

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)

No.10/13/2006-Proj/

Dated: 07/09/2015

To

1. The Chief Executive Officer, New Okhla Industrial Development Authority, Main Administrative Building, Sector-6, Noida.
2. The Zonal Addl. Director General of Foreign Trade, C.L.A., "A" Wing, I.P. Bhavan, I.P. Estate, New Delhi.
3. The Commissioner of Income Tax, A-2D, Aaykar Bhawan, Sector-24, Noida.
4. The Commissioner of Customs, Noida Custom Commissionerate, Inland Container Depot, Tilpata, Dadri, Gautam Budh Nagar (U.P.) 201306.
5. The Director, Department of Commerce (SEZ Section), Udyog Bhavan, New Delhi.
6. Deputy Secretary (IF-I), Ministry of Finance, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi- 110 001.
7. The General Manager, District Industry Centre, Sector-20, Noida, Dist: G.B. Nagar (Representative of Principal Secretary, Industries, Govt. of U.P. Lucknow).

Sub: Minutes of Meeting of the Approval Committee of Noida SEZ held on 02.09.2015.

Sir,

Please find enclosed herewith a copy of Minutes of the Meeting of Unit Approval Committee in respect of Noida SEZ held under the chairmanship of Dr. L.B. Singhal, Development Commissioner, NSEZ on 02.09.2015 at 11:30 AM in the Conference Hall, Service Centre, NSEZ, Noida.

This issues with the approval of the Development Commissioner, NSEZ

Yours faithfully,

Encl: As above


(S.S. Shukla)

Jt. Development Commissioner

Copy to:-

1. P.S. to Development Commissioner – for information.
2. The Specified Officer, NSEZ – (along with copy of minutes) for information & necessary action.
3. ADC, EM Section, NSEZ – (along with copy of minutes) for information & necessary action.


Jt. Development Commissioner

Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 02/09/2015)

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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 02/09/2015 in the Conference Hall of NSEZ.

The following members of UAC were present during the meeting:-

- 1 Shri S.S. Shukla, Jt. Development Commissioner, NSEZ
- 2 Shri Rohit Dwivedi, Dy. Commissioner, Customs, Noida Commissionerate.
- 3 Shri U.K. Acharya, Dy. DGFT, CLA, New Delhi.
- 4 Shri Pankaj Srivastava, Dy. Commissioner, Income Tax Deptt., Noida.
- 5 Shri R. K. Yadav, Dy. Commissioner, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.).
- 6 Shri Shishir Kumar, 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.K. Srivastava, Dy. Development Commissioner, NSEZ, iii) A.K. Srivastava, Specified Officer, NSEZ, iv) Prakash Chand Upadhyay, Asstt. Development Commissioner, NSEZ, v) Shyam Milan Yadav, SDO, UPPCL, Noida and vi) Kapil Muni, JE, UPPCL, 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:-**

The Approval Committee ratified the Minutes of the last meeting held on 05/08/2015.

(ii) **Item wise decisions on proposals included in agenda:**



1. **Application of M/s. Medico Electrodes International Ltd. for setting up a unit in NSEZ.**

DDC, NSEZ informed the UAC that the applicant has proposed to set up a new unit in NSEZ to undertake the manufacturing & export of Medical goods & supplies with projected exports of Rs. 22400 Lakhs and the NFE of Rs. 5600 Lakhs over a period of five years.

Mr. Dinesh Kumar & Mr. Vimal Jain, authorized representatives of the company appeared before UAC to explain the project. The representatives informed that the promoters are already running one unit at NSEZ in the same name and that unit has achieved NFE Earnings worth Rs. 12403.74 Lakhs during current block of five years. The representatives stated that their proposed unit in NSEZ shall undertake the manufacturing & export of Medical goods & supplies, which is part of their expansion plan. The manufacturing activities in the new unit will be done by adopting latest technology.

After due deliberations, the Unit Approval Committee approved the application of M/s. Medico Electrodes International Ltd. for setting up a new unit in Noida SEZ.

2. **Application of M/s. Rajshi Industries for setting up a new unit in NSEZ.**

DDC, NSEZ informed the UAC that the applicant has proposed to set up a new unit in NSEZ, which has been found incomplete in many respects and the deficiencies have been conveyed to the applicant on 20.08.2015.

