in view of exit request of unit.</p> <p>It was informed to the Approval Committee that M/s. Hitech Overseas had been issued LOA dated 16/12/2010 for Manufacturing of Bathroom Sanitary items: Shower HF/OH/Hand, Bathroom Accessories Set (Soap dish, Paper Holder, Towel Ring/Road etc.), S.S. Tube/PVC Tube (Flexible), S.S./ Aluminium Braided Hose. The unit had commenced its export production on 01/10/2011 and its LOA was valid till 30/09/2016.</p> <p>12.2 It was informed to the Approval Committee that Unit was granted In-principle approval for exit from SEZ scheme vide this office letter dated 05/08/2016 & reminder dated 28/05/2018 and unit was advised to submit requisite documents for compliance with exit formalities. Unit vide its letter dated 30/10/2018 and 29/11/2018 has submitted all the documents related to exit from SEZ scheme.</p> <p>12.3 It was further informed that the unit has made no exports during current block of five years block of five years starting from 2016-17 and earned <u>negative</u> NFE earnings worth Rs. 0.89 Lakhs.</p> <p>12.4 Shri Ramesh Wadhwa, partner in the firm appeared before the Approval</p>

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Committee. He informed that their unit stopped working since 2014. At the time of closure, they had finished goods, semi-finished goods, imported goods and other material in hand. In the year 2016-17, they sold all stocks including imported stock via DTA sales and deposited custom duty also.

12.5 The Approval Committee informed him that the DTA sales are not counted towards NFE calculation. Had they made the export of these imported stocks, it would have been counted towards NFE. However, in the given circumstances their NFE status stands at negative Rs. 0.89 Lakhs for the current block.

12.6 The Approval Committee informed Shri Wadhwa 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 Approval Committee gave him the option to settle the matter as per section 11(4) of the FT(D&R) Act, 1992 for violation of SEZ Act and Rules by imposing penalty. Shri Wadhwa gave his consent to settle the case under section 11(4) of the Foreign Trade (Development & Regulation) Act. However, he requested for a minimum penalty.

12.7 In light of facts & circumstances of the case, DC, NSEZ in consultation with the members of the Approval Committee, imposed a penalty of Rs. 10,000/- on the unit as per section 11(4) of the FT (D&R) Act, 1992 for achievement of negative NFE earnings during current block of five years.

9.7 The Approval Committee also decided that the unit may be allowed final exit subject to deposition of penalty amount.

13 Proposal in respect of M/s. Advance Ispat (India) Ltd. for Monitoring of performance of the unit.

It was informed to the Approval Committee that M/s. Advance Ispat (India) Pvt. Ltd had been granted an LOA dated 01/06/2004 for Manufacturing & Export of Scaffolding. The unit has commenced its export production w.e.f. 24/11/2006 and LOA of the unit was valid up to 23/11/2016.

13.2 It was further informed that performance of unit is as under:

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Values in Rs. Lakhs

Year	FOB Value of Export	Forex Outgo	NFE Earning
2010-11	0.00	0.00	0.00
2011-12	0.00	0.00	0.00
2012-13	0.00	0.00	0.00
2013-14	0.00	0.00	0.00
2014-15	0.00	0.00	0.00
2015-16*	0.00	0.00	0.00
Total	0.00	0.00	0.00

* As informed by NSDL.

13.3 It was informed to the Approval Committee that LOA of the unit has already expired on 23/11/2016 and unit had not applied for its extension till date.

13.4 It was further informed that as per the provisions of Rule 11(5) of SEZ Rules, 2006, "the lease rights would cease to exist in case of the expiry or cancellation of LOA" and in this case, LOA of M/s. Advance Ispat (India) Ltd. had expired 23/11/2016.

13.5 It was also informed that unit vide this office email dated 03/12/2018 was informed to be present before the Approval Committee for personal hearing. However, no one from the unit appeared for the meeting.

13.6 The Approval Committee observed that i) in view of no export by the unit from 2010-11; ii) LOA has already been expired on 23.11.2016 and consequently lease deed has also expired in terms of Rule 11(5) on 23.11.2016; iii) unit has not applied for extension of LOA and iv) despite opportunity no one has appeared before the Approval Committee to explain its position with regard to extension of LOA, there is no merit in the case for further renewal of the LOA.

13.7 The Approval Committee, after due deliberations, decided to treat LOA as cancelled as already lapsed w.e.f. expiry of its validity i.e. from 23/11/2016. The Approval Committee also observed that lease rights of Plot No. 129G/10-12, NSEZ being co-terminus with the validity of LOA also cease to exist on 23/11/2016 in terms of provisions of Rule 11(5) of SEZ Rules, 2006. The Approval Committee directed the Estate Management section to take necessary action against the unit as appropriate under provisions of P.P. Act to takeover possession of space allotted to it.

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14 Proposal in respect of M/s. Art Forever for Monitoring of performance of the unit.

It was informed to the Approval Committee that M/s. Art Forever had been granted an LOA dated 10/04/2008 for Trading of contemporary and modern Indian art painting. The unit has commenced its export activities w.e.f. 03/12/2008 and LOA of the unit was valid up to 02/12/2013.

14.2 It was further informed that performance of unit is as under:

Year	FOB Value of Export	Values in Rs. Lakhs	
		Forex Outgo	NFE Earning
2008-09	0.29	0.00	0.29
2011-12	0.00	0.00	0.00
Total	0.29	0.00	0.29

NSDL has informed that is not registered on SEZonline system.

14.3 It was informed to the Approval Committee that LOA of the unit has already expired on 02/12/2013 and unit had not applied for its extension till date.

14.4 It was further informed that currently no space is allotted to the unit. However, an amount of Rs. 4,85,589/- is outstanding against the unit in respect of lease rent.

14.5 The Approval Committee observed that there is no merit in the case for further renewal in view of the fact that unit has not been working since 2009-10, LOA has expired on 02.12.2013 and no application for its renewal has been made.

14.6 The Approval Committee, after due deliberations, decided to treat the LOA as cancelled as already lapsed w.e.f. expiry of its validity i.e. from 02/12/2013. The Approval Committee further directed the Estate Management section to take necessary action for **recovery** of outstanding lease rent of Rs. 4,85,589.00 mentioned above.

15 Proposal in respect of M/s. KPIT Technologies for Monitoring of performance of the unit in terms of Rule 54 of SEZ Rules, 2006.

It was informed to the Approval Committee that M/s. KPIT Technologies had been granted an LOA dated 23.10.2007 for IT Service, Information Technology. The unit has commenced its export activities w.e.f. 30.05.2008 and LOA of the unit has been renewed

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up to 29.05.2023.

15.2 It was informed to the Approval Committee that the unit has made exports worth Rs. 13772.24 Lakhs and earned positive NFE earnings worth Rs. 12734.21 Lakhs during previous block of five years between 2013-14 to 2017-18.

15.3 It was further informed that unit has made DTA sales worth Rs. 1.43 Lakhs during previous block of five years. Unit had informed that the entire DTA sales worth Rs. 1.43 Lakhs made during the year 2013-14 is towards services rendered in DTA and the payment towards these services have been received INR.

15.4 Shri Rohit Kayal, authorized representative of the unit appeared before the Approval Committee. It was informed to him that as per Section 2(z)(iii) of SEZ Act 2005, "Services means such tradable services which earn foreign exchange". Hence, the above sales are not as per SEZ Act/Rules and value of Rs. 1.43 Lakhs had to be against free foreign exchange but the unit has received payments in INR.

15.5 The Approval Committee informed Shri Kayal 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 Approval Committee gave him the option to settle the matter as per section 11(4) of the FT(D&R) Act, 1992 for violation of SEZ Act and Rules by imposing penalty to regularize authorized operation. Shri Kayal gave consent on behalf of company to settle the case as per section 11(4) of the FT(D&R) Act, 1992.

15.6 In light of facts & circumstances of the case, DC, NSEZ in consultation with the members of the Approval Committee, imposed a penalty of 0.1% of the value of services rendered in DTA against payment in INR subject to minimum Rs.10,000/- on the unit as per section 11(4) of the FT (D&R) Act, 1992.

15.7 The Approval Committee also monitored the performance of unit and noted achievement of positive NFE Earnings by the unit during previous block of five years. The Approval Committee also directed that unit shall comply with Section 2(z)(iii) of SEZ Act, 2005 and no further service in DTA shall be rendered in INR.

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Proposal in respect of M/s. Xavient Software Service India (P) Ltd. for Monitoring of performance of the unit in terms of Rule 54 of SEZ Rules, 2006.

It was informed to the Approval Committee that M/s. Xavient Software Service India (P) Ltd. had been granted an LOA dated 05.05.2008 for Software Development and Information Technology Services. The unit has commenced its export activities w.e.f. 01.09.2008 and LOA of the unit has been renewed up to 31.08.2023.

16.2 It was informed to the Approval Committee that the unit has made exports worth Rs. 56692.36 Lakhs and earned positive NFE earnings worth Rs. 56594.29 Lakhs during previous block of five years between 2013-14 to 2017-18.

15.3 It was further informed that unit has made DTA sales worth Rs. 136.84 Lakhs during previous block of five years. Unit had informed that services worth Rs. 29.12 Lakhs made during previous block of five years have been rendered in DTA and the payment towards these services have been received INR.

15.4 Shri Sanjay Sharma, authorized representative of the unit appeared before the Approval Committee. It was informed to him that as per Section 2(z)(iii) of SEZ Act 2005, "Services means such tradable services which earn foreign exchange". Hence, the above sales are not as per SEZ Act/Rules and value of Rs. 29.12 Lakhs had to be against free foreign exchange but the unit has received payments in INR.

15.5 The Approval Committee informed Shri Sharma 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 Approval Committee gave him the option to settle the matter as per section 11(4) of the FT(D&R) Act, 1992 for violation of SEZ Act and Rules by imposing penalty to regularize authorized operation. Shri Sharma gave consent on behalf of company to settle the case as per section 11(4) of the FT(D&R) Act, 1992.

15.6 In light of facts & circumstances of the case, DC, NSEZ in consultation with the members of the Approval Committee, imposed a penalty of 0.1% of the value of services rendered in DTA against payment in INR subject to minimum Rs.10,000/- on the unit as



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	<p>per section 11(4) of the FT (D&R) Act, 1992.</p> <p>15.7 The Approval Committee also monitored the performance of unit and noted achievement of positive NFE Earnings by the unit during previous block of five years. The Approval Committee also directed that unit shall comply with Section 2(z)(iii) of SEZ Act, 2005 and no further service in DTA shall be rendered in INR.</p>
17	<p>Following case for monitoring of performance/APRs under Rule 54 of SEZ Rules, 2006 was also placed before the Approval Committee. The decision of the Approval Committee is indicated below:-</p> <p>(i) M/s. Attar Mohd. Saeed Dawood & Bros. - The Approval Committee monitored the performance of the unit on the basis of APRs up to 2016-17 and noted achievement of positive NFE by the unit. The Approval Committee also observed that no foreign exchange is pending for realization as 31/03/2018.</p>
18	<p>Proposal of M/s. Shape N Size Fashions for setting up a 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 Manufacturing & Export of (i) Cotton Knitted Dress (ii) Poly Knitted Dress (iii) Cotton Woven Dress (iv) Poly Woven Dress (v) Other Woven Dress (vi) Stitching Job Work with projected exports of Rs. 2777.00 Lakhs and NFE earnings worth Rs. 2777.00 Lakhs over a period of five years.</p> <p>18.2 Shri Shailesh Agarwal, proprietor of the firm appeared before the Approval Committee to explain the project. He informed that he has extensive garment industry experience of approx. 25 years. He is handling the operations of the garments and dedicated support of designer, finance & marketing team. He informed that by profession he is a Chartered Accountant, done MBA from IIT Kanpur and has been Chief Operating Officer (COO) in a Company having turnover of Rs. 50.00 crore.</p> <p>18.3 He further informed that they are setting up unit in NSEZ primarily for sub-contracting of customized stitching & embroidery work of M/s. eShakti. As most of the raw materials and consumables are to be provided by eShakti only, they will require raw</p>



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materials and consumables in small quantities only.

18.4 He further informed that M/s. eShakti.com would be providing them all material, patterns and technical parameters for stitching & embroidery of garment for their export orders.

18.5 It was informed to the Approval Committee that M/s. eShakti.com Pvt. Ltd. has also submitted a consent letter in support of new applicant stating that they have contracted M/s. Shape N Size Fashions for stitching & Embroidery of ladies' garments and as they are situated inside the NSEZ, they have asked them to set-up their facility inside the zone, so that the merchandise for sub-contracting for them need not be sent out of the zone. It has also been stated that whatever work M/s. Shape N Size Fashions will do for them shall be used for export only.

18.6 The Approval Committee informed Shri Agarwal that after recent amendment in SEZ Rules vide notification dated 21/09/2018, the value of indigenous requirement of raw material, components, consumables, packing material, fuel etc. are also required to be taken into account while calculating NFE. After taking into account of this; the revised NFE would be Rs. 27.27 Crores. The Approval Committee observed that Rule 41 of SEZ Rules, 2006 provides for sub-contracting by units within SEZ.

18.6 The Approval Committee, after due deliberations, approved the proposal of M/s. Shape N Size Fashions for setting up a unit in NSEZ for Manufacturing & Export of (i) Cotton Knitted Dress (ii) Poly Knitted Dress (iii) Cotton Woven Dress (iv) Poly Woven Dress (v) Other Woven Dress (vi) Stitching Job Work.

19 Proposal in respect of M/s. J & S Exports for renewal of LOA.

It was informed to the Approval Committee that M/s. J & S Exports had been issued an LOA dated 28/02/2007 for following activities:

1. *Manufacturing of all kinds of Ladies Garments (top, skirt, dress hand-embroidered)*
2. *Manufacturing of Scarves, pants, blouse, Capri, home-furnishing, embroidered fabric panels, garments accessories.*

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3. *Relabeling/ Repackaging/ Trading Activities of:*

- i) *All kinds of ladies/Men's Garments*
- ii) *All kind of kids/Child Garments*
- iii) *All kind of Boys/Girls Garments.*
- iv) *All kind of artificial jewellery.*

[Trading activities were permitted on 16/10/2015 subject to condition that No DTA sale of trading goods shall be allowed]

19.2 The unit commenced its export production w.e.f. 11/10/2007 and LOA was valid till 10/10/2017.

19.3 It was informed that unit has not made application for renewal of LOA on time. Unit applied for renewal of LOA after much delay on 15/03/2018 and subsequently vide this office letter dated 02/04/2018 unit was requested to submit some documents/information related to LOA Renewal. However, unit has not submitted the said details till date.

19.4 It was further informed that lease rent amounting to Rs. 10,10,283/- (upto 30/09/2018) is outstanding against the unit and recovery certificate under section 14 of P.P. Act 1971 was issued on 08/08/2018.

19.5 It was also informed that the said proposal was considered by the Approval Committee in its meeting held on 12/11/2018 wherein Shri Dhruv Jalan, partner in the firm had informed that they are depositing Rs. 3 Lakhs within this week and requested to grant them 3 months' time to deposit the remaining amount to which the Approval Committee agreed. However, as informed by the EM Section, NSEZ, unit has till date not deposited Rs. 3 Lakhs as promised by the unit's representative during the meeting.

19.6 Shri Dhruv Jalan, partner in the firm appeared before the Approval Committee. He informed that due to pending family settlement and non-availability of adequate credit facilities, last 2-3 years have been bad for the unit and operations becomes zero. Now, they have settled all the issues including that of bankers dues from their own resources and is in the process of re-capitalization of resources required to commence the business. It has been further stated that post family settlement, entire garment business shall be

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under J&S Exports control and shall be done from NSEZ unit.

19.7 Shri Jalan further informed that due to financial constraints they could not deposit lease rent on time as stated during the previous meeting. He further informed that now they have settled their family dispute and they will deposit 50% lease rent before 15th December 2018 and remaining 50% by 31st December 2018.

19.8 Shri Jalan further stated that now they have been receiving inquiries for supplies and have tied up with U.K. Brand. He further submitted that they hope to make export of approx. Rs. 8 Crores in the first year. He also stated that they will be able to commence the operation by mid-February 2019 and will employ approx. 75-80 persons at start. He also informed that once they start working on full capacity by May 2019, the employment will be approx. 200-250 persons.

19.9 Shri Jalan further informed that they have made exports approx. 4.5 Crores and RS. 3 Crores against manufacturing & trading activities respectively during previous block of five years. The Approval Committee observed that unit has not submitted APRs for the period 2014-15 onwards and directed representative of unit to submit the same at the earliest. The Approval Committee also directed to furnish NFE position of current block 2012-13 to 2017-18 separately in respect of manufacturing & trading activities.

19.10 The Approval Committee observed that as per NSDL data from time to time, export performance of the unit has been as under:

S. No.	Year	Export (Rs. In INR)
1.	2014-15	2284568.96
2.	2015-16	25601053.01
3.	2016-17	18403341.75
4.	2017-18	Nil
5.	Till Nov'2018	Nil

19.11 The Approval Committee, after due deliberations, in view of above submission of



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	<p>the unit and also in view of the fact that unit has done export of Rs. 278.85 lakhs for first two years of current block, decided to renew the LOA for one year from the date of issue of letter for renewal of LOA. The Approval Committee further decided that the renewal shall be issued only after receipt of payment of lease rent by the unit.</p>
20	<p>Proposal in respect of M/s. Novo Technologies for renewal of LOA and revision in authorized operations.</p> <p>It was informed to the Approval Committee that M/s. Novo Technologies had been issued an LOA dated 28/02/2007 for (i) Manufacturing of Lighting Fixtures, Tubular Daylighting Systems, Lighting Control Systems, Energy Saving Devices & Systems (ii) Trading of Central Vacuum Cleaning Systems, CCS Machine & Accessories, Spares of CCS Machines, Parts of Lighting Fixtures, Spares of Lighting Fixtures, Lighting Fixtures, Tubular Daylighting Systems, Lighting Control Systems, Energy Saving Devices & Systems. The unit commenced its export production w.e.f. 27/12/2008 and LOA is valid till 26/12/2018.</p> <p>20.2 It was further informed that unit has submitted an application for renewal of its LOA for next block of five years beyond 27/12/2018. Along with renewal of LOA, unit has also requested for inclusion of "Services of product design development, Software Development, Outsource services regarding Data" in its authorized operation.</p> <p>20.3 It was also informed that unit has made exports worth Rs. 8.88 Lakhs and earned positive NFE earnings worth Rs. 1.78 Lakhs during current block of five years upto 31/03/2018.</p> <p>20.4 It was further informed that earlier unit had applied for exit from SEZ scheme and transfer of its assets & liabilities at Plot No. 59-H(C), NSEZ to M/s. Saasfocus Consulting Pvt. Ltd. The Approval Committee in its meeting held on 02/06/2016 had approved the proposal of M/s. Novo Technologies Pvt. Ltd. for exit from SEZ scheme and transfer of its assets & liabilities at Plot No. 59-H(C), NSEZ in favour of M/s. Saasfocus Consulting Pvt. Ltd. under Rule 74A of SEZ Rules, 2006 subject to fulfillment of exit formalities by M/s. Novo Technologies Pvt. Ltd.; payment of applicable transfer charges and submission of an undertaking by incoming entrepreneur regarding taking over the assets & liabilities of</p>

[Signature]

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existing unit. Accordingly, the unit vide this office letter dated 08/06/2016 was requested to complete exit formalities. However, exit formalities have not been complied with by the unit till date.

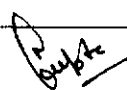
20.5 Shri Vinay Aggarwal, director of the company appeared before the Approval Committee. He informed that they were un-decided for their market strategy as their collaborators severed ties without any notice and after that they had applied for exit under Rule 74 A of SEZ Rules, 2006 in the year 2016 by transferring assets and liabilities to M/s. Saasfocus who had made a proposal to setup software unit at the premise. However, M/s. Saasfocus could not do so and now they have been acquired by M/s. Congizant Technologies. Therefore, there is no possibility of their operations here.

20.6 Shri Aggarwal further stated that in the meantime they worked diligently to find new opportunities for their company and signed up many agreements. He further stated that they have started activities again and exported material worth Rs. 8.30 Lakhs to Middle East in November 2018. The unit has also stated that if their proposal for additional authorized operation i.e. Service activities is approved, they can project additional employment of 100 people in their unit. Shri Aggarwal also informed that he has cleared entire outstanding lease rent of Rs. 11.00 lakh.

20.7 The Approval Committee observed that as per Rule 19(6A)(3) of SEZ Amendment Rules, 2018 "the Development Commissioner may renew the Letter of Approval for a period of five years or for a shorter period, in form F2, based on the evaluation of the Unit as per sub-rule (6B), which is reproduced as under:

(6B) The renewal of Letter of Approval shall be based on the evaluation of the following criteria, namely:-

- i) Export performance of the Unit in the last block vis-a-vis the initial export projection submitted by the Unit.
- ii) Projected employment with reference to actual employment generated.
- iii) Instance of violation of applicable statutes related to the functioning of the Unit.



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- iv) Cases of default, if any, of statutory payments.
- v) Undertaking of any activity not sanctioned or approved by the Development Commissioner.
- vi) The decision of the Development Commissioner or Approval Committee in this regard shall be final and binding on the Unit except in cases where the Unit prefers an appeal before the Board of Approval, in accordance with rule 55".

20.8 The Approval Committee further observed that against the projected exports of Rs. 2740.66 Lakhs, the unit could make exports worth only Rs. 8.88 Lakhs during current block of five years. In view of the dismal performance, the Approval Committee did not find any merit for renewal of LOA for five years.

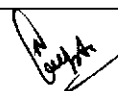
20.9 The Approval Committee, after due deliberations, decided to cancel the permission granted in its meeting held on 02/06/2016 for exit & transfer of assets & liabilities under Rule 74A of SEZ Rules, 2006 and renewed the LOA of the unit for one year. It was also decided that further renewal shall be considered on the basis of performance of unit during the extended period of validity of LOA. The Approval Committee also agreed to the request of unit for inclusion of service activities in its authorized operations subject to following condition:

- (i). No DTA sale of trading goods shall be allowed.
- (ii). 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 in terms of Section 2(z) of SEZ Act, 2005.
- (iii). Unit will maintain separate area earmarked for manufacturing and trading/service activities and maintain separate records/accounts of NFE for manufacturing and trading/service activities.
- (iv). NFE status for manufacturing activity and trading/service activity will be seen separately.
- (v). Unit shall file softex forms in respect of service activities as per RBI guidelines on

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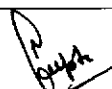
	<p>the subject.</p> <p>(vi). Unit shall comply with the definition of services as given in Section 2(z)(iii) of SEZ Act, 2005.</p>
21	<p>Proposal in respect of M/s. Garmex India for extension in the validity of LOA.</p> <p>It was informed to the Approval Committee that M/s. Garmex India had been issued an LOA dated 19/09/2016. Unit has not commenced its export production till date. LOA of the unit was valid till 18/09/2017.</p> <p>21.2 It was further informed that the LOA of unit was valid till 18/09/2017. However, neither the Bond-cum-LUT was executed nor any activity was carried out by the unit. Besides, unit had applied for extension in the validity of LOA on 17/09/2018 i.e. almost after one year of expiry of its validity.</p> <p>21.3 It was further informed that the said proposal was also considered by the Approval Committee in its meeting held on 04/10/2018. The Approval Committee observed that LOA of the unit has already expired one year back and unit had not made any application for its extension in time. It made request for extension of LOA only when notice for eviction of space under P.P. Act was issued on 28/08/2018. The Approval Committee in its meeting held on 04/10/2018 deferred the matter for its next meeting and directed the unit to first submit the following:</p> <ul style="list-style-type: none">(i). Projections of export, employment, investment for next five years.(ii). Written submission on the reasons for delay in submission of application for extension of LOA.(iii). Detailed business plan and implementation schedule of the project in NSEZ.(iv). Submit request for LOA Extension on SEZ online system.(v). Clearance of pending lease rent. <p>21.4 Shri J.D. Giri, authorized representative of the unit appeared before the Approval Committee. Shri Giri regretted for delay in submitting application for extension of LOA and requested to grant them one chance to revive their business. Shri Giri informed that owing to unfavorable market conditions during last -3 years, they were unable to carry out export activities. Now market is looking up and they plan to start their manufacturing</p>



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	<p>activity at the earliest. <u>Shri Giri informed that now unit will make investment of Rs. 10.00 crore, install 400 machines and employ 800 persons. Their Annual export would be around Rs. 18.00 crore.</u> Unit would take around one year to undertake civil work/renovation and imparting training to manpower. He further mentioned that unit has cleared entire outstanding lease rent.</p> <p>21.5 The Approval Committee observed that Rule 19(4) proviso 1 of SEZ Rules, 2006 reads as under:</p> <p style="padding-left: 40px;">“Provided that upon a request by the entrepreneur, further extension may be granted by the Development Commissioner for valid reasons to be recorded in writing for a further period not exceeding two years”</p> <p>21.6 The Approval Committee, after due deliberations, decided to extend the validity of LOA for 3rd year, i.e. upto 18/09/2019 in terms of Rule 19(4) proviso 1 of SEZ Rules, 2006. The Approval Committee further directed the unit to commence its production within this validity to which representative of the unit agreed.</p>
22	<p>Proposal in respect of M/s. PP Jewels (P) Ltd. for Monitoring of performance of the unit.</p> <p>No one from the unit appeared for the meeting. The Approval Committee further decided that the last opportunity may be provided to the unit for appearing in its next meeting failing which the matter shall be decided on merit on the basis of available records. Accordingly, Approval Committee deferred the matter for its next meeting and directed to send a communication to promoters through registered/speed post on the official/residential addresses so as to ensure their presence in the next meeting of Approval Committee.</p>
23	<p>Proposal in respect of M/s. PP Jewellers (Delhi) for Monitoring of performance of the unit.</p> <p>No one from the unit appeared for the meeting. The Approval Committee further decided that the last opportunity may be provided to the unit for appearing in its next meeting failing which the matter shall be decided on merit on the basis of available records.</p>



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Accordingly, Approval Committee deferred the matter for its next meeting and directed to send a communication to promoters through registered/speed post on the official/residential addresses so as to ensure their presence in the next meeting of Approval Committee.

24

Proposal of M/s. Noida Plast Pvt. Ltd. for Exit and transfer of assets & liabilities including building at Plot No.69, NSEZ to M/s. AOV International LLP under Rule 74A of SEZ Rules, 2006

It was informed to the Approval Committee that M/s. Noida Plast Pvt. Ltd. has been granted an LOA dated 07/02/2006 for Manufacturing & Export of Hand Pump, their Spares and Pipes. The unit has commenced its export production w.e.f. 05/06/2008 and LOA of the unit is valid up to 04/06/2023.

24.2 It was further informed that M/s. Noida Plast Pvt. Ltd. has requested for Exit from SEZ scheme and transfer of assets & liabilities including building at Plot No. 69, NSEZ to M/s. AOV International LLP under Rule 74A of SEZ Rules, 2006. A letter from M/s. AOV International LLP (transferee) showing its willingness for transfer of building at above respective plot in their favour has also been received.

24.3 It was further informed that the above request of M/s. Noida Plast Pvt. Ltd. for Exit from SEZ scheme and transfer of assets & liabilities including building at Plot No. 69, NSEZ to M/s. AOV International LLP was placed before the Committee constituted to examine cases under Rule 74A of SEZ Rules, 2006 for consideration as per following details:

1.	Name of Transferor	M/s. Noida Plast Pvt. Ltd.
2.	Address of Transferor	Plot No. 69, NSEZ
3.	<u>Details of LOA of Transferor:</u> Date of LOA DCP Date of LOA validity	 07/02/2006 05/06/2008 04/06/2023
4.	Main Authorized Operations of Transferor	Manufacturing & Export of Hand Pump, their Spares and Pipes.

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	5.	Yearwise performance of Transferor unit during	Values in Rs. Lakhs			
		Previous Block of five years	Year	FOB Value of Export	Forex Outgo	NFE Earning
			2013-14 (05/06/13 to 31/03/14)	0.00	0.00	0.00
			2014-15	0.00	0.00	0.00
			2015-16	0.00	0.00	0.00
			2016-17	407.67	0.00	407.67
			2017-18	96.23	0.00	96.23
		Total	503.90	0.00	503.90	
	Current block of five years	2018-19 (01/04/18 to 30/06/18)	8.21	0.00	8.21	
	6.	Whether the unit (transferor) has held a valid LOA as on date.	Yes, LOA is valid upto 04/06/2023.			
	7.	Whether the unit (transferor) has held a valid lease of land for not less than a period of five years on date of transfer.	Yes. Lease deed is valid upto 31/03/2022.			
	8.	Whether the unit has been operational for a continuous period of minimum two years after the commencement of production as on the date of transfer.	Yes, as may be seen from details in row no. 5 above.			
	9.	a. Whether NOC for mortgage of building has been granted to any Bank/Financial institution. b. If yes, whether No Dues Certificate has been received	NO			
10.	Whether No Dues Certificate from EM section received	Rent is paid upto 31.12.2018.				
11.	Whether any Show Cause Notice has been served to the unit under FT(D&R) Act, 1992.	NO				
12.	Whether any penalty under FTDR Act has been imposed	NO				
13.	Whether any notice under P.P. Act, 1971 has been issued.	No.				



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14.	Name & Address of Transferee	M/s. AOV International LLP Plot No.69, 129G/3 (Sharing) NSEZ																			
15.	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	Yes 12/01/2016 18/11/2016 17/11/2021																			
16.	Main Authorized Operations of transferee	Manufacturing of :- i) Deepwell Handpump with / without connecting Rod, ii) Afridev Deepwell Handpump with / without connecting Rod, iii) Galvanized Pipes, iv) Handpumps Parts, v) Connecting Rod, vi) Stainless Steel Pipes, vii) Rigid PVC Pipe/ Rigid PVC Casing Pipe/ Rigid PVC Screen Pipe, viii) Vaccine Carrier, ix) Vaccine Cold Box and x) Ice Packs.																			
17.	Performance of the transferee	Values in Rs. Lakhs <table><tr><th>Year</th><th>FOB Value of Export</th><th>Forex Outgo</th><th>NFE Earning</th></tr><tr><td>2016-17</td><td>984.35</td><td>615.29</td><td>369.06</td></tr><tr><td>2017-18</td><td>3874.42</td><td>417.85</td><td>3456.57</td></tr><tr><td>Total</td><td>4858.77</td><td>1033.14</td><td>3825.63</td></tr></table>				Year	FOB Value of Export	Forex Outgo	NFE Earning	2016-17	984.35	615.29	369.06	2017-18	3874.42	417.85	3456.57	Total	4858.77	1033.14	3825.63
Year	FOB Value of Export	Forex Outgo	NFE Earning																		
2016-17	984.35	615.29	369.06																		
2017-18	3874.42	417.85	3456.57																		
Total	4858.77	1033.14	3825.63																		
18.	Whether the transferee has submitted an undertaking on Rs.100/- non judicial stamp paper for taking over assets & liabilities of transferor unit.	Yes																			

24.4 It was also informed that Rule 74A of the said Rules 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;



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(iv). The transferee fulfills 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."

24.5 It was also informed that the said Committee observed that the transferor unit has held a valid LOA and lease deed is valid upto 31.03.2022 and has been in operation for more than two years. The Committee further observed that transferee unit has also valid LOA and has given an undertaking on Rs.100/- non-judicial stamp paper bearing No. ER054947 to take over all the assets & liabilities of transferor unit. Thus, the Committee observed that the proposal meets all the conditions of Rule 74A.

24.6 It was also informed that the said Committee has recommended the proposal of M/s. Noida Plast Pvt. Ltd. for transfer of assets & Building/Plot at Plot No. 69, NSEZ to M/s. AOV International LLP in terms of Rule 74A of SEZ Rules, 2006.

24.7 Shri A.K. Singhal, authorized representative of both companies appeared before the Approval Committee. Shri Singhal informed that both the units are sister concern. Further, they are planning to combine the manufacturing process to one unit as both are into manufacturing of different parts of Hand Pump which are then assembled in one unit and then exported.

24.8 The Approval Committee observed that the proposal satisfies all the conditions of Rule 74A of SEZ Rules, 2006 prescribed for transfer of assets & liabilities of SEZ unit. The Approval Committee, after due deliberations, accepted the recommendations of the Committee examining the case under Rule 74A and approved the proposal of M/s. Noida Plast Pvt. Ltd. for exit from SEZ scheme and transfer of its assets & liabilities including building at Plot No. 69, NSEZ to M/s. AOV International LLP under Rule 74A of SEZ Rules, 2006 subject to fulfilment of exit formalities by transferor and payment of applicable transfer charges.

25 Proposal in respect of M/s. Pertech Exports for inclusion of additional authorized operations.

It was informed to the Approval Committee that M/s. Pertech Exports had been issued LOA dated 10.05.02006 for following activities:

1. Manufacturing of Electronic Consumer Goods: LCD TV Sets, Plasma TV Sets, Satellite Receiver (DTH), C.A.S. (Set Top Box for TV Sets) and RO Water Systems, CTV, CFL, DVD, VCD, Chassis of Color and B&W TV Sets.
2. PCB as part of items to be used in the authorized operations.
3. Assembly/ manufacturing of (i) Main PCB Board, Power Supply board and operating unit/ card for TV, LED TV and Smart TV sets. (ii) LED Bulb, Tubes and its power supply. (iii) CFL Bulb, Tubes and its power supply. (iv) Mobile Phones (Bar phone), Touch phone and Smart phones. (v) P.C. Computer and P.C. Tablets.
4. Manufacturing & Assembly of Parts & Accessories of Mobile Phones and PC Tablets viz:
 - i) Memory Cards - 85235220
 - ii) Tempered Glass - 85176970, 85177000
 - iii) LCD Display - 85177090, 85176970
 - iv) Ear Phone - 85177090, 85176970, 85183000
 - v) Charger - 85044030, 85044090, 48191010, 48191090
 - vi) USB Cable - 85176970, 85176990, 39231090
 - vii) Blue Tooth(Beacon) - 85177090
5. Manufacturing of: (i) Power Bank - 85176970; (ii) CCTV Cameras - 85258010, 85258020; and (iii) Digital Cameras.
6. Trading of:
 - (i) LED TV/Smart TV (All types) - 8528
 - (ii) Mobile Phones (Bar phone/Touch Phones/ Smart phones)(All types) - 85171210, 85171290
 - (iii) LED TV/Smart TV Panels (All types) - 8529

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- (iv) Projector - 8528
- (v) Headphone/Bluetooth/Tempered Glass 85176970
- (vi) P.C. Tablet - 84713090
- (vii) Memory Card - 85235220
- (viii) CCTV Camera/Digital Camera - 8525
- (ix) LCD/LED Display - 8531

(Permission for items at S.No. 4,5 & 6 was granted by UAC on 04/10/2018)

25.2 The unit commenced its export production w.e.f. 09/01/2012 and LOA is valid till 08/01/2022.

25.3 It was informed to the Approval Committee that unit has submitted a proposal for inclusion of trading of Charger, Data Cable/USB Cable and Earphone in its authorized operations.

25.4 Shri P.V. Khullar, authorized representative of the unit appeared before the Approval Committee. He informed that these items were left inadvertently in their letter. He further informed that their buyer is pressuring them for immediate receipt of goods failing which they are apprehensive that their export order may be cancelled. Thereby giving them huge losses as well as loss of business activities in their unit.

25. The Approval Committee, after due deliberations, approved the request of unit for inclusion of trading of Charger, Data Cable/USB Cable and Earphone in its authorized operations subject to following conditions:

- (i) 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 in terms of Section 2(z) of SEZ Act, 2005.
- (ii) No DTA sale of trading goods would be allowed.
- (iii) Unit will maintain separate area earmarked for manufacturing and trading activities and maintain separate records/accounts of NFE for manufacturing and trading activities.

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	(iv) NFE status for manufacturing activity and trading activity will be seen separately.
26	<p>Ratification of permission dated 14/11/2018 granted to M/s. Dr. Fresh Assets Ltd. (Unit-I) for inclusion of additional trading items in its authorized operations</p> <p>It was informed to the Approval Committee that M/s. Dr. Fresh Assets Ltd. (Unit-I) had been issued an LOA dated 19/12/1995 for following activities:</p> <ol style="list-style-type: none"> 1. Manufacturing & Export of Tooth Brushes, Oral Hygiene products like Toothpick, Tongue Cleaner, Dental Floss and Travel Kit. 2. Trading of: <ol style="list-style-type: none"> i) Fashion Jewellery sets such as Necklace, Bracelet, Earring, Pendants, Bangles, Jhumki other than gold, silver & precious metals. ii) Clothing such as Ladies suits, Slips, Kurti, Skirts, Sleepwear, Night Gowns, Costumes and Men's Clothing. iii) Handicraft items such as Table mats, Wooden Stool, Trays, Chowki, Statue, Bouquet and Painting. iv) Essential Oils such as Lemon Grass, Lavender, Rosemary, Rose Geranium and Peppermint oil etc. 3. Trading of Turmeric Powder, Ginger Powder, Peppercorns Powder & Dry Extract, Cow Ghee, Honey, Dates and Nuts bars, Ashwagandha Powder, Triphala Tablets, Guduchi Powder, Amaranth Muesli, Oats Granola, Other related products. <p>[Trading condition –No DTA sale and 100% physical export shall be carried out by the unit]</p> <p>26.2 The unit commenced its export production w.e.f. 15/06/1996 and LOA is valid till 12/01/2019.</p> <p>26.3 It was informed that unit had applied for inclusion of Trading of (i) Organic Ragi Flour (10082130), (ii) Himalayan Rock Dark Pink Salt (25010020), (iii) Paper Bags(printed craft) (48194000), (iv) Arimedadi oil(33069000) and (v) Neelibhringadi Oil (30039011) in its authorized operations.</p> <p>26.4 It was informed to the Approval Committee that unit has stated that they intend to procure the products from Domestic Market and the packaging and branding will be carried out in the factory for these products. The unit has further stated that they will not</p>



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claim Income Tax exemption for such export/trading.

26.5 It was also informed that the matter was examined and it was observed that as per the import policy for the item i.e. Organic Ragi, it is a restricted item. However, there is no specific entry about Ragi Flour. The policy for remaining items is free.

26.6 It was further informed that unit had shown urgency and since, the next Approval Committee was scheduled to meet on 05/12/2018 and therefore, request of unit for addition of above items of trading was approved on file in terms of Rule 19(2) of the SEZ Rules, 2006 enabling unit to improve its export performance, subject to condition that import and/or export of restricted/prohibited items as per ITC(HS) shall not be allowed. Approval letter dated 14/11/2018 for inclusion of additional trading items was issued to the unit subject to ratification by the Approval Committee.

26.4 The Approval Committee, after due deliberations, ratified the permission dated 14/11/2018 granted to M/s. Dr. Fresh Assets Ltd. (Unit-I) for inclusion of Trading of (i) Organic Ragi Flour (10082130), (ii) Himalayan Rock Dark Pink Salt (25010020), (iii) Paper Bags(printed craft) (48194000), (iv) Arimedadi oil(33069000) and (v) Neelibhringadi Oil (30039011) in its authorized operations.

Meeting ended with a vote of thanks to the Chair.


(S. S. Shukla)

Jt. Development Commissioner



(Dr. L. B. Singhal)
Development Commissioner