

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: 08/04/2016

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, गेट, नोएडा।

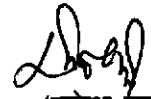
विषय: दिनांक 06/04/2016 को पूर्वाह्न 11:30 बजे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी।

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और डॉ. एल बी सिंघल, विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता मे दिनांक 06/04/2016 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,


(राकेश कुमार)

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. वेयक्तिक 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

Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 06/04/2016)

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Minutes of the meeting of the Approval Committee of Noida SEZ held under the chairmanship of Dr. L.B. Singhal, Development Commissioner (DC), Noida SEZ at 11:30 AM on 06/04/2016 in the Conference Hall of NSEZ.

The following members of Unit Approval Committee (UAC) were present during the meeting:-

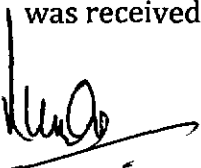
- 1) Shri Sanjay Misra, Asstt. Commissioner, Customs, Noida Commissionerate.
- 2) Shri Sudhir Kumar, Income Tax Officer, Income Tax Deptt., Noida.
- 3) Shri Rajiv Kumar Soni, Asstt. DGFT, CLA, New Delhi.
- 4) Shri Tribhuvan Nath Patel, Addl. Statistical Officer, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.)
- 5) Dr. B. B. Awasthi, Regional Officer, UPPCB, Noida.

2. Besides, during the meeting S/Shri (i) Rakesh Kumar, Dy. Development Commissioner, NSEZ, (ii) R.K. Srivastava, Dy. Development Commissioner, NSEZ, (iii) A.K. Srivastava, Specified Officer, NSEZ, (iv) R.P. Verma, Asstt. Development Commissioner, NSEZ and (v) Bhuvan Yadav, AEE, UPPCB, Noida were also present to assist the UAC.

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:-

It was informed that no reference against the decisions of the UAC held on 02/03/2016 was received and therefore, Minutes of the meeting held on 02/03/2016 were ratified.



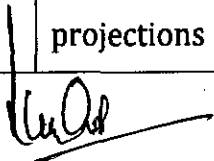
Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 06/04/2016)

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Item wise decisions on proposals included in agenda:

1.	<p>Proposal of Atlanta Systems Pvt. Ltd. for setting up a new Unit in NSEZ.</p> <p>No one on behalf of the company appeared for the meeting. The UAC decided to defer the proposal for its next meeting with a direction to remind them to ensure its presence in the next meeting of UAC. Letters may also be sent by registered/speed post.</p>
2.	<p>Proposal of M/s. Dimensions India Network Pvt. Ltd. for setting up a new Unit in NSEZ.</p> <p>It was informed to UAC that the applicant has proposed to set up a new unit in NSEZ to undertake IT/IT Enabled Services i.e. Solar Energy, Telecom Services, Architectural & GIS Services with projected exports of Rs. 3747.60 Lakhs and NFE of Rs. 3715.60 Lakhs over a period of five years.</p> <p>Shri Anuj Gupta, Director appeared on behalf of the company before the UAC. Shri Gupta informed that they are mainly into the field of engineering support services i.e. Engineering design and CAD drawing services with solar energy generation, preparing solar efficient underfloor heating & cooling radiant design, planning and designing ultra-high speed fibre optics networks.</p> <p>Shri Gupta further informed that they are currently making export of Rs. 12-13 Crores per year from their existing unit at Sector-2, Noida with a workforce of approx. 200 employees. He explained that software/IT related services required for Solar Energy, Telecom Services, Architectural & GIS Services, shall be provided by them.</p> <p>After due deliberations, the Approval Committee approved the application of M/s. Dimensions India Network Pvt. Ltd. for setting up a new unit in Noida SEZ.</p>
3.	<p>Proposal of M/s. Para Jewels for setting up a new Unit in NSEZ.</p> <p>No one from the company appeared for the meeting. The UAC decided to defer the proposal for its next meeting with a direction to remind the applicant to remove deficiencies in their applications already intimated to them and submit breakup of projections along with proposed value addition to be achieved separately in respect of</p>



each manufacturing items. The correspondence may also be sent by speed post.

4. Proposal of M/s. C & B Aromas LLP for setting up a new Unit in NSEZ.

It was informed to UAC that that the applicant has proposed to set up a new unit in NSEZ to undertake the manufacturing & export of EAU DE Perfume, EAU DE Toilette, Perfume Body Spray, Room freshener, Perfume Gift set contain Perfume, Fragrance and other items related thereto with projected exports of Rs. 17734 Lakhs and the NFE of Rs. 13032 Lakhs over a period of five years.

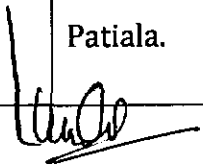
Shri Yash Dubey, Partner of the firm appeared on behalf of the applicant before the UAC. He informed that they are basically from Kannauj, UP and engaged in Perfumery business since last 60 years. He further informed that Dubey Group has manufacturing units spread across India and Overseas. Shri Dubey also informed that they will start their operation in NSEZ within 2-3 weeks after getting approval.

The UAC observed that the applicant has shown requirement of built up area of 2200 sq. mtrs. The UAC informed Shri Dubey that there is space constraint in NSEZ and as on date no Plot of any size is available in NSEZ for allotment. However, they may be allotted one or two SDFs of 500 sq. mtrs. approx each as per availability. In this regard Shri Dubey requested that to begin with they may start export production from SDFs.

The Approval Committee, after due deliberations, approved the application of M/s. C & B Aromas LLP for setting up a new unit in Noida SEZ. The UAC directed the applicant to visit SDF area and submit their request for allotment of SDF.

5. Proposal of M/s. Futronics World for setting up a new Unit in NSEZ.

It was informed that State Bank of Patiala has intimated that the promoter of firm is defaulter for non-payment of their dues. Since no one from the applicant firm appeared for the meeting, the UAC decided to defer the proposal for its next meeting with a direction to remind the applicant to remove deficiencies in their applications already intimated to them and ensure its presence in the next meeting. The correspondence may also be sent by speed post also along with copy of letter submitted by State Bank of Patiala.



6. Proposal of M/s. Northern Petroleum Co. for Renewal and Diversification of LOA.

It was informed to UAC that the unit has submitted their proposal for diversification of authorized operations for manufacturing & export of Flexible Printed Circuit Boards (PCBs) and PCB Assemblies and extension in the validity of LOA.

Shri Amrit Manwani, Proprietor of the unit appeared before the UAC. He informed that they were earlier engaged in trading of Duty Free High Speed Diesel. However due to changing market position and various issues this business is not viable. He stated that their group is in electronics business since more than two decades and has export turnover of Rs. 50 Crores from units in NSEZ.

Shri Manwani further informed that they will do only non-polluting processes at NSEZ and there shall not be any chemical process, thereby eliminating any effluents. He also stated that they will start operations by end of this financial year.

After due deliberations, the UAC decided to renew the validity of LOA for remaining period of block years i.e. upto 13/10/2019. The UAC also approved proposal of unit for diversification of authorized operations for manufacturing & export of Flexible Printed Circuit Boards (PCBs) and PCB Assemblies.

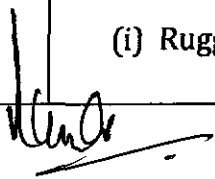
7. Proposal of M/s. Sahasra Electronics Pvt. Ltd. for amendment of authorized operations to include additional items in LOA.

It was informed to the UAC that M/s. Sahasra Electronics Pvt. Ltd. has requested for inclusion of manufacturing of Rugged Mobile Phones/Walkie Talkie with charger and accessories in LOA.

Shri Amrit Manwani, Director appeared on behalf of the company and informed that they have also submitted a request for manufacturing & export of USB Drives/Flash Memory/other removable storage device. He further informed that they are going to export Rugged Mobile Phone/Walkie Talkie to Africa and Europe.

After due deliberations, the UAC approved the proposal of unit for manufacturing and export of following items:

- (i) Rugged Mobile Phones/Walkie Talkie with charger and accessories.



(ii) USB Drives/Flash Memory/other removable storage device.

8. Proposal of M/s. Bullet International for Extension in the validity of LOA

No one from the unit appeared for the meeting. The UAC deferred the proposal for its next meeting.

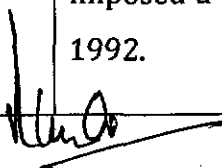
9. Proposal of M/s. Goldwyn Ltd. for Change in Directors/Shareholding pattern.

It was informed that M/s. Goldwyn Ltd. is holder of LOA dated 19/12/1988. The unit has been functional at Plot No.15-16, NSEZ since 15/07/1989 and the LOA is valid upto 31/03/2020. However, the lease deed for Plot No.16 has not been executed by the unit. The committee was further informed that M/s. Goldwyn Ltd. has requested for change in directors and shareholding of the company. The main change in shareholding is that the stake of Mr. Keshav Kumar Thirani has raised from 1.05% as on 14/08/2000 to 55.06% as on 19/11/2011 and the stake of M/s. Autometers Ltd. has raised from 0% as on 14/08/2000 to 20% as on 19/11/2011. Besides, Smt. Jayshree Thirani and Shri Ajit Kumar Verma were appointed as Director in the year 2000 and Shri Anurag Agarwal was appointed as Director in the year 2011. Unit intimated such change after delay of almost 15 years and 5 years respectively, which is violation of condition no. 14 of Bond Cum Ltd. executed by the unit with NSEZ.

Shri Jagpal Sharma, CFO and Shri D.K. Jangid, Comm. Manager appeared on behalf of the company before the UAC. Shri Sharma admitted the delay on their part and requested for help in sorting these issues out. He further assured that they will be more careful in future.

It was informed to them that as per section 11(4) of the Foreign Trade (Development & Regulation) Act, there is a penalty provision to settle the cases where a person admits any contravention. The authorized representatives consented to settle the case as per section 11(4) of the FT(D&R) Act, 1992 for non-intimation of change in directors/shareholding timely.

In the light of facts & circumstances of the case, DC, NSEZ on the recommendation of UAC imposed a penalty of Rs. 10,000/- on the unit in terms of section 11(4) of FT(D&R) Act, 1992.



After due deliberations, the UAC decided to take note of change of directors/shareholding of the company subject to deposit of penalty of Rs. 10,000/-.

10. Proposal of M/s. Backbay Clothing for Change of name/partners.

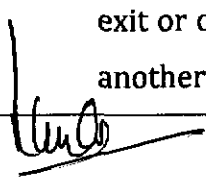
It was informed to the UAC that M/s. Backbay Clothing, has requested for change in partners and its name as M/s. Narayan Exports. The said matter is pending for want of amended PAN and IEC of M/s. Backbay Clothing in the name of M/s. Narayan Exports. The LOA dated 30/11/2005 in respect of unit at Plot No.142A/20B, NSEZ is going to expire on 31/03/2016 and the unit has sought additional time to start its operations.

Shri T.N. Agrawal, Partner of the firm appeared for the meeting. He informed that the new partner i.e. Shri Vipin Kumar Agrawal is already running business from his another company "Narayan International" which holds a good name in the market. He further informed that they have export orders in the new name of "Narayan Exports" and requested for approval of the same.

The UAC was also informed that Board of Approvals in its 69th meeting held on 23.02.2016 has decided to issue 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.”

It was observed that change in shareholding is not more than 50% as per details as under:

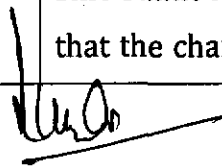
Name of shareholder	Backbay Clothing	Narayan Exports
1. Sh Hemant Talwar	33.34%	--
2. Sh. Triloki Nath Agrawal	33.33%	50%
3. Smt. Meenu Agrawal	33.33%	25%
4. Sh. Vipin Kumar Agrawal	--	25%

After due deliberation, the UAC decided to approve the proposal of unit for change of name from “M/s. Backbay Clothing” to “M/s. Narayan Exports” and change in partners as per the new guidelines of BOA. The UAC also decided to renew the LOA of unit for one year and directed Shri Agrawal to re-start export activities within the extended validity period of LOA.

11. Proposal of M/s. Sunehari Exports Ltd. (Unit-II) for Change of name of the company.

It was informed to the UAC that M/s. Sunehari Exports Ltd. had informed that the name of company has been changed from ‘Sunehari Exports Ltd.’ to “Dr. Fresh Assets Ltd.” w.e.f May 2012 pursuant to arrangement for (a) amalgamation of Dr. Fresh Fresh Assets Ltd. (transferor company) with Sunehari Exports Ltd. (transferee company); and (b) demerger of Haridwar unit of Sunehari Exports Ltd. (transferee company) into Sunehari Exports (Haridwar) Pvt. Ltd. (Resultant company) approved by the Hon’ble High Court.

Shri Sumit Nanda, Managing Director appeared on behalf of the company. He informed that the change of name is due to merger of the said company into its parent company.



He further informed that there is no change in directors or shareholding of the company.

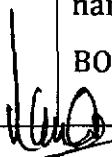
It was informed to the UAC that Board of Approvals in its 69th meeting held on 23.02.2016 has decided to issue clarification / instruction regarding Rule 74A of SEZ Rules, 2006. The extract of minutes of said meeting is reproduced below here:-

“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.

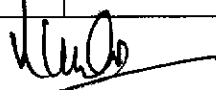
With a view to promote the ease of doing business in India and that restructuring of entity/business is a fairly common occurrence, BOA decided that provisions of Rule 74A shall not apply to SEZ units that do not exit or opt out of the SEZ scheme by transferring its assets and liabilities to another 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.”

After due deliberation, the UAC decided to approve the proposal of unit for change of name from 'Sunehari Exports Ltd.' to "Dr. Fresh Assets Ltd." as per the new guidelines of BOA.



12.	<p>Proposal of M/s. R.A. International for Renewal of LOA.</p> <p>It was informed that the UAC in its meeting held on 22/06/2015 observed that observed that unit has been lying non-functional since 2013-14. The UAC renewed LOA of unit beyond 17/06/2015 for a period upto March' 2016 and decided to monitor the performance in March' 2016.</p> <p>Shri Dinesh Verma, Partner of the firm appeared before the UAC. He informed that they are doing export of plain jewellery only and have made exports worth Rs. 18 Crores after renewal of LOA. He further informed that they will comply with all the necessary regulations and value addition norms applicable to a jewellery unit.</p> <p>After due deliberation, the UAC decided to renew the LOA of the unit for remaining period of block years upto 17/06/2020.</p>
13.	<p>Proposal of M/s. Royal Exports for Renewal of LOA and amendment in authorized operations.</p> <p>It was informed to the UAC that last five year block of the unit was expired on 31/03/2015. Keeping in view the dismal performance during the years 2013-14 & 2014-15, LOA of the unit was extended only for one year i.e. upto 31/03/2016.</p> <p>Shri Arun Soni, Partner of the firm appeared for the meeting. He informed that they were facing problems in getting orders for plain gold jewellery and due to that they were unable to start their operation and make exports. He further informed that now they got good orders for studded jewellery and requested to include the same in their authorized operations. He also informed that they will employ approx. 40-50 persons for the proposed activity.</p> <p>After due deliberation, the UAC 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 UAC also directed the unit to re-start their operation within the extended validity period for consideration of further extension of LOA validity.</p>
14.	<p>Proposal of M/s. Apothecaries Clinical Research LLP for review of performance,</p>



Renewal of LOA and amendment in authorized operations.

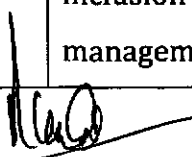
It was informed to the UAC that M/s. Apothecaries Clinical Research LLP has requested for renewal of LOA and amendment to include "Services activities of clinical trial: data generation, data processing, data management, IT support services for clinical trial project management" in their LOA. It was further informed that LOA of the unit was valid upto 24/03/2016.

The UAC was also informed that in its meeting held on 02.09.2015, the UAC approved amendment in LOA restoring authorized operations approved vide LOA No. 10/280/2009-Proj/9713 dated 30.12.2010 and directed the unit to commence export productions within the validity period of LOA i.e. 24.03.2016 failing which their LOA shall be liable to be cancelled under section 16 of SEZ Act, 2005.

Shri Deepak Khanna, Authorized representative, appeared before the UAC on behalf of the firm. He informed that they have made exports of approx. Rs. 2-3 Crores since September 2015. He also informed that they have also filed softex forms against these exports now. He further informed that "Services activities of clinical trial: data generation, data processing, data management, IT support services for clinical trial project management" were missed out in letter dated 29/01/2016. and "Laboratory services for testing specimens and samples" was added in the said letter which was not requested by them.

It was informed to Shri Khanna that the restoration of authorized operations has been done exactly as per the authorized operations approved vide LOA No. 10/280/2009-Proj/9713 dated 30.12.2010. Shri Khanna was also informed that the softex forms need to be filed within 30 days of generation of invoice and hence they need to get condonation from RBI for approval of the same. Shri Khanna informed that they have already applied to RBI for condonation of delay. He further requested to add "Services activities of clinical trial: data generation, data processing, data management, IT support services for clinical trial project management" in their authorized operations.

After due deliberation, the UAC approved the proposal of unit for amendment in LOA for inclusion of "Services activities of clinical trial: data generation, data processing, data management, IT support services for clinical trial project management" in the authorized



operations. The UAC also decided to extend the validity of LOA for one year upto 24/03/2017.

15. Proposal of M/s. Pertech Exports Pvt. Ltd. for Amendment to include trading in authorized operations.

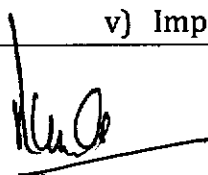
It was informed to the UAC that validity of LOA of M/s. Pertech Exports Pvt. Ltd. was extended up to 05/08/2017 by the UAC in its meeting held on 22/08/2014 subject to the following conditions:

- i) 100% physical export shall be carried out by the unit.
- ii) Unit / promoters shall ensure that penalty of Rs. 4.40 lakhs previously imposed on their another unit M/s NEK Electronics Ltd. is deposited against the Order-in-Original No. 02/32/93-NEPZ/3389 dated 01/05/2002 issued by DC, NSEZ for non-achievement of NFEP.

The UAC observed that unit has not deposited balance penalty of Rs. 2,40,000/- and lease rent of Rs. 2,31,275/- in respect of SDF No. F-8A, NSEZ.

It was further informed to the UAC that the Commissioner, Customs, C.E.S.T. Noida vide order dated 28/04/2014 has imposed penalty in the following manner:

- i) Re-determining of the invoice values @ USD16.8 (taken as the lowest contemporaneous price) as the price at the time of importation of goods in India by M/s. Pertech, under section 14(1) of CA1962 read with Rule3(ii) and 5 of CVR, 1988 and Rule 3(4) of CVR, 2007.
- ii) Recovery of differential duty amounting to Rs. 1,21,03,345/- under section 28(2) of the Customs Act from M/s. Morgan Tectronics Ltd.
- iii) Recovery of interest from M/s. Morgan Tectronics Ltd., NSEZ Noida on the above said demand of differential Customs duty, under section28(AB)/28(AA) of the Customs Act, 1962.
- iv) Appropriation of Customs duty amounting to Rs. Five Lacs, deposited vide challans dated 21/04/2008, in respect of imports of CHUNGWA[A 34 AGT 13X36 A (F)] BRAND 14" COLOUR PICTURE TUBES, as demanded and confirmed under section 28(2) above.
- v) Impose a penalty of Rs. 1,21,03,345/- on M/s. Morgan Tectronics under



section 114A of the Customs Act, 1962.

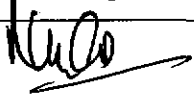
- vi) Impose a penalty of Rs. 25,00,000/- on M/s. Pertech Exports Pvt. Ltd. under section 112(a) of the Customs Act, 1962.
- vii) Impose a penalty of Rs. 10,00,000/- on M/s. Oracle Info Tech (P) Ltd. under section 112(b) of the Customs Act, 1962.
- viii) Impose a penalty of Rs. 10,00,000/- on M/s. Nova Vision Electronics Pvt. Ltd. under section 112(b) of the Customs Act, 1962.
- ix) Impose a penalty of Rs. 10,00,000/- on M/s. Navrang Impex, Ghaziabad under section 112(b) of the Customs Act, 1962.
- x) Impose a penalty of Rs. 25,00,000/- on Shri P. V. Khullar under section 114 A of the Customs Act, 1962.
- xi) Impose a penalty of Rs. 10,00,000/- on Shri Vinod Vijay Khullar under section 112(a) of the Customs Act, 1962.

Shri P V Khullar and Smt. Nidhi Khullar, Directors appeared on behalf of the unit before the UAC. Shri Khullar informed that they have filed an appeal against the said order of the Customs and the Appellate Authority has issued Stay Order against the same. He stated that the balance penalty amount & lease rent shall be deposited soon. Shri Khullar further informed that they also made a request for inclusion of trading of mobile phones and parts of mobile phones in their LOA for supply to "M/s Ringing Bells Pvt Ltd."

Ms. Nidhi Khullar informed that they have also orders for trading of readymade garments and requested to approve the same.

After due deliberations, UAC decided as under:

1. Unit must deposit the balance penalty amount and the balance lease rent amount. As soon as the same is deposited, the LOA renewal shall be issued as per the decision of UAC and as per conditions specified by the UAC on 22/08/2014.
2. UAC did not agree with the proposal of unit for trading of mobile phones and parts of mobile phones, as the same was proposed to be sold into DTA only.
3. As regards trading of readymade garments, the UAC noted that trading for readymade garments is altogether a different sector from the approved authorized operations of the unit and Deptt. of Commerce has issued an instruction No. 69 not



to allow broadbanding of unrelated products. On the analogy of above stated DOC Instruction, UAC did not agree with the proposal of the unit.

4. The UAC also directed Shri Khullar to submit copy of their appeal filed against the adjudication order dated 28/04/2014 issued by the Commissioner, Customs, Central Excise & Service Tax, Noida along with copy of stay order. UAC directed the Specified Officer, NSEZ to take appropriate action on the issue in consultation with the Commissioner of Customs, Central Excise & Service Tax, Noida, who have imposed penalty on the company & its associates/directors.

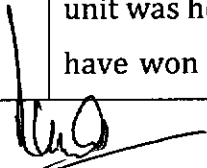
16. Proposal of M/s. Global Partners (India) for Review of LOA.

No one from the unit appeared for the meeting. The UAC decided to grant one more opportunity of being heard. It was decided that a communication may be sent to the unit through registered/speed post to the residential address of promoters so as to ensure their presence in the next UAC. Case was deferred for next UAC.

17. Proposal of M/s. CHL Biotech Ltd. for Review & Renewal of LOA

It was informed to the UAC that M/s. CHL Biotech Pvt. Ltd. was issued LOA No. 04/03/2008-Proj/4724 dated 19/06/2008 for Pharmaceutical Formulations. Subsequently, the name of unit was changed from "CHL Biotech Pvt. Ltd." to "M/s. CHL Ltd." vide this office letter dated 28/05/2009. The unit has been given possession of two plots namely Plot No. 62 & 185 measuring 3937 sq.mtrs & 637.89 sq. mtrs. respectively. The building erected on said plots were purchased from DRT through auction. The unit did not commence its export activities within validity of LOA. The LOA of the unit was valid upto 18/06/2009. It was further informed that there was an outstanding lease rent amounting to Rs. 30,77,619/- against the unit. The unit has deposited Rs. 15 Lakhs and lease rent of Rs. 15,77,619/- is currently outstanding against the unit.

Shri Arvind Bhargav, Shri R L Jubel and Shri G.J. Varadarajan, authorized representative of the company appeared for the meeting. Shri Bhargav informed that NSEZ Customs filed an appeal in DRAT against the order of DRT due to which the installation/set up of unit was held up & they could not apply for LOA extension. He further informed that they have won the cases filed by Custom department for its alleged dues, at DRAT, Delhi &



Hon'ble High Court of Delhi in 2015 and now they wish to start their operations in NSEZ.

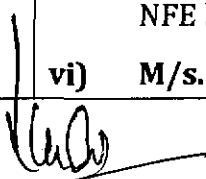
He further informed that the entire process of clearing the garbages from the plots; getting clearances from all the departments; apply for fresh Drug License and to modify the plant as per latest guidelines of mandatory law will take at least 6 months and another six months to start their operations in NSEZ. He requested to extend the validity of their LOA for requisite period. Shri Bhargav also requested to give them some time to pay the balance lease rent.

The UAC observed that in terms of Rule 19(4) of SEZ Rules 2006, Development Commissioner can only grant extension for further three years. However in the instant case almost seven years have elapsed and the request of the unit for extension in the validity of LOA needs approval of BOA.

After due deliberations, UAC decided to recommend the proposal of M/s. CHL Ltd. for extension in the validity of LOA to the Board of Approval for further period of one year from the date of decision of BOA. The UAC also directed the promoters to clear entire outstanding lease rent in six monthly installments for which they agreed.

18. **Following cases for monitoring of performance/APRs under Rule 54 of SEZ Rules, 2006 were also placed before the Approval Committee. The unit wise decision of UAC are indicated below:-**

- i) **M/s. Nano Electrotech Pvt. Ltd.** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- ii) **M/s. Bridal Jewellery Mfg. Co.** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- iii) **M/s. Optic Electronic India Pvt. Ltd.** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- iv) **M/s. SRS Ltd.** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- v) **M/s. PC Jewellers Ltd. (Unit-II)** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- vi) **M/s. AquaPlus Global** - The Committee monitored the performance of the unit on



the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.

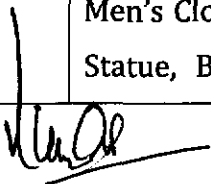
- vii) **M/s. Intelligrape Software Pvt. Ltd.** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- viii) **Sterling Ornaments Pvt. Ltd.** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- ix) **Neokraft Global Pvt. Ltd.** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- x) **Associated Lighting Company** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- xi) **Sara Trans Export Corporation** - The Committee monitored the performance of the unit on the basis of APRs up to 2014-15 and noted achievement of positive NFE by the unit.
- xii) **Meenakshi International** - The UAC noted that the unit has been lying non-functional since 2011-12. It was informed to the UAC that there were some discrepancies in the application of unit for renewal of LOA, which was conveyed to them. Reply is still awaited. The UAC deferred the matter for its next meeting and decided that a communication may be sent to the unit through registered/speed post to the residential address of promoters so as to ensure their presence in the next UAC.

SUPPLEMENTARY AGENDA:

With the approval of Chair, following matters were placed before the Committee:

1. **Proposal of M/s. Sunehari Exports Ltd. (Unit-I) for Withdrawal of exit request; Renewal as well as amendment of LOA and change of name.**

It was informed to the UAC that M/s. Sunehari Exports Ltd. (Unit-I) had been granted in-principle approval for exit on 18.08.2009. Now the unit has submitted a proposal for withdrawal of their exit request, renewal of LOA, inclusion of trading items namely (i) Fashion Jewellery sets such as Necklace, Bracelet, Earring, Pendants, Bangles, Jhumki. (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 Gross, Lavender,



Rosemary, Rose Geranium and Peppermint oil in their authorized operations and change of name to Dr. Fresh Assets Ltd.

Shri Sumit Nanda, Director of the company appeared before the UAC. He informed that they have received orders from their overseas buyer for above items for traditional Indian Stores. He further informed that they will procure the raw material from the DTA market and after labelling and packing, will export to their customers.

After due deliberations, UAC took note of change of name of the company as decided at S.No. 11 of the instant minutes of meeting. UAC further decided to renew the LOA of the unit for a period of one year from the date of UAC and directed the unit to re-start its activities within the extended validity period. The UAC also agreed to the proposal of unit for inclusion of trading of above items for 100% physical export, subject to the condition that Unit will submit an undertaking that they will not claim Income Tax benefits for trading of items procured from DTA.

2. Proposal of M/s. Jagat Gems & Jewellery for Extension in the validity of LOA.

No one from the unit appeared before the UAC. The UAC deferred the proposal for its next meeting.

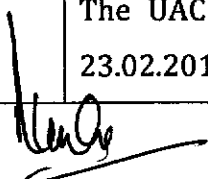
3. Proposal of M/s. La Moda Eleganza for Change in Constitution.

It was informed to the UAC that M/s. La Moda Eleganza has informed about change in its constitution from "Proprietorship" to "Partnership" w.e.f. 15.03.2016. It was further informed that some documents/information have been sought from the unit, which are awaited. It was observed that change in shareholding of the firm is as under:

Name of shareholder	Proprietorship	Partnership
1. Sh Sharad Gupta	100%	50%
2. Sh. Satish Gupta	--	50%

Shri Peter Monechan appeared on behalf of the unit before the UAC. He assured to submit all requisite documents in due course.

The UAC was also informed that Board of Approvals in its 69th meeting held on 23.02.2016 has decided to issue 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.

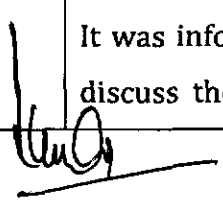
With a view to promote the ease of doing business in India and that restructuring of entity/business is a fairly common occurrence, BOA decided that provisions of Rule 74A shall not apply to SEZ units that do not exit or opt out of the SEZ scheme by transferring its assets and liabilities to another 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 UAC after due deliberations decide to take note of proposed changes as the 50% shareholding still rests with the original promoter. However unit shall be required to expedite submission of documents as sought by this office email dated 05/04/2016.

4. Request of M/s. Sequel Alloys & Wires Pvt. Ltd. regarding consent of application for Air & Water Pollution Control Certificates with U.P. Pollution Control Board.

It was informed to the UAC that M/s. Sequel Alloys & Wires Pvt. Ltd. has requested to discuss the matter in the UAC with officer of UPPCB so that request for issuance of



Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 06/04/2016)

consent of Air & Water can be expedited.

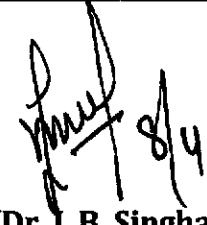
The matter was discussed with the representatives of UPPCB. The UAC directed the representatives of UPPCB to visit the premises of unit to check the compliances made by them and guide the unit to sort out the issue.

Meeting ended with thanks to the Chair.


(Rakesh Kumar)

Dy. Development Commissioner

8/4/16.


(Dr. L.B. Singhal)

Development Commissioner