Mr. Aditya Lakhota, Partner appeared on behalf of the firm to explain the project. He stated that it has been proposed to set up a new unit in NSEZ to undertake the service activities for Software support like Die Designs, Tool Designs using design software like solid works. He further informed that the documents as asked vide this office email dated 20/08/2015 have been submitted in NSEZ on 01/09/2015. Shri Lakhota mentioned that they have units in Rai Bareilly and Greater Noida, which are engaged in export of Aluminum Casting etc. and have turnover of around Rs. 20 Crores. He further mentioned that this new project for service activities is part of expansion plan of firm. He further mentioned that they require space of approx 100 Sq. mtrs. and they will start operations immediately after getting the LOA and possession of space.



After due deliberations, the Approval Committee approved the proposal in-principle for setting up a unit in NSEZ. The UAC further directed that formal approval may be issued after rectification/submissions of all deficiencies/documents by the applicant.

3. Proposal in respect of M/s. Honey-Mc Dew Gold Inc. for Change of Partners & Monitoring of performance.

DDC, NSEZ informed the UAC that the unit has submitted a request for change of partners. He further informed that the unit has been non-functional since year 2012 and foreign exchange amounting to Rs. 381.83 Lakhs is lying unrealized. DDC also informed that UAC in its last meeting held on 05.08.2015 had deferred the matter, as no one from the unit had turned up for meeting.

Shri Muni Ram Verma, Partner, appeared on behalf of the firm. He stated that due to some personal family issues they were unable to concentrate on the business and hence have not been working since last two years. He mentioned that now his wife Smt. Asha Verma has left the firm and Shri Rishi Pal has joined him as a partner.

Shri Muni Ram Verma further informed that he is trying to realize all the pending foreign exchange and assured to realize the same within a year. The Committee directed the representative of the unit to obtain permission from RBI for extension of time for realization of the pending forex and submit a copy of the same to this office along with credible business plan.

Further, UAC was informed that they have submitted dissolution-cum-partnership deed duly registered by the Registrar of Firms. However, Shri R. K. Yadav, Dy. Commissioner, DIC explained that as per rules, dissolution deed as well as partnership deed, both need to be executed & registered separately.

After due deliberations, the Committee, approved the proposal for Change in Partners of the firm in-principle, subject to submission of registered dissolution of partnership deed and revised partnership deed with new partner duly registered before the Registrar of Firms. The Committee further directed the unit to re-start operations expeditiously and decided that the export performance of the unit shall be reviewed next year and if the unit fails to do export, their LOA shall be liable to be cancelled under section 16 of the SEZ Act, 2005. Shri Muni Ram Verma agreed to re-start the



export activities, at the earliest.

4. Proposal in respect of M/s. Jindal Dyechem Industries Pvt. Ltd. for Adjudication of SCN, Renewal & Amendment of LOA.

DDC, NSEZ informed that in compliance of the directions of UAC dated 22.07.2015, the unit has submitted documents on 01/09/2015, which are yet to be examined. Representative of the Firm was called for personal hearing twice, but he informed that Mr. Jindal has been delayed. The Approval Committee, after due deliberations, deferred the proposal for its next meeting and directed the unit to submit following information:

1. ITC HS Code of the proposed activity.
2. Items of export and Value addition proposed to be achieved in terms of Para 4.61 of Hand Book of Procedures.
3. Some photographs of the proposed items of manufacture.

Shri Rohit Dwivedi, Dy. Commissioner, Noida Customs requested DDC, NSEZ to forward a copy of the above documents to them, so that they can examine and convey the views of the Customs in the next UAC meeting.

5. Proposal in respect of M/s. Jindal Exports & Imports Pvt. Ltd. for Adjudication of SCN, Renewal & Amendment of LOA.

DDC, NSEZ informed that in compliance of the directions of UAC dated 22.07.2015, the unit has submitted documents on 01/09/2015, which are yet to be examined. Representative of the Firm was called for personal hearing twice, but he informed that Mr. Jindal has been delayed. The Approval Committee, after due deliberations, deferred the proposal for its next meeting and directed the unit to submit following information:

1. ITC HS Code of the proposed activity.
2. Items of export and Value addition proposed to be achieved in terms of Para 4.61 of Hand Book of Procedures.
3. Some photographs of the proposed items of manufacture.

Shri Rohit Dwivedi, Dy. Commissioner, Noida Customs requested DDC, NSEZ to forward a copy of the above documents to them, so that they can examine and



convey the views of the Customs in the next UAC meeting.

6. Proposal in respect of appeal of M/s. Sterling Flatware Ