

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.10/13/2006 -प्रोज/

दिनांक: 13/07/2016

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।

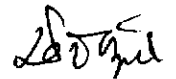
विषय: दिनांक 08/07/2016 को पूर्वाह्न 11:30 बजे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी।

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और डॉ. एल बी सिंघल, विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता मे दिनांक 08/07/2016 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 अंग्रेषित 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. 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

Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 08/07/2016)

Page 1 of 15

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 08/07/2016 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 Vaibhav Bhatnagar, Asstt. Commissioner, Customs, Noida Commissionerate.
- 3) Shri Sukhbir Singh Badal, Asstt. DGFT, CLA, New Delhi.
- 4) Ms. Sandhya Maurya, Income Tax Officer, Income Tax Deptt., Noida.
- 5) Shri G. P. Goswami, Asstt. Commissioner, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.)

2. Besides, during the meeting S/Shri (i) Rakesh Kumar, Dy. Development Commissioner, NSEZ, (ii) R.P. Verma, Asstt. Development Commissioner, NSEZ, (iii) Rajendra Mohan Kashyap, PA to JDC, NSEZ and (iv) Bhuvan Yadav, Jr. Engineer, UPPCB, 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 02/06/2016:-

It was informed that no reference against the decisions of the Approval Committee held on 02/06/2016 was received and therefore, Minutes of the meeting held on 02/06/2016 were ratified.



Item wise decisions on proposals included in agenda:

1. Proposal of M/s. Juse Jewellery Manufacturing Co. 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 Gold Ornaments (Plain & Studded with coloured gem stone) with projected exports of Rs. 92500 Lakhs and the NFE of Rs. 8125 Lakhs over a period of five years. It was also informed that the said proposal was placed before the Approval Committee in its meeting held on 02/06/2016 wherein Shri Varun Gupta, Proprietor appeared and stated that they have a project which envisages melting/molding of old gold jewellery in their house at Amritsar to manufacture handmade designer jewellery. However, Shri Gupta failed to produce any documentary proof which could be relied upon for his existing jewellery business and credentials of M/s. C. R. Steel & Hardware.

It was further informed that the Approval Committee deferred the said proposal for want of verification report on the credentials of M/s. C.R. Steel & Hardware from jurisdictional Central Excise; report on genuineness of financial credentials of proprietor by the certifying Chartered Accountant and documentary proof from Shri Varun Gupta which could be relied upon for his existing jewellery business and credentials of M/s. C. R. Steel & Hardware.

Shri Varun Gupta, proprietor of the firm appeared before the Approval Committee to explain the project. He informed that he has another running unit in the name of M/s. C.R. Steel & Hardware, which is a trading firm dealing with nuts, bolts and screws etc. He further informed that they cater the jewellery requirements of NRI's on regular basis and have developed personal intimacy and attachment with lot of corporate and individual buyers. He also stated that they have no documents for showing experience of jewellery business, instead this work was being done in an unorganised way as per designs selected by their foreign friends/clients by the process of repairing/remaking of old jewellery through local goldsmiths.

It was informed to the Approval Committee that Asstt. Commissioner, Central Excise, Ludhiana vide his letter dated 30/06/2016 had informed that no unit in the name & style



of M/s. C.R. Steel & Hardware, 23A, Brahm Nagar, Lawrence Road, Amritsar is registered with divisional office Amritsar. However, Mr. Varun Gupta, Proprietor of M/s. CR Steel & Hardware, was contacted over phone and it was learnt that the subject firm is a trading firm dealing with nuts, bolts and screws etc. as reported by Dy. Commissioner, Central Excise & Service Tax division Amritsar.

The Approval Committee further observed that report on genuineness of the certificate of net worth of Shri Varun Gupta purported to have been issued by the CA has not been received from the issuing Chartered Accountant till date despite issue of reminder. This was informed to Shri Varun Gupta, but he showed his ignorance in this regard.

The Approval Committee examined the proposal in detail and noted that the promoter does not have any experience in the field of manufacturing & export of gold jewellery. The Approval Committee also did not find the export projections of Rs. 92500 Lakhs for five years feasible in view of inexperience of the promoter in the field of manufacturing & export of gold jewellery & his current financial background. Also Jurisdictional Central Excise had informed that M/s. C.R. Steel & Hardware (where Shri Varun Gupta claimed to be proprietor) was not registered with them and this firm was merely dealing with trading of nuts, bolts and screws etc.

The Approval Committee, after due deliberations, did not agree with the proposal of M/s. Juse Jewellery Manufacturing Co. for setting up a unit in NSEZ and rejected the same in terms of section 15(3) of SEZ Act, 2005 & Rule 18 of SEZ Rules, 2006. The applicant may under Rule 55 read with Rule 56 of the SEZ Rules, 2006, prefer an appeal, to the appropriate Authority, if he desires to do so.

2. Proposal of M/s. V. V. Impex 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 Handcrafted/Machine made Gold Jewellery with projected exports of Rs. 68273.53 Lakhs and the NFE of Rs. 2647.02 Lakhs over a period of five years.

It was informed that the above proposal was placed before the Approval Committee in its meeting held on 02/06/2016, wherein it was observed that the proprietor was also



partner in M/s. Nationwide Exports, which obtained exit from NSEZ in the year 2012. The export performance of unit was dismal and it could do export of Rs. 42 Lakhs only in 5 years. The Approval Committee, taking into consideration the past track of SEZ unit of applicant, could not find feasible the projected exports of Rs. 682 Crores in 5 years from a new firm constituted on 02/04/2016. The Approval Committee specifically asked Shri Verma to clarify as to why performance of his unit in NSEZ, wherein he was partner, was merely Rs. 42 Lakhs in 5 years. Shri Verma mentioned that he had joined M/s. Nationwide Exports as partner in 2010 only and total export of the firm of Rs. 42 Lakhs was done in that year only.

It was further informed that the Approval Committee in its last meeting had deferred the proposal with a direction to the applicant to submit documentary evidence showing his attachment as director/shareholder in other companies/firm and produce documentary evidence in support of his existing turnover, item of export and destination. The matter was accordingly deferred to the next meeting. The applicant had submitted the required documents vide their letter dated 27/06/2016.

Shri Vikas Verma, proprietor of the firm appeared before the Approval Committee to explain the project. He informed that he has experience of 13 years in manufacturing of jewellery in M/s. Shree Chain Co. Pvt. Ltd. which is in operation since 2003. He further informed that he is director in some other companies namely (i) Vikas Diamonds Pvt. Ltd. and (ii) Vikas De' Italia Chains Pvt. Ltd. He also informed that Shree Chain Co. Pvt. Ltd. where he is director had achieved turnover of Rs. 11 Crores in last year and turnover of M/s. Vikas Diamonds Pvt. Ltd. was approx. 5.5 Crores during the last year.

He also informed that the overseas buyers have agreed to give advance gold for manufacture and export of jewellery and assured to fulfill the prescribed value addition norms. Shri Verma further informed that entire manufacturing process shall be carried out in-house and no request for job work/sub-contracting shall be submitted in future. He agreed to give an undertaking to this effect.

The Approval Committee, after due deliberations, approved the application of M/s. V. V. Impex for setting up a new unit in Noida SEZ for manufacturing & export of Plain Handcrafted/Machine made Gold Jewellery subject to fulfillment of the following



conditions and furnishing of an undertaking to this effect:

1. Unit will be required to achieve value addition for both the authorized operations i.e. handcrafted as well as machine made jewellery not less than 3.5% as per Para 4.61(a) of Handbook of Procedure 2015-2020 or as amended from time to time;
2. Unit will carry out complete in-house manufacturing activities and no job work/sub-contracting in DTA will be allowed.
3. If required unit shall obtain necessary clearance from Pollution Control Board.

Shri Verma agreed to the decision of Approval Committee and assured to comply with the same.

3. Proposal of M/s. HM Export Co. 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 Handcrafted/Machine made Gold Jewellery with projected exports of Rs. 51658.22 Lakhs and the NFE of Rs. 1787.29 Lakhs over a period of five years.

Shri Kishan Kumar Mohanta and Shri Abdul Halim Mallick, partners of the firm appeared before the Approval Committee to explain the project. It was informed that both the promoters were earlier employed with other jewellery units in NSEZ. Shri Mallick informed that he has another proprietorship firm in DTA namely M/s. R K Jewellers which was started 6 months back and has exported only one consignment so far of Rs. 1.25 Crores (approx).

The Approval Committee examined the proposal in detail and noted that one promoter had claimed experience of export of just one consignment and for this also he had not given any documentary proof. Second partner has just working experience in a jewellery manufacturing unit in NSEZ. The Approval Committee did not find the export projections of Rs. 51658.22 Lakhs feasible in view of inexperience & financial background of the promoters.

The Approval Committee, after due deliberations, did not agree with the proposal of M/s.



Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 08/07/2016)

Page 6 of 15

	<p>HM Export Co. for setting up a unit in NSEZ and rejected the same in terms of section 15(3) of SEZ Act, 2005 & Rule 18 of SEZ Rules, 2006. The applicant may under Rule 55 read with Rule 56 of the SEZ Rules, 2006, prefer an appeal, to the appropriate Authority, if they desire to do so.</p>
4.	<p>Proposal of M/s. Appy Pie LLP for setting up a new Unit in NSEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ for IT Services, Mobile Apps Builder Software (App Maker) with projected exports of Rs. 7000 Lakhs and the NFE of Rs. 6477 Lakhs over a period of five years.</p> <p>Smt. Rani Sharma and Shri Abu Zahir Abbas, authorized representatives of the firm appeared before the Approval Committee to explain the project. Shri Abbas informed that the promoter has already been running another unit in the name of M/s. ONS Interactive Solutions in Noida SEZ. Shri Abbas further informed that the proposed unit will undertake the activity relating to Mobile Apps Builder Software (App maker) which are basically IT & IT Enabled service, which provide user a platform for creating App Engine and web chain.</p> <p>The Approval Committee, after due deliberations, approved the application of M/s. Appy Pie LLP for setting up a unit in Noida SEZ for IT Services, Mobile Apps Builder Software (App Maker).</p>
5.	<p>Proposal of M/s. Bejewelled India Pvt. Ltd. for renewal of LOA for next five years and monitoring of performance.</p> <p>It was informed to the Approval Committee that M/s. Bejewelled India Pvt. Ltd. has been issued an LOA dated 16/06/2008 for manufacturing of gold jewellery. The unit has made exports worth Rs. 7977.68 Lakhs and earned positive NFE worth Rs. 7964.35 Lakhs as on 31/03/2015 during the last block of five years w.e.f 15/06/2011.</p> <p>It was further informed to the Approval Committee that the value addition norms for studded jewellery have been revised as 6.0% (for those studded with coloured Gem stones) and 7.0% (for those studded with diamonds) w.e.f. 01.04.2015. However, during</p>



the year 2015-16, Unit has shown achievement of 5% value addition which is less than the prescribed value addition norms. It was also informed that the unit has been asked to submit details of value addition achievement in Rupee term, which is awaited.

Shri Samir Saxena, authorized representative of the company appeared before the Approval Committee. He informed that they thought the value addition for studded jewellery is still 5% as per the circular dated 12/07/2013 of this office. He further informed that as per the realized values of export they have achieved more than 7% value addition in Rupee term.

The Approval Committee, after due deliberations, decided to renew the LOA of unit for next five years i.e. upto 14/06/2021. The Approval Committee also directed Shri Saxena to submit details of value addition achieved by the unit in Rupee term. The Approval Committee further directed to examine the value addition achievement by the unit and place the same before the next Approval Committee for monitoring of performance under Rule 54 of SEZ Rules, 2006.

6. Proposal of M/s. Hotz Industries Ltd. for renewal of LOA for next five years.

It was informed to the Approval Committee that M/s. Hotz Industries Ltd. was issued an LOA dated 26/04/2007 for manufacturing of Quilts, Cushion Covers, Curtains, Table Cover, Napkins & Garments. It was further informed that unit has been lying non-functional since 2010-11. It was also informed that validity of the LOA of unit has expired on 09.12.2013 and consequently lease deed rights have ceased to exit.

It was further informed that after review of performance of non-operational units in NSEZ, M/s. Hotz Industries Ltd. was requested to handover the possession of allotted premises and also to complete the exit formalities as per Rule 74 of SEZ Rules, 2006. The unit was also given option that in case they desire to continue export production in Noida SEZ, they may apply for renewal of LOA along with credible business plan, which will be considered on merit.

Shri Arun Jain, CMD of the company appeared before the Approval Committee. Shri Jain informed that due to weak economic conditions in the European market, particularly in Spain and Germany, the demand for Home Furnishing and Leisure wear, were reduced



drastically and the buyers were not backing the orders with Letter of Credits. Therefore, they could not export in the subsequent years and have been making best efforts to put the business back on its track. He further submitted that he has been paying lease rent regularly, also he has one unit in Greater Noida from where he is making annual export of Rs. 25-30 Crores.

Shri Jain further informed that they have their factory at Plot No.25 & 26, NSEZ, which is well maintained and all the machines installed are in running condition. He further stated that they will hire approx. 50-75 persons and hope to start the production by October, 2016 and requested to give at least one year to re-commence the production activity.

The Approval Committee, after due deliberations, decided to renew the LOA of unit for one year from the date of the meeting i.e. upto 07/07/2017. The Approval Committee also decided that further renewal shall be considered on the basis of performance of unit during the extended period of validity of LOA.

7. Extension in the validity of LOA of M/s. Bullet International for six months beyond 31.03.2016.

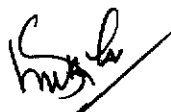
No one from the unit appeared for the meeting. The Approval Committee decided to grant one more opportunity to the unit of being heard and accordingly deferred the matter for its next meeting.

It was informed by the representative of Income Tax Deptt. that their Deptt. has imposed a penalty on M/s. Bullet International which has not been deposited by the unit till date.

The Approval Committee directed that a communication may be sent to the unit and the promoters separately through registered/speed post with a request to ensure their presence in the next meeting of Approval Committee, failing which the case will be decided on the basis of records available in this office.

8. Monitoring of performance of M/s Educomp Solutions Ltd. and review of sharing permission given at Plot No.85, NSEZ.

It was informed to the Approval Committee that M/s. Educomp Solutions Ltd. has been



issued an LOA dated 29/03/2006 for Software Development and IT Enabled Services and has been allotted Plot No. 85, NSEZ. LOA of the unit is valid upto 31/03/2017.

It was informed to the Approval Committee that M/s. Educomp Learning Pvt. Ltd. (which is a sister concern of M/s. Educomp Solutions Ltd.) is also working from the said plot on sharing basis. But, the main allottee i.e. M/s. Educomp Solutions Ltd. is not working and lying non-functional since 2013-14.

Shri A K Gupta and Shri Anil Singh, representative of company appeared before the Approval Committee. Shree Gupta informed that M/s. Educomp Learning Pvt. Ltd. is original allottee of the Plot No. 85, NSEZ. He further informed that they are trying to start work from M/s. Educomp Solutions Ltd.

The Approval Committee directed the Estate Management division to identify the original allottee of Plot No. 85, NSEZ. The Approval Committee further directed the representatives to start operations from M/s. Educomp Solutions Ltd. within the validity of its LOA i.e. 31/03/2017, failing which further extension in the validity of LOA may not be considered.

The Approval Committee further directed that the similar exercise should also be done in other cases where sharing permissions have been given and original allottee is not working so that a comprehensive view may be taken to deal with such cases.

9. Application of M/s. Para Jewels for setting up a new Unit in NSEZ.

It was informed to the Approval Committee that M/s. Para Jewels has submitted an application for setting up a new unit in NSEZ for manufacturing of Manufacturing of Natural or Cultured Pearls, Precious or Semi-precious Stones, Precious Metals, Metals clad with Precious metal and articles thereof; Imitation Jewellery; Coin etc. which was found deficient and accordingly deficiencies were conveyed to the applicant on 16/03/2016. However, applicant failed to remove the deficiencies till date.

It was further informed to the Approval Committee that the said proposal of M/s. Para Jewels was placed before the Approval Committee in its meeting held on 06.04.2016. However, no one from the company appeared for the meeting. The Approval Committee 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 each manufacturing items.

It was also informed that this office vide letter date 11.04.2016 had requested applicant to comply with the directions of the Approval Committee and submit reply to this office letter dated 16.03.2016. However, despite reminders dated 04/04/2016, 12/04/2016 & 05/07/2016, no reply from the applicant has been received till date.

No one from the applicant firm appeared for the meeting. The Approval Committee observed that the applicant has failed to remove the deficiencies, despite several opportunities/reminders and thus they do not seem to be interested in setting up of the proposed unit.

The Approval Committee, after due deliberations, decided to treat the proposal of M/s. Para Jewels as closed.

10. Proposal of M/s. Soyuz Trading Company Ltd. for setting up a unit in NSEZ.

It was informed to the Approval Committee that the proposal in respect of M/s. Soyuz Trading Company Limited for setting up a unit in NSEZ was placed before the UAC in its meeting held on 07.10.2015 wherein Shri V.K. Gupta, Director attended the meeting. He informed that their company is in the field of similar business since 1981. They are specialized in product outsourcing and machine optimization for DTA companies of BC Jindal Group. As on date there are 30 employees in their company and 5-6 of the employees are stationed at their Kolkata office. Remaining employees are generally stationed at sites of the clients at various places.

It was further informed that Representative of Income Tax Deptt. raised his concerns about the classification of the Income shown in the balance sheets of the company. His queries could not be replied properly by the Director of company. It was informed by the Director that he is not drawing salary from this company.

It was also informed that the Approval Committee in its meeting directed the applicant to submit some documents related to their authorized operations and existing unit at Kolkata. The Approval Committee deferred the case and also directed that on receipt of



above information/documents, the same may be sent to the Income Tax Deptt. and Noida Customs Deptt. for examination. Approval Committee further requested both these departments to ensure that their observations along with site inspection report of Kolkata Office of the applicant firm by the Income Tax Deptt. is sent to DC, NSEZ within 15 days from the date of furnishing of above documents to them. Accordingly, this office vide letter dated 14.10.2015 requested applicant to submit aforesaid information/documents, at the earliest.

The Approval Committee observed that the applicant has failed to remove the deficiencies, despite several opportunities/reminders and thus they do not seem to be interested in setting up of the proposed unit. The Approval Committee, after due deliberations, decided to treat the proposal of Soyuz Trading Company Ltd. as closed.

11. Proposal of M/s. NLB Services Pvt. Ltd. for enhancement of CG Limit.

It was informed to the Approval Committee that M/s. NLB Services Pvt. Ltd. has been issued an LOA dated 30/07/2015 for IT/IT Enabled Services. The unit is yet to commence its export activities from NSEZ. It was informed that the unit has submitted a proposal for enhancement in Capital Goods limit and also revised export projections from Rs. 5760 Lakhs to Rs. 9769 Lakhs.

Shri Naveen Kumar, authorized representative of the company appeared before the Approval Committee. He informed that they were earlier planning to start with only 80 employees in the first year. However, now they are hoping that number of employee would be approx. 200-250 and accordingly requirement of capital goods has been enhanced.

The Approval Committee, after due deliberations, decided to take on records the revised export projections submitted by the unit and also approved the proposal of unit for enhancement in capital goods.

12. Proposal of M/s. Gallium Industries Ltd. for inclusion of additional authorized operations in LOA.

It was informed to the Approval Committee that M/s. Gallium Industries Ltd. has submitted a proposal for inclusion of Manufacturing of Kitchen Appliances in their



authorized operations. It was further informed that few documents have been asked from the unit including manufacturing process flow chart vide this office email dated 04/07/2016, which are still awaited.

Shri Shivraj Singh, authorized representative of the company appeared before the Approval Committee and requested to defer the proposal as the concerned director of the company due to his pre-occupied schedule was not available for attending the meeting.

The Approval Committee decided to defer the case for its next meeting and directed the unit to submit the documents as asked vide this office email dated 04/07/2016.

SUPPLEMENTARY AGENDA:

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

1. Review of LOAs of units in NSEZ engaged into business of CRGO material.

It was informed to the Approval Committee that DOC vide its letter No. D-12/33/2016-SEZ dated 23/03/2016 has forwarded letter dated 01/03/2016 of Ministry of Steel wherein following issues have been raised regarding import of non-prime, mills left over, scrap and spurious CRGO material in SEZs by some traders circumventing the Steel Control Order:-

"It has further been informed that many companies are importing the non-prime, mills left over, scrap and spurious CRGO material from all over the world in SEZs. Some unscrupulous companies are also repeatedly importing core oil assemblies of old and decommissioned transformers from foreign countries, under the guise of scraping the same. Then they dismantle the copper and export the same from SEZ as copper scrap while CRGO laminations are sold in the DTA as Melting Scrap. However, it is relevant to mention that in India there is no unit manufacturing CRGO steel sheets out of CRGO melting scrap. Therefore, instead of melting this CRGO steel sheets under the guise of scrap, the sheets are directly reused by transformer or laminations manufacturers who manufacture laminations for smaller transformers from this old and used CRGO material which is restricted for import/use as per the Steel Quality Control Order. It is relevant to



mention that CRGO is the most important material for the power and transformer industry. Spurious quality of CRGO electrical steel results in inefficient and faulty transformers resulting in huge power losses.”

It was also informed that prior to receipt of above letter from Ministry of Steel, there are two approved units in NSEZ who are engaged in manufacturing & export of Lamination Core from CRGO Sheets namely M/s. Trade Perfections and M/s. Shree Namu Alloys. As there was no clarification/guidelines from Ministry of Steel received earlier on these issues, the LOAs to the existing units were issued as per the policy provision in place at that time and the conditions w.r.t CRGO Steel Sheets have not been mentioned in the LOA of above said units. It was recommended that such conditions may also be included in the LOA of existing units working for similar manufacturing activities.

M/s. Trade Perfections and M/s. Shree Namu Alloys were informed telephonically and requested to attend the meeting. However, no one from the above units turned up for the meeting.

The Approval Committee reviewed the authorized operations of M/s. Trade Perfections and M/s. Shree Namu Alloys and observed that in case of M/s. Trade Perfections, the unit has been authorized to do trading of different kind of Mobile Handsets with Accessories, which is not in line with other authorized operations of the unit.

The Approval Committee also observed that in case of Shree Namu Alloys, the unit has been allowed to “import old and used unserviceable Electric Transformers with attachment for dismantling and export”, whereas the Ministry of Steel has raised concern about the same issue.

The Approval Committee, after due deliberations, decided to impose following conditions in the LOA of M/s. Trade Perfections and M/s. Shree Namu Alloys:

1. Unit will import/purchase only prime CRGO for export production.
2. Unit will not be permitted to import non-prime, mills left over, scrap and spurious CRGO material.

The Approval Committee further decided to amend the LOAs of the said units by



	<p>removing following activities from their authorized operations:</p> <p>a) M/s. Trade Perfections – Trading of Different kind of Mobile Hand Sets with Accessories</p> <p>b) M/s. Shree Namo Alloys - Import of Old and Used Unserviceable Electric Transformers with Attachment for Dismantling and Export.</p>
2.	<p>Application of M/s. Indus Valley Partners (India) Pvt. Ltd. for setting up a new Unit in NSEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ for Software Development with projected exports of Rs. 6460 Lakhs and the NFE of Rs. 3925.45 Lakhs over a period of five years. It was further informed that on initial examination, few deficiencies have been observed in the application, which needs to be rectified by the applicant.</p> <p>Ms. Ravneet Kaur, Shri Chander Prakash and Shri M.P. Kaila, authorized representatives of the company appeared before the Approval Committee to explain the project. Ms. Kaur informed that the company has already been running three other units in Noida SEZ and currently approx. 250 employees are working. It was informed that the proposed unit will undertake the software development activity relating to real estate sector in USA which would be new line of activity for which they require separate LOA. Ms. Kaur further informed that they will employ around 50 persons in the proposed unit.</p> <p>The Approval Committee, after due deliberations, approved the application of M/s. Indus Valley Partners (India) Pvt. Ltd. for setting up a unit in Noida SEZ subject to rectification of deficiencies observed in their application.</p>
3.	<p>Proposal of M/s. Kortex Textiles Pvt. Ltd. for setting up a unit in NSEZ.</p> <p>With the approval of the Chair, a proposal of M/s. Kortex Textiles Pvt. Ltd. for setting up a unit in NSEZ for manufacturing of Native Silk Fabric was also placed before the Approval Committee. It was informed that the promoters of the company are Korean nationals and they have requested for urgent consideration as the machineries have to</p>



be imported from Korea.

Shri Jeong Yangjin, Director of the company appeared before the Approval Committee to explain the project. He informed that the machineries are to be imported from Korea and raw materials will be imported from China. He also informed that manufactured product i.e. Native Silk Fabric will be exported to Korea. He further stated that they need a separate premise at ground floor as the machineries to be installed are heavy and noisy, which can create a problem for nearby units.

It was informed to Shri Yangjin that currently there is space constraint in NSEZ and as on date no Plot is available in NSEZ for allotment. However, they may be allotted SDF on the ground floor as per their requirement of space in upcoming SDF Block which is currently under construction. It was further informed that they need to install sound proof enclosures in their factory premises at their own expense to avoid disturbance to nearby units. It was also informed to Shri Yangjin that their application is yet to be examined as the same was received only on 05/07/2016 and they need to rectify the deficiencies observed, if any.

The Approval Committee, after due deliberations, approved the proposal of M/s. Kortex Textiles Pvt. Ltd. in principle subject to removal of deficiencies, if any found after examination of the application, by the applicant. Shri Yangjin agreed to the decision of Approval Committee and assured to comply with the same.

Meeting ended with thanks to the Chair.



(S. S. Shukla)

Jt. Development Commissioner



(D. L.B. Singhal)

Development Commissioner