

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.10/13/2006 -प्रोज/

दिनांक: 14/09/2016

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 07/09/2016 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 07/09/2016 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,



(माला रंगराजन)

उप विकास आयुक्त

प्रतिलिपि:

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

उप विकास आयुक्त

Minutes of the meeting of the Approval Committee of Noida SEZ held under the Chairmanship of Dr. L.B. Singhal, Development Commissioner (DC), Noida SEZ at 11:30 AM on 07.09.2016 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 Mahabir, Dy. Commissioner, Customs, Noida Commissionerate.
- 3) Shri Devender Singh, Asstt. DGFT, CLA, New Delhi.
- 4) Shri Anil Kumar Sharma, Regional Officer, UPPCB, Noida.
- 5) Shri T.N. Patel, Rep. of DIC.
- 6) Mukesh Goyal, Associate Architect, (Rep. of Noida Authority).

2. Besides, during the meeting (i) Smt. Mala Ranagarajan, Dy. Development Commissioner, NSEZ, S/Shri (ii) Satish C. Gangar, Specified Officer, NSEZ, (iii) Prakash Chand Upadhyay, Asstt. Development Commissioner, NSEZ, (iv) Rajendra Mohan Kashyap, PA to JDC, NSEZ, (v) G.P. Singh, SDO, UPPCL and, (vi) Kapil Muni, JE, UPPCL, Noida were also present to assist the Approval Committee.

3. At the outset, DC, NSEZ welcomed the participants. The Chairman informed the members present about the sad demise of Shri Rakesh Gupta, DDC. Shri Mahabir, Dy. Commissioner read out a condolence message on behalf of his AC and other colleagues. Two minutes silence was observed as a tribute to the departed soul.

4. After a brief introduction, each item 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 the last meeting of the Approval Committee held on 03/08/2016:-

It was informed that no reference against the conclusions of the Approval Committee held on 03/08/2016 was received and therefore, Minutes of the meeting held on 03/08/2016 were ratified.

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Item wise decisions on proposals included in agenda:

1. Proposal of M/s. Haldiram Snacks Pvt. Ltd. for setting up a new Unit in NSEZ.

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ to undertake the manufacturing & export of Sweets, Namkeens, Ready to eat food products, Ready to cook, Sharbat, Snacks & Other food products with projected exports of Rs.146470.33 Lakhs and the NFE of Rs.144915.08 Lakhs over a period of five years.

Shri Pradeep Rajput, Representative of the company appeared before the Approval Committee to explain the project. It was observed by UAC that neither Director nor any senior officer from the company appeared before Approval Committee to explain the project. On being asked, the representative of the company informed that directors are on holiday and their Vice President who has initiated the SEZ application could not come due to his pre-occupied schedule. Since the UAC is convened on a pre-decided day and time i.e. First Wednesday of each month, therefore Approval Committee expressed its displeasure over the non-appearance of Directors or any senior officer of the company. The representative was asked to bring this fact to the notice of their Directors, for which he assured and conveyed apologies on their behalf for non-presence in the UAC.

Despite the fact that neither Director nor any senior officer from the company appeared before Approval Committee, the representative was given hearing to explain the project. He informed that currently they are working from Sector 63, 66, 67 and 68 at Noida in the DTA market. He further informed that they have exported their products worth Rs.200 crores to USA, Australia and UK during the previous year.

Shri Anil Kumar Sharma, Regional Officer, UPPCB pointed out that such units are air polluting units and before the start of their production, they shall be required to obtain clearance from the pollution control department. The representative of unit assured that they shall obtain all regulatory clearances before the start of operations at NSEZ.

The Approval Committee, after due deliberations, approved the application of M/s. Haldiram Snacks Pvt. Ltd., for setting up a new unit in Noida SEZ for manufacturing &

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export of Sweets, Namkeens, Ready to eat food products, Ready to cook, Sharbat, Snacks & Other food products subject to fulfillment of the following conditions:

1. The unit will not be allowed to procure from domestic market commodities which are prohibited/restricted for exports as supply from DTA to SEZ is treated as exports and accordingly export restrictions will be applicable.
2. The unit shall obtain all regulatory permissions from respective departments, including clearance from the Pollution Control Department before the start of production at NSEZ.

2. **Proposal of M/s. Shree Shyam Exports for setting up a new Unit in NSEZ.**

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ to undertake the manufacturing & export of Plain Gold Jewellery with projected exports of Rs. 36450 Lakhs and the NFE of Rs. 2435 Lakhs over a period of five years.

Shri Dinesh Verma, partner of the firm appeared before the Approval Committee to explain the project. Shri Verma informed that he is also a partner M/s. R.A. International, which is working from Plot No. 129G/31, NSEZ. He further informed that they will be sharing space with M/s. R.A. International, for which they will be applying for sharing permission to O/o. Development Commissioner, NSEZ, Noida. He also categorically mentioned that entire manufacturing process shall be done in-house and they shall not require sub-contracting any manufacturing process in DTA.

It was informed to the Approval Committee that the LOA of M/s. R.A. International was renewed beyond 17.06.2015 for a period upto March' 2016. Thereafter, the Approval Committee in its meeting held on 06.04.2016 observed that the unit has made exports worth Rs. 18 Crores after renewal of LOA during 2015-16 and decided to renew the LOA of the unit for the remaining period of block years up to 17.06.2020.

The Approval Committee, after due deliberations, approved the application of M/s. Shree Shyam Exports for setting up a new unit in Noida SEZ for manufacturing & export of Plain Gold Jewellery subject to fulfillment of the following conditions:

1. The entire manufacturing process will be done in Noida SEZ for exports. No sub-

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contracting or job work would be permitted.

2. The unit will be required to achieve value addition not less than 3.5% for plain jewellery as per Para 4.61(a) of Handbook of Procedure 2015-2020 or as amended from time to time.

3. Proposal of M/s. Labhanshi International for setting up a new Unit in NSEZ.

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ to undertake the manufacturing & export of Handmade/Machine made Plain Gold Jewellery with projected exports of Rs. 43217 Lakhs and the NFE of Rs. 2103.97 Lakhs over a period of five years.

Shri Nihit Pandya, proprietor of the firm appeared before the Approval Committee. The UAC observed that in the previous UAC, Shri Pandya had mentioned that currently he is undertaking activities related to trading of Buttons & Laces, wherein they import the goods from China and sell the same in the DTA market. He had further informed that he has no experience of Jewellery manufacturing business.

The Approval Committee, after due deliberation, rejected the proposal of M/s. Labhanshi International as the proprietor has no experience in the field of jewellery manufacturing business.

4. Proposal of M/s. PC Universal Pvt. Ltd. for change in Directors.

It was informed to the Approval Committee that M/s. PC Universal Pvt. Ltd. has submitted a proposal for change in Director. It was further informed that as per records available in this office, both new directors are employed in another NSEZ unit namely PC Jewellers Ltd. and now they have been appointed as director as per following details:-

S.No.	Directors (prior to change)	Director (post change)
1	Shri Padam Chand Garg	Shri Balram Garg
2	Shri Balram Garg	Smt. Rashmi Anand
3	--	Shri Chander Prakash

Shri Raja Ram, Authorized Representative of the company appeared before the Approval

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Committee. He informed that their company is a subsidiary of a Public Limited Company namely PC Jeweller Ltd, and as per provisions of Companies Act if a private company is a subsidiary of Public Limited Company, then it will be considered as deemed Public Limited Company. Since all Public Limited Companies are statutorily required to have a minimum of three directors, subsidiary companies would also be required to comply with the requirement of 3 directors. He further informed that there will be no change in shareholding pattern of the company prior and after change of directors.

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

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Approvals on a case to case basis.”

The Approval Committee, after due deliberations, approved the proposal of unit for change in directors, subject to submission of write up on statutory requirement for change in director.

5. Proposal of M/s. Nano Electrotech Pvt. Ltd. for change of name/ constitution of the company to M/s. Infopower Technologies Ltd. due to merger of both the companies.

It was informed to the Approval Committee that M/s. Nano Electrotech Pvt. Ltd. has submitted proposal for merger with M/s. Infopower Technologies Ltd. as has been allowed by the Hon'ble High Court of Delhi. The proposal also envisages change in directors as per following details:-

Before Merger	Shareholding pattern	After Merger	Shareholding Pattern
1. Mr. Amrit Lal Manwani	84.63%	1. Mr. Amrit Lal Manwani	66.13%
2. Mr. Varun Manwani	14.61%	2. Mr. Varun Manwani	11.42%
3. Mr. Akshay Manwani	0.76%	3. Mrs. Varsha Manwani	0.66%
4. Other Shareholders	0.00%	4. Other Shareholders*	21.79%

*Shri Akshay Manwani is not a director in the company. However, he is still a shareholder in the company with 0.59% stake.

Shri Varun Manwani, Director of the company appeared before the Approval Committee and explained the proposal. He informed that the overall change in shareholding is 21.86% only.

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

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mergers/de-mergers, slump sale, change of constitution from proprietorship to partnership & vice-versa, change of constitution from public limited company to private/limited liability company & vice-versa, company to partnership & vice-versa, change in shareholding up to 50 per cent, etc. and per se are not opting out/exiting out of the SEZ scheme.

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

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

The Approval Committee, after due deliberations, approved the proposal for merger of M/s. Nano Electrotech Pvt. Ltd. with M/s. Infopower Technologies Ltd. as the change in shareholding pattern is less than 50%, subject to submission of documents as called for vide this office letter dated 23.08.2016.

6. Proposal of M/s. Aksasia Creations Pvt. Ltd. for change in Directors.

It was informed to the Approval Committee that M/s. Aksasia Creations Pvt. Ltd. has submitted a proposal for change in Directors, as per following details:-

S.No.	Directors (prior to change)	Director (post change)
1	Shri Arvind Singh	Shri Arvind Singh
2	Smt. Priti Singh	Smt. Priti Singh
3	--	Smt. Chhaya Devi

Shri Arvind Singh and Smt. Chhaya Devi, Director appeared before the Approval Committee and explained the proposal. On being asked about the shareholding details,

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he informed that there shall be change in the shareholding pattern as Smt. Chhaya Devi shall be holding 20% of the shareholding in the company. Previously, the 90% shareholding was with Shri Arvind Singh and 10% shareholding was with Smt. Priti Singh.

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.”

The Approval Committee, after due deliberations, approved the proposal of unit for change in directors as the change in shareholding is less than 50%.

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7.	<p>Proposal of M/s. AC Impex for change in partners.</p> <p>No one from the unit appeared for the meeting. The Approval Committee decided to grant one more opportunity to the unit of being heard and accordingly deferred the matter for its next meeting and also directed that a reminder be issued to them to expedite submission of documents as called for vide this office letter dated 23.08.2016.</p>
8.	<p>Proposal of M/s. Panna Jewellery for renewal of LOA for next five years.</p> <p>It was informed to the Approval Committee that M/s. Panna Jewellery has submitted proposal for renewal of LOA for next five years. It was further informed that the LOA of the unit has already expired on 02.07.2014.</p> <p>Shri Prashant Jain, representative of the unit appeared before the Approval Committee to explain the proposal. He stated that they are engaged in manufacturing and export of silver jewellery. Due to slow down in the export market they have not made any exports during the year 2013-14 and 2014-15.</p> <p>It was brought to the notice of UAC that in its proposal for LOA renewal, the unit has indicated that they shall be importing silver. With a view to ascertaining whether the unit had imported silver earlier, a report was called for from SEZ Customs. The SEZ Customs has reported import of silver by the unit. Accordingly, the APR data submitted by the unit was cross-checked. It was observed that APRs for the year 2009-10 to 2012-13 reflected zero foreign exchange outgo. As such, the UAC advised the unit to re-check their records and submit corrected APRs in case there is any foreign exchange outgo on account of silver during the corresponding period along with indigenous procurements made by the unit during that period. This is crucial to reckon exact quantum of net foreign exchange earnings and value addition made by them.</p> <p>It was informed to the representatives that their LOA has already expired on 02-07-2014. They have been provided opportunity to re-start the operations in NSEZ. If they are unwilling to re-start full-fledged operations, the plots allotted to them are required to be surrendered back to NSEZ Authority. The representatives assured that they are willing to re-start full-fledged operations in 3-4 months and requested to renew their LOA for five years.</p>

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	<p>The Approval Committee, after due deliberation, decided to extend the validity of LOA initially for a period of 6 months. The unit shall have to re-start its full-fledged operations during extended period. In case unit fails to do so, no further extension shall be allowed and possession of the plots allotted to them would be taken over by NSEZ Authority. They were also asked to ensure submission of corrected APRs for the year 2009-10 to 2012-13 in case there is any foreign exchange outgo on account of silver during the period.</p>
9.	<p>Proposal of M/s. Dr. Fresh Assets Ltd. (Unit-II) for renewal of LOA for next five years.</p> <p>It was informed to the Approval Committee that M/s. Dr. Fresh Assets Ltd. (Unit-II) has submitted proposal for renewal of LOA for next five years. It was further informed that the Approval Committee in its meeting held on 02.12.2015 adjudicated the said SCN and imposed penalty equivalent to 1% of shortfall of reconciled value of negative NFE of Rs. 118.39 Lakhs and also renewed the LOA for six months upto 17.07.2016. Unit has deposited the said penalty of Rs. 1,18,390/- on 30.12.2015.</p> <p>Shri Vijay Prakash Pathak, authorized representative of the unit appeared before the Approval Committee to explain the proposal. He informed that they have started production in their unit and have made exports of Dental Floss for an amount of USD 138160 (INR 91,66,916/-). He further requested to renew their LOA so that they can export timely.</p> <p>The Approval Committee, after due deliberations, decided to renew the LOA of unit for balance period of current block of five years i.e. upto 31.03.2020.</p>
10.	<p>Monitoring of performance of M/s. Jayshree Gems & Jewellery and review of sharing permission given at Plot No.129G/55, NSEZ.</p> <p>No one from the unit appeared to attend the meeting. The Approval Committee deferred the matter for its next meeting.</p>
11.	<p>Proposal of M/s. Garmex India for issuance of Letter of Approval.</p> <p>It was informed to the Unit Approval Committee that above proposal of M/s. Garmex India for setting up a unit in NSEZ was placed before the UAC in its meeting held on</p>

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22/06/2015. The Approval Committee observed that the applicant is now ready to pay required transfer charges under protest and the recommendation sent to DOC to waive off is being recalled as withdrawn. After due deliberations, the Committee approved the proposal of M/s. Garmex India for setting up a new unit in NSEZ on unconditional payment of the transfer charges as applicable in respect of Plot No. 142, NSEZ. The applicant, vide its letter dated 03/08/2016 & subsequent letter dated 10/08/2016 has informed that they have deposited transfer charges of Rs. 44,55,000/- under protest, and requested to issue Letter of Approval as per decision of UAC taken in its meeting held on 22/06/2015.

Shri JD Giri, authorized representative of firm attended the meeting to explain the matter.

It was informed to him that the firm has paid the transfer charge under protest whereas the Approval Committee had approved the proposal subject to unconditional payment of transfer charges in respect of Plot No. 142, NSEZ. Since, the applicant has not complied with the decision of Approval Committee in full letter and spirit, therefore, instant request of M/s. Garmex India for issuance of LOA does not come under the competence of the Approval Committee.

The UAC reiterated that UAC cannot review its decision and in case their firm is ready for unconditional payment of transfer charges, the LOA can be issued to them as approved by UAC in its meeting held on 22-06-2015. Shri JD Giri agreed to withdraw their request for payment of transfer charges under protest and agreed to pay transfer charges unconditionally. He agreed that his consent may be recorded in the minutes.

In view of above, the UAC directed to issue the LOA to them on receipt of written consent for unconditional payment of transfer charges.

12. Proposal of M/s. J.S. Designer Ltd. for extension of validity of LOA.

It was informed to the Approval Committee that M/s. J.S. Designer Ltd. has submitted proposal for extension in the validity period of LOA upto 21.11.2017. The LOA of the unit has already expired on 21/11/2014 and unit has also not executed Bond cum LUT since 31/12/2013

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Shri Vikash Singhal, authorized representative of the company appeared before the Approval Committee to explain the proposal.

It was informed to the unit that the instant request of unit for fifth year extension does not fall within the ambit of DC, NSEZ under Rule 19(4) of SEZ Rules, 2006 and needs approval of BOA for further extension in the validity of LOA.

On the request of the representative, the Approval Committee decided to forward the case to BoA with recommendation for LoA extension along with their concrete business plan. A write up indicating proposed employment generation, details of items of manufacture and exports in next five years along with details of investment already made and proposed to be made in NSEZ unit shall be furnished by the unit for onward submission to DoC.

13. Proposal of M/s. Royal Exports for inclusion of additional authorized operations in LOA.

It was informed to the Approval Committee that M/s. Royal Exports has submitted proposal for inclusion of additional authorized operations in LOA i.e. Manufacturing & Export of Platinum & Silver Jewellery Plain & Studded with diamonds & colour stones. It was further informed that the Approval Committee in its meeting held on 06.04.2016 decided to extend the validity of LOA for one year upto 31.03.2017 and to allow inclusion of Studded Jewellery in their authorized operations subject to achievement of prescribed value addition. The Approval Committee also directed the unit to re-start their operation within the extended validity period for consideration of further extension of LOA validity.

Shri Prashant Soni, authorized representative of the company appeared before the Approval Committee to explain the proposal. He stated that they are receiving orders from various parties for export of Platinum & Silver jewellery. He further stated that they expect business of Rs. 3-4 Crores from their SEZ unit during the current year.

The Approval Committee, after due deliberations, approved the proposal of unit for inclusion of Manufacturing & Export of Platinum & Silver Jewellery Plain & Studded with diamonds & colour stones in their authorized operations, subject to submission of documents as called for vide this office letter dated 05.09.2016.

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14.	<p>Proposal of M/s. Medico Electrodes International Ltd. (Unit-II) for inclusion of additional authorized operations in LOA.</p> <p>It was informed to the Approval Committee that M/s. Medico Electrodes International Ltd. (Unit-II) has submitted proposal for inclusion of additional authorized operations in LOA.</p> <p>Shri Vimal Jain, authorized representative of the company appeared before the Approval Committee to explain the proposal. He stated that they expect additional exports of Rs. 500 lacs in respect of proposed item over a period of five years.</p> <p>It was brought to the notice of UAC that in the details of the projected requirement for imported capital goods/raw material/consumables has been indicated as Rs. 18000 Lakhs. However, in the projected forex balance sheet, the foreign exchange outgo has been indicated as Rs. 17200 Lakhs. As such there is difference of Rs. 800 Lakhs.</p> <p>The Approval Committee, after due deliberations, approved the proposal of unit for inclusion of Manufacturing of Skin Prep Pads/ Abrasive Pads in their authorized operations, subject to submission of corrected foreign exchange balance sheet as called for vide this office email dated 05.09.2016. The representative of unit assured to submit the same.</p>
15.	<p>Review of LOA of M/s. Bullet International.</p> <p>No one from the unit appeared for the meeting. The Approval Committee directed to issue reminders for submission of detailed representation for transfer of plot in favor of M/s. GSR Industries Ltd. as called for vide this office letter dated 10.08.2016.</p>
16.	<p>Monitoring of performance of M/s. Jai Hanuman Exports under Rule 54 of SEZ Rules, 2006.</p> <p>It was informed to the Approval Committee that the matter was discussed in its earlier meeting held on 03/08/2016 wherein the Approval Committee noted that a penalty of Rs. 50 thousand was imposed on the unit in case of clandestine removal of tooth-brushes and there are outstanding lease rent of around Rs. 28 lacs against the unit in respect of SDF NO. H-3A & B, NSEZ. Besides, the NFE earnings of the unit during previous block</p>

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were negative to the tune of Rs. 13.40 Lacs. It was further informed to the unit that as per section 11(4) of the Foreign Trade (Development & Regulation) Act, 1992, there is a provision to settle the cases where a person admits any contravention by imposing a penalty. The Approval Committee gave him the option to settle the matter as per section 11(4) of the FT(D&R) Act, 1992 for achievement of negative NFE earnings by imposing penalty @1% of shortfall of reconciled value of NFE in terms of Rule 54 read with its Annexure of the SEZ Rules, 2006. In addition to this, unit shall also be liable to pay the duty on the unutilized goods in terms of Rule 54 of SEZ Rules, Paragraph (ii) of Annexure-I of SEZ Rules, Rule 25 & Rule 37 of SEZ Rules as may be calculated by NSEZ customs.

It was also informed that the authorized representative of the firm Shri Neeraj Kumar present during the meeting held on 03/08/2016 had assured that he will bring the above aspects to the notice of the promoters of the firm and shall confirm the decision of management in due course. He further requested to provide details of outstanding lease rent in respect of SDF No. H-3A&B, NSEZ and NFE Earnings achieved by them.

The details of outstanding lease rent in respect of SDF No. H-3A&B, NSEZ were provided to the unit vide this office email dated 04/08/2016. Further, the details of NFE earnings achieved by them during last block period were also provided to the representative during the last personal hearing on 03/08/2016.

Shri Kaushik Jha, representative of the unit attended the meeting. Since he did not carry requisite authorization for attending the meeting, he was advised to carry authorization in future if he attends the meeting. He stated that the Committee is considering data only for the last five years i.e. 2008-09 to 2012-13 whereas their unit has been operational since 2003-04 and most of the exports were also done during the early part of their operation. He further requested that there are certain machines which are lying in the said premises and have been in-operational for a long period and requested to grant them permission to take out these machineries from their premises for repair works.

Shri Jha further stated that they have till date not received the details of outstanding lease rent in respect of SDF No. H-3A&B, NSEZ. JDC, NSEZ informed that the said details were already forwarded to the unit representative. The Approval Committee however agreed to provide them again a copy of the details of lease rent. Further, Shri Jha desired

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to know the basis of calculations of NFE. He was informed that the same has been calculated on the basis of APRs submitted by them only. Shri Jha requested for copies of APRs submitted by the unit on the ground that the same being old is not available in their records, to which Approval Committee agreed.

The Approval Committee rejected the plea of unit to calculate NFE from 10-12-2003 as NFE is calculated cumulatively in blocks of five years and the unit has to achieve positive NFE in each and every block of 5 years as per Rule 54 of SEZ Rules, 2006. The Approval Committee further decided that action for recovery of penalty and outstanding lease rent may be initiated against them as per the relevant provisions.

17. Ratification of permission given to M/s. Maharishi Ayurveda Products Pvt. Ltd. for export of packaging materials.

It was informed to the UAC that unit vide its letter dated 09/08/2016 has stated they have received orders from USA to supply one of their products "Digest Tone Tablets", which were supposed to be sent in bottles and inner boxes. Due to urgency, the shipment was dispatched in bottles as the boxes were not ready at that time. The unit has further stated that now they have received the boxes and are getting continuous mails from their US distributor to send the boxes in order to complete their retail packaging. The unit has requested to consider their case and allow them to export packing material such as labels, boxes, caps etc. on receipt of such request from their buyers.

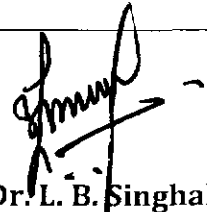
It was further informed to the Unit Approval Committee that unit vide this office letter dated 05/09/2016 was given permission to export packing material such as labels, boxes, caps etc. for one time subject to ratification by the UAC.

After due deliberations, the UAC ratified the approval granted to them vide letter dated 05/09/2016 to export packing material such as labels, boxes, caps etc. It was decided that such permission can be given as and when required on case to case basis.

Meeting ended with thanks to the Chair.


(S. S. Shukla)

Jt. Development Commissioner


(Dr. L. B. Singhal)

Development Commissioner