

भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग
विकास आयुक्त का कार्यालय
नोएडा विशेष आर्थिक क्षेत्र

नोएडा दादरी रोड, फेस-II, नोएडा.201305, जिला - गौतमबुद्ध नगर
Government of India, Min. of Commerce & Industry, Deptt. of Commerce,
Office of the Development Commissioner
NOIDA SPECIAL ECONOMIC ZONE
Noida Dadri Road, Phase-II, NOIDA-201305, Distt. Gautam Budh Nagar (UP)

फा. सं.12/01/2017 -प्रोज/

दिनांक: 12/12/2017

सेवा मे,

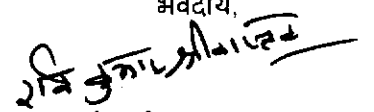
1. मुख्य कार्यपालक अधिकारी, न्यू ओखला औद्योगिक विकास प्राधिकरण, मुख्य प्रशासनिक भवन, सेक्टर - 6, नोएडा।
2. अतिरिक्त महानिदेशक विदेश व्यापार, वाणिज्य एवं उद्योग मंत्रालय, 'ए' विंग, इंद्रप्रस्थ भवन, आई पी एस्टेट, नई दिल्ली।
3. आयुक्त, आयकर, ए 2 डी, आयकर भवन, सेक्टर 24, नोएडा।
4. आयुक्त, सीमा शुल्क, नोएडा सीमा शुल्क आयुक्तालय, इनलैंड कंटेनर डिपो, तिलपता, दादरी, गौतम बुद्ध नगर, उत्तर प्रदेश - २०१३०६.
5. निदेशक, वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली -110001।
6. उप सचिव (आई एफ-1), बैंकिंग प्रभाग, आर्थिक मामलों का विभाग, वित्त मंत्रालय, भारत सरकार, तृतीय तल, जीवन दीप बिल्डिंग संसद मार्ग, नई दिल्ली।
7. महाप्रबंधक, जिला उद्योग केंद्र, कलेक्ट्रेट के पास, सूरजपुर, ग्रेटर, नोएडा।

विषय: दिनांक 06/12/2017 को पूर्वाह्न 11:30 बजे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी।

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और डॉ. एल बी सिंघल, विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता मे दिनांक 06/12/2017 को पूर्वाह्न 11:30 बजे सम्मेलन हॉल, प्रशासनिक भवन, नोएडा विशेष आर्थिक क्षेत्र, नोएडा मे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है।

संलग्नक : उपरोक्त

भवदीय,

(आर.के. श्रीवास्तव)
उप विकास आयुक्त

प्रतिलिपि:

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

उप विकास आयुक्त

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Minutes of 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 06/12/2017 in the Conference Hall of NSEZ.

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

- 1) Shri S.S. Shukla, Jt. Development Commissioner, NSEZ.
- 2) Shri Rajesh Sharma, Asstt. Commissioner, Customs, Noida Commissionerate.
- 3) Shri Gobinda Banerjee, FTDO, O/o Addl. DGFT, CLA, New Delhi.
- 4) Shri Jagbir Singh, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.).

2. Besides, during the meeting S/Shri (i) R. K. Srivastava, Dy. Development Commissioner, NSEZ, (ii) Rajesh Kumar, Dy. Development Commissioner, NSEZ (iii) S.K. Tyagi, Supdt., NSEZ Customs, (iv) Prakash Chand Upadhyay, Asstt. Development Commissioner, NSEZ, (v) Rajendra Mohan Kashyap, PA to JDC, NSEZ, (vi) Meher Kumar Verma, SDO, UPPCL, Noida, and (vii) Kapil Muni, JE, UPPCL, Noida were also present to assist the Approval Committee.

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

(i) Ratification of Minutes of last meeting of the Approval Committee held on 01/11/2017

It was informed that no reference against the decisions of the Approval Committee held on 01/11/2017 was received and therefore, Minutes of the meeting held on 01/11/2017 were ratified.



Item wise decisions on proposals included in agenda:

1.	<p>Proposal of M/s. Cyient Ltd. for setting up a second Unit in NSEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up its second unit in NSEZ to undertake IT/ITES activities mainly Geographic Information Systems(GIS) with projected exports of Rs. 16250 Lakhs and NFE earnings worth Rs. 15816.36 Lakhs over a period of five years. The project also envisages investment of Rs. 399.65 Lakhs & Rs. 525 Lakhs respectively on imported and indigenous plant & machinery.</p> <p>Shri Rakesh Das and Shri Vibhor Verma, authorized representatives of the company appeared before the Approval Committee. Shri Das informed that they have already a running unit in NSEZ from Plot No. 7, NSEZ. It was informed that the existing NSEZ unit has earned positive NFE earnings worth Rs. 312.72 Crores during last five years.</p> <p>Shri Vibhor Verma informed that they are working for Tom Tom, USA for last 20 years and creating Maps for navigation. He further informed that they proposes to provide IT/ITES activities mainly Geographic Information Systems(GIS) to their clients in Europe, USA. He further informed that Big Data Analytics will play a major role in GIS data growth. Automation in GIS process is going to rise continually and Robotics Process Automation will be developed and implemented to reduce many manually intensive processes. GIS will also be heavily adapted and that will be a platform for Utilities, Location based services for every aspect of the city in the areas of disaster, parking driving etc. Approval Committee directed the applicant to submit a write-up for the proposed activities.</p> <p>The Approval Committee, after due deliberations, approved the proposal of M/s. Cyient Ltd. for setting up its second unit in NSEZ for IT/ITES activities mainly Geographic Information Systems(GIS).</p>
2.	<p>Proposal of M/s. Ebix Software India Pvt. Ltd. for setting up third Unit in NSEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up its third unit in NSEZ to undertake Information Technology (IT) & IT enabled services including Research & Development Services, Computer Software Services, Data Processing, Legal data base processing, Remote maintenance services, Revenue</p>

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accounting, Support centers & Website services with projected exports of Rs. 39650 Lakhs and NFE earnings worth Rs. 38759 Lakhs over a period of five years. The project also envisages investment of Rs. 445 Lakhs & Rs. 173 Lakhs respectively on imported and indigenous plant & machinery.

Shri Vikas Verma, Director of the company appeared before the Approval Committee. Shri Verma informed that they already have two existing units in NSEZ. He further informed that Ebix group is a leading international supplier of Software and e-commerce solutions to the insurance industry and they have bases in USA, Australia, New Zealand, UK and India. Currently approx. 2500 employees are working in NSEZ

He further informed that the proposed third unit in NSEZ will initially create additional 250 jobs which will gradually increase in future. On being asked about the vehicle parking arrangement, Shri Verma informed that currently they do not have any particular space for parking areas for the vehicles of their employees. However, they are proposing to develop parking area for their employees in the basement of proposed new building.

The Approval Committee, after due deliberations, approved the proposal of M/s. Ebix Software India Pvt. Ltd. for setting up its third unit in NSEZ to undertake Information Technology (IT) & IT enabled services including Research & Development Services, Computer Software Services, Data Processing, Legal data base processing, Remote maintenance services, Revenue accounting, Support centres & Website services.

3. Proposal of M/s. MMTC Limited for setting up a new Unit in NSEZ.

It was informed to the Approval Committee that the applicant has proposed to set up a unit in NSEZ for Supply of Gold & Silver with projected exports of Rs. 118246 Lakhs and NFE earnings worth Rs. 7736 Lakhs over a period of five years.

Shri Ravi Kishore, GM, DRO, MMTC Ltd., New Delhi, along with MMTC officers namely S/Shri Anil Kumar Gupta, R.L. Gautam and Vinod Bhushan, appeared before the Approval Committee. Shri Kishore informed that MMTC Limited is a government enterprise under Ministry of Commerce and is already having space in NSEZ at SDF No. B-1, NSEZ. He further informed that the proposed SEZ unit of MMTC Ltd. at NSEZ will operate under administrative control of MMTC Ltd., Delhi Regional Office. He also mentioned that they

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have obtained LOA in SEEPZ SEZ for trading of precious metals etc.

It was informed to the Approval Committee that as per DOC letter dated 19.07.2013, only following two activities with minimum value addition by SEZ units engaged in manufacture and export of gold jewellery are allowed:-

Sl. No.	Item of Export	Minimum Value Addition
a.	Plain gold jewellery and articles and ornaments like Mangalsutra containing gold and black beads/imitation stones, except in studded form of jewellery	3%
b.	All types of studded gold jewellery and articles thereof	5%

It was informed that as per Instructions dt. 25/04/2013 & dt. 31/12/2013 "no SEZ unit is allowed to carry on trading of gold, silver, platinum, other precious metals, diamonds and other precious and semi-precious stones in SEZs.

It was further informed that Deptt. of Commerce vide its letter dated 18/06/2014 has clarified that "restriction in trading activity for gold, silver, platinum, other precious metals, diamonds and other precious and semi-precious stones shall not apply to inter-unit transfer between Gems & Jewellery units within the same Special Economic Zone".

It was also informed to the Approval Committee that recently, Deptt. of Commerce vide its letter dated 28/08/2017 & subsequent letter dated 19/09/2017 has prescribed that "precious metals imported by SEZ Units on loan basis should be sourced only through Nominated Agencies".

Shri Kishore informed that in their SEZ unit in SEEPZ SEZ, Mumbai, they have traded approx. 2200 Kgs of precious metals last year.

The Approval Committee discussed the matter in detail. The Approval Committee observed that in view of the clarification dated 18/06/2014 and 19/09/2017, approval can be granted for a trading unit for inter unit supply within the NSEZ.

The Approval Committee was of the view that the condition for achievement of minimum

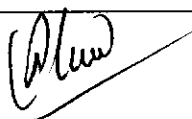
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	<p>value addition is applicable only for manufacturing of Plain & studded Gold jewellery. However, the instant proposal is for trading of gold/silver. Hence, prima facie trading unit is not required to achieve minimum value addition. Trading unit shall be required to achieve positive NFE only. However, this aspect may be brought to the notice of DOC.</p> <p>The Approval Committee, after due deliberations, in view of DOC letter dated 18/06/2014 and approval of MMTC unit in SEEPZ-SEZ, Mumbai, approved the proposal of M/s. MMTC Ltd. for setting up a trading unit in NSEZ for Supply of Gold & Silver subject to the condition that unit shall achieve positive NFE earnings as prescribed in the Special Economic Zone Rules, 2006. A reference regarding applicability of achievement of value addition in this case may also be sent to DOC as discussed in foregoing paragraph.</p>
4.	<p>Proposal in respect of M/s. Gee Cee Exim Pvt. Ltd. for Monitoring of performance in respect of taking decision on penalty on negative NFE.</p> <p>No one from the unit appeared for the meeting. It was informed to the Approval Committee that the unit has requested for deferment of the proposal.</p> <p>It was further informed that the Approval Committee in its meeting held on 01/11/2017 had directed the unit to (i) clear entire outstanding lease rent; (ii) deposit the duty on the unutilized goods corresponding to negative NFE, and (iii) deposit Customs duty on capital goods transferred from NSEZ for job work and not returned within one month. During that meeting, Shri Mittal had assured to settle all dues in a week time. However, unit failed to fulfil assurance given it to the Approval Committee.</p> <p>The Approval Committee, after due deliberations, deferred the matter for its next meeting with a direction to send a reminder to the unit to clear entire outstanding lease rent and deposit Customs duty, at the earliest.</p>
5.	<p>Proposal in respect of M/s. PC Jeweller Ltd. (Unit-I) for Renewal of LOA; Change in Directors and Monitoring of performance.</p> <p>It was informed to the Approval Committee that M/s. PC Jeweller Ltd. (Unit-I) has been issued LOA dated 25/09/2007 for (i) Manufacturing & Export of Plain and Studded Gold & Diamond Jewellery and ii) Repair and Remaking of Old Gold/Platinum/Silver (Plain & Studded) Jewellery. The unit has commenced its export production w.e.f. 20/11/2007 and LOA of the unit is valid till 19/01/2018.</p>



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The Approval Committee observed that unit has made exports worth Rs. 465010.50 Lakhs and earned positive NFE earnings worth Rs. 27716.62 Lakhs during last block of five years. It was also informed to the Approval Committee that unit has intimated about the change in directors after delay of almost a year to this office, which is violation of condition No.14 of Bond-cum-LUT executed by the unit.

Shri Raja Ram, authorized representative of the company appeared before the Approval Committee. He informed that Shri Muneesh Chawla has been appointed as a nominee director in the company on 04/07/2016. He admitted the lapse on their part for delayed intimation about the same and he apologized for the same. Further, he assured to file a request letter to condone the delay.

It was further informed to the Approval Committee that as per details of BRCs of M/s. PC Jeweller Ltd. downloaded from DGFT website, it has been observed that in many cases foreign exchange have not been realized within the prescribed time limit. Although no foreign exchange is shown pending for realization in the submitted APRs. Shri Raja Ram informed that their export bills are routed through various banks. The export proceeds have been received in time. However, in some cases banks have not updated e-BRC in DGFT server despite their regular follow up. He informed that they have raised this matter several times with RBI. Approval Committee advised the representative of the unit to submit complete details along with copies of BRC in support of their claim that export proceeds were received in time along with copies of correspondences made with AD and RBI.

The Approval Committee monitored the performance of the unit and noted positive NFE and value addition by the unit during last five years. The Approval Committee also directed the unit representative to submit a write-up on change in directors and reasons for delay in intimating such change.

The Approval Committee, after due deliberations, decided to extend the validity of LOA for remaining period of current five years block i.e. upto 19/11/2022. The Approval Committee also decided to take the intimation of unit for change in directors on records. The Approval Committee also warned the unit to be more careful in future for timely compliances.

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6. Proposal in respect of M/s. PC Jeweller Ltd. (Unit-II) for Change in Directors.

It was informed to the Approval Committee that M/s. PC Jeweller Ltd. (Unit-II) has been issued LOA dated 20/12/20107 for (i) Manufacturing & Export of Plain and Studded Gold & Diamond Jewellery and ii) Gold Components, mountings, findings. The unit has commenced its export production w.e.f. 03/03/2011 and LOA of the unit is valid till 02/03/2021.

It was informed to the Approval Committee that unit has intimated about the change in directors after delay of almost a year to this office, which is violation of condition No.14 of Bond-cum-LUT executed by the unit.

Shri Raja Ram, authorized representative of the company appeared before the Approval Committee. He informed that Shri Muneesh Chawla has been appointed as a nominee director in the company on 04/07/2016. He admitted the lapse on their part for delayed intimation about the same and he apologized for the same. Further, he assured to file a request letter to condone the delay.

The Approval Committee directed the unit representative to submit a write-up on change in directors and reasons for delay in intimating such change.

The Approval Committee, after due deliberations, decided to take the intimation of unit for change in directors on records. The Approval Committee also warned the unit to be more careful in future for timely compliances.

7. Proposal in respect of M/s. PC Jeweller Ltd. (Unit-III) for Change in Directors.

It was informed to the Approval Committee that M/s. PC Jeweller Ltd. (Unit-III) has been issued LOA dated 14/10/2015 for (i) Manufacturing & Export of Plain Gold/ Silver/ Platinum Jewellery; (ii) Studded Gold/ Silver/Platinum Diamond Jewellery and ii) Repair and Remaking of Old Gold /Silver (Plain & Studded) Jewellery. The unit has commenced its export production w.e.f. 11/04/2016 and LOA of the unit is valid till 10/04/2021.

It was informed to the Approval Committee that unit has intimated about the change in directors after delay of almost a year to this office, which is violation of condition No.14 of



Bond-cum-LUT executed by the unit.

Shri Raja Ram, authorized representative of the company appeared before the Approval Committee. He informed that Shri Muneesh Chawla has been appointed as a nominee director in the company on 04/07/2016. He admitted the lapse on their part for delayed intimation about the same and he apologized for the same. Further, he assured to file a request letter to condone the delay.

The Approval Committee directed the unit representative to submit a write-up on change in directors and reasons for delay in intimating such change.

The Approval Committee, after due deliberations, decided to take the intimation of unit for change in directors on records. The Approval Committee also warned the unit to be more careful in future for timely compliances.

8. Proposal in respect of M/s. Indeutsch Industries Pvt. Ltd. (Unit-II) for Renewal of LOA; Inclusion of additional Authorized Operations and Monitoring of Performance.

It was informed to the Approval Committee that M/s. Indeutsch Industries Pvt. Ltd. (Unit-II) has been issued an LOA dated 24/01/2007 for (i) Manufacturing of: Prepared Painting Canvas in Various Forms and (ii) Trading of: Prepared Painting Canvas, Cotton Fabrics, Cotton fabrics Coated, Jute Fabric, Drawing Paper, Drawing Books. Unit has commenced its operations w.e.f. from 21/11/2007 and LOA is valid till 19/01/2018.

It was informed to the Approval Committee that the unit has submitted a proposal for renewal of LOA as well as for inclusion of (a) Manufacturing of (i) Printing Canvas, (ii) Easels, (iii) Wooden Bars and Frame, (iv) Wooden Wedges/Wooden Keys (v) Wooden painting Panel and (vi) Artist Pallette; and (b) Trading of Easels, Linen fabric, Muslin Fabric, Polyester Fabric, Poly Cotton Fabric, Herring Bone Fabric, Particle Board (MDF & HDF), Wooden Bars/Frame and Wooden Wedges/Wooden Keys in its authorized operations.

Shri Sanjiv Tyagi and Shri Pawan Sharma, authorized representatives of the company appeared for the meeting. Shri Tyagi informed that neither DTA sale nor Trading activities have been carried out by them during last five years. He further informed that for the



proposed additional trading items, they will procure goods from DTA as well as import from various countries and will export the trading items mostly to USA, Canada, Australia, China, U.K, Finland & Netherland. He also informed that all the proposed items are related to the similar activities they are currently carrying on.

The Approval Committee observed that unit has made exports worth Rs. 7570.30 Lakhs and earned positive NFE earnings worth Rs. 7065.32 Lakhs during previous block of five years upto 2016-17. The Approval Committee took note of achievement of positive NFE by the unit.

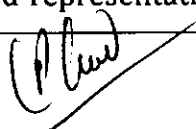
The Approval Committee, after due deliberations, decided to extend the validity of LOA of M/s. Indeutsch Industries Pvt. Ltd. (Unit-II) for remaining period of five years i.e. upto 20/11/2022. The Approval Committee also allowed inclusion of additional Manufacturing & Trading activities in their authorized operations. The Approval Committee further decided that Trading will be allowed only for physical export to any other country, for supply to other units in the same or other SEZ or EOUs, against foreign exchange and no DTA sale shall be allowed in respect of trading goods.

9. Proposal in respect of M/s P.P. Jewels Pvt. Ltd. Plot No. 142A/17, NSEZ for Monitoring of performance and Review of LOA.

It was informed to the Approval Committee that M/s. P.P. Jewels Pvt. Ltd. was issued an LOA dated 25/09/2007 for Manufacturing & Export of Plain & Studded Gold/Platinum/Silver jewellery. The unit commenced its export production w.e.f. 01/02/2010 and LOA was valid till 31/01/2015. The unit has been allotted Plot No. 142A/17, NSEZ admeasuring 450 Sq. mtrs.

It was further informed that the Approval Committee in its meeting held on 06/06/2017 had decided to grant 2 months time to the unit for submission of documents as directed by the Approval Committee in its earlier meeting held on 12/03/2015. The Approval Committee had also directed the unit to clear entire outstanding lease rent and dues of UPPCL within 15 days. However, the unit has not complied with the decision of the Approval Committee till date.

Shri Sujeet Kumar Singh, authorized representative of the company appeared before the



Approval Committee. Shri Singh informed that authorization letter in his favour has already been submitted by the unit duly signed by Shri Kamal Kumar Gupta (partner) on 06/06/2017.

Shri Singh informed that due to some family dispute the work of company has been affected badly. He further stated that they will clear entire outstanding lease rent and dues of UPPCL within next week. He further informed that foreign exchange worth approx. Rs. 10 crores is pending for realization and they are in contact with RBI for permission for time extension. Approval Committee directed the representative of unit to submit the copies of correspondence with the RBI. Shri Singh further requested to update new email-IDs and contact details of the company for future correspondences.


The Approval Committee, after due deliberations, deferred the matter with a direction to the unit to clear all the dues including entire outstanding lease rent. The Approval Committee further directed the unit to submit a detailed write-up on the export and forex earnings along with details of foreign exchange pending for realization and permission from RBI for time extension, in case there is delay.

10. Proposal in respect of M/s P.P. Jewellers (Delhi), Plot No. 129G/17, NSEZ for Monitoring of performance and Review of LOA.

It was informed to the Approval Committee that M/s. P.P. Jewellers (Delhi) was issued an LOA dated 29/04/2011 for Manufacturing & Export of Plain & Studded Gold/Platinum/Silver jewellery. The unit commenced its export production w.e.f. 20/01/2012 and LOA was valid till 19/01/2017.

It was further informed that the Approval Committee in its meeting held on 06/06/2017 had decided to grant 2 months time to the unit for submission of documents as directed by the Approval Committee in its earlier meeting held on 12/03/2015. The Approval Committee had also directed the unit to clear entire outstanding lease rent and dues of UPPCL within 15 days. However, the unit has not complied with the decision of the Approval Committee till date.

Shri Sujeet Kumar Singh, authorized representative of the company appeared before the Approval Committee. Shri Singh informed that authorization letter in his favour has



already been submitted by the unit duly signed by Shri Kamal Kumar Gupta (partner) on 06/06/2017.

Shri Singh informed that due to some family dispute the work of company has been affected badly. He further stated that they will clear entire outstanding lease rent and dues of UPPCL within next week. He further requested to update new email-IDs and contact details of the company for future correspondences.

The Approval Committee, after due deliberations, deferred the matter with a direction to the unit to clear all the dues including entire outstanding lease rent. The Approval Committee further directed the unit to submit a detailed write-up on the export and foreign exchange earnings, value addition achieved along with details of foreign exchange pending for realization, if any, and permission from RBI for time extension, in case there is delay.

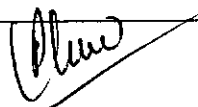
11. Proposal in respect of M/s. Advance Valves Global (a Partnership firm) for change of name/Constitution to "M/s. Advance Valves Global LLP (a LLP firm)".

It was informed to the Approval Committee that M/s. Advance Valves Global has been issued LOA dated 22/04/2003 for manufacturing & export of Industrial Valves. The unit has commenced its export production w.e.f. 03/07/2003 and LOA of the unit is valid till 31/07/2018.

It was informed to the Approval Committee that the firm has submitted a proposal for change in name/constitution of the unit from M/s. Advance Valves Global (a Partnership firm) to "M/s. Advance Valves Global LLP (a LLP firm)" w.e.f. 27/07/2016.

Shri Pranay Garg, partner, appeared before the Approval Committee. He informed that they are manufacturer of Industrial valves and currently approx. 120-130 employees are working in the unit. He further informed that there is no change in shareholding due to above change in constitution.

The Approval Committee observed that unit has informed about the change in name/constitution after almost one and half years, which is a violation of condition No. 13 of Bond-cum-LUT executed by the unit. It was further informed that the unit has not submitted APR for the year 2013-14 & 2016-17 till date. In this regard, the representative



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claimed that they have already submitted APR for the year 2013-14. The Approval Committee directed them to submit copy of acknowledgement along with APR for the year 2013-14. The representative assured to submit the same.

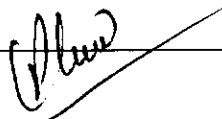
Shri Garg admitted the lapse on their part for delayed intimation about the same and requested to condone the delay.

It was informed to the Approval Committee that Board of Approvals in its 69th meeting held on 23.02.2016 has issued clarification / instruction regarding Rule 74A of SEZ Rules, 2006. The extract of minutes of said meeting is reproduced below here:-

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

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

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



In the instant case, there is no change in shareholding and partner of existing partnership firm shall continue to be partners in the LLP firm with same shareholding.

The Approval Committee, after due deliberations, condoned the delay and approved the proposal of unit for change in name/constitution of the unit from M/s. Advance Valves Global (a Partnership firm) to "M/s. Advance Valves Global LLP (a LLP firm)" w.e.f. 27/07/2016 as there is no change in shareholding of the firm. The Approval Committee also warned the unit to be more careful in future for timely compliances. The Approval Committee further directed the unit to submit copy of acknowledgement & copy of APR for the year 2013-14 and also expedite submission of APR for the year 2016-17.

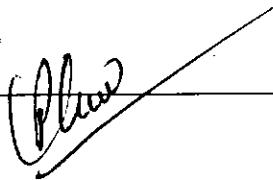
12. Proposal in respect of M/s. Jungsan Diamond Tools India Pvt. Ltd. for Inclusion of additional authorized operations in LOA.

It was informed to the Approval Committee that M/s. Jungsan Diamond Tools India Pvt. Ltd. has been issued an LOA dated 15/06/2010 for Manufacturing of Insert, PCD Reamer, Grooving Blades, End Mills, PCD Drills, Ball Nose & Trading Activities. The unit has commenced its export production w.e.f. 07/01/2011 and LOA is valid till 06/01/2021.

It was informed to the Approval Committee that the unit has submitted a proposal for inclusion of Manufacturing of Grinding Wheel (ITC HS 68042210) in its authorized operations.

Shri Rittik Mitra, authorized representative of the company appeared for the meeting. He informed that currently they are importing Grinding wheel for their operations. However, they have decided to manufacture the same for their use as well as for supply to their DTA and International customers in China, Turkey, Japan. He also informed that they are not undertaking any trading activity in the zone. He also gave his consent to remove the trading activities from their authorized operations.

The Approval Committee, after due deliberations, approved the proposal of unit for inclusion of Manufacturing Grinding Wheel (ITC HS 68042210) in its authorized operations. The Approval Committee also decided to delete trading activities from the authorized operations of the unit.



13. Proposal in respect of M/s. Metenere Ltd. for review of authorized operations.

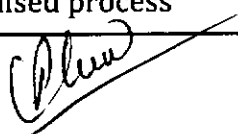
It was informed to the Approval Committee that M/s. Metenere Ltd. has been issued LOA dated 25/02/2010 for Manufacturing of Sputtering Target of various precious metals. The unit has commenced its export production w.e.f. 04/06/2010 and LOA is currently valid till 03/06/2020.

2. It was informed that as per DOC letter dated 19.07.2013, only following two activities with minimum value addition by SEZ units engaged in manufacture and export of gold jewellery are allowed:-

Sl. No.	Item of Export	Minimum Value Addition
a.	Plain gold jewellery and articles and ornaments like Mangalsutra containing gold and black beads/imitation stones, except in studded form of jewellery	3%
b.	All types of studded gold jewellery and articles thereof	5%

3. It was also informed that earlier another jewellery unit viz. M/s. M.D. Overseas had submitted a proposal to allow for manufacture and export of all permissible Gem & Jewellery items under Para 4.61 of HBOP, 2015-20 as under:-

Sl No	Items of export	Minimum Value Addition
a)	Plain gold jewellery, Articles, and ornaments like Mangalsutra containing gold and black beads / imitation stones, except in studded form of jewellery.	3.5 %
b)	All types of Studded gold	6.0% (for those studded with coloured Gem stones) and 7.0% (for those studded with diamonds).
c)	Any jewellery / articles manufactured by fully mechanised process	2.0 %



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d)	Gold medallions & coins (excluding coins of nature of legal tender)	1.5 %
e)	Gold / silver / platinum findings / mountings manufactured by mechanised process	2.5 %

This request of M/s. M.D. Overseas was referred by NSEZ to DOC vide letter dated 25.05.2015. In response to the aforesaid reference, DOC vide letter dated 11.08.2015 (copy enclosed) had clarified that in view of the instructions issued vide letters dated 25.04.2013 and 19.07.2013, the request of M/s. M.D. Overseas Ltd. for manufacturing and exporting all permissible Gem & Jewellery items under FTP 2015-2020 may not be accepted. Thus, as per DOC letter dated 11.08.2015 read with their earlier letters dated 25.04.2013 & 19.07.2013 only two activities in the jewellery sector indicated at (a) and (b) are permitted in SEZ.

4. It was also informed to the Approval Committee that M/s. Jindal Dyechem Industries Pvt. Ltd. and M/s. Jindal Exports & Imports Pvt. Ltd. (two approved unit in NSEZ), which were engaged into Manufacturing & Export of Gold Jewellery had earlier submitted a proposal for manufacturing of sputtering targets. In the said proposal, the unit had informed that they have decided to diversify the operations in NSEZ and now wish to manufacture and export **Sputtering Targets as article of precious metal covered under ITC(HS) Code 71159010 with value addition of 0.5%**. It was also stated that these sputtering targets are used in electro-plating (for layering of microfilm of gold) and each piece will contain in terms of value more than 99% of gold and remaining portion will be copper. **The said proposal was rejected by the Approval Committee in its meeting held on 07/10/2015 keeping in view the clarification issued by DOC as mentioned in Para 2 & 3 above.**

5. It was further informed that the Approval Committee in its meeting held on 01/03/2017 while reviewing the authorized operations of the unit, observed that in view of the Instructions dated 25/04/2013 & 19/07/2013 and further clarification vide letter dated 11/08/2015, in the SEZ in case of precious metals, export of Plain & Studded jewellery is to be allowed. Other items as given in FTP such as Article of gold, medallions

Plus

etc. are not be allowed. The Approval Committee was unanimous in its view that **Sputtering Target** would actually in nature of article of gold which are having gold more than 95% in terms of value and Gold is 24 Carat of purity.

6. However, in view of the fact that extension in the validity of LOA was granted by the Approval Committee in its earlier meeting held on 22/06/2015, the present Approval Committee cannot review the decision. Hence, the Approval Committee in its meeting held on 01/03/2017 had decided that full facts of the case may be placed before the Board of Approval (BOA). Accordingly, vide this office letter dated 28/03/2017, full facts of the case was forwarded to the DOC for consideration by the Board of Approval (BOA) for review of authorized operations categorically stating that in view of the Approval Committee held on 01/03/2017, the authorized operations i.e. Sputtering Targets cannot be allowed in terms of the clarification issued by DOC on 11/08/2015.

7. It was informed to the Approval Committee that Deptt. of Commerce vide its letter No.D.12/4/2013-SEZ(Pt.) dated 13/11/2017 has forwarded clarification on the issue of sputtering targets made from precious metals by SEZ units received vide DGEP letter No. DGEP/SEZ/53/2017/1761 dated 27/10/2017 inter alia **DGEP is of the view that the proposal of the party seeking permission to manufacture and export sputtering target made from precious metal need not be allowed.**

8. It was informed to the Approval Committee that unit was informed to appear for the meeting through email dated 05/12/2017. However, No one from the unit appeared before the Approval Committee.

9. The Approval Committee, in view of clarification issued by DGEP, decided to disallow "Manufacturing and export of Sputtering Target made from precious metals" from the authorized operations of the unit.

10. The Approval Committee further observed that as the unit was granted LOA for Manufacturing and export of Sputtering Target of various precious metals only, which is now disallowed by the DGEP. Hence, the LOA dated 25/02/2010 issued to M/s. Metenere Ltd. becomes inoperative and a communication to this effect may be sent to the unit. Approval Committee further directed that NFE and Value addition achieved by the unit may be ascertained in terms of Rule 54 of SEZ Rules, 2006 and Unit may be asked to

(Plu)

complete exit formalities.

11. The Approval Committee also decided to monitor the performance including value addition achievement by the unit in its next meeting.

14. Proposal in respect of M/s. Sequel Alloys & Wires Pvt. Ltd. for inclusion of additional authorized operations in LOA.

It was informed to the Approval Committee that M/s. Sequel Alloys & Wires Pvt. Ltd. has been issued an LOA dated 23/12/2004 for Manufacturing of (1) Tinsel Conductor; Braids; Copper Mesh; Stranded Conductor; Plated Wires. (2) Aluminium Wires. The unit has commenced its export production w.e.f. 14/09/2005 and LOA is valid till 13/09/2020.

It was informed to the Approval Committee that the unit has submitted a proposal for inclusion of Manufacturing of Copper Billets of Copper waste and scrap for sale in DTA in its authorized operations. It was further informed that lease rent amounting to approx. Rs. 12 Lakhs is outstanding against the unit.

Shri Asit Kumar, director and Smt. Leena Chopra, authorized representative of the company appeared for the meeting. Shri Kumar informed that copper waste and scrap is generated in every process during their manufacturing operations. This copper waste is all mixed and cannot be segregated and is voluminous. He further stated that they will be melting this copper waste and scrap and making copper billets which will be disposed of in DTA.

He further informed that they have recently deposited approx. Rs. 3 Lakhs against the outstanding lease rent and will deposit the remaining amount soon.

The Approval Committee, after due deliberations, approved the proposal of M/s. Sequel Alloys & Wires Pvt. Ltd. for inclusion of Manufacturing of Copper Billets of Copper Waste and Scrap in its authorized operations. The Approval Committee also directed the unit to clear entire outstanding lease rent, at the earliest.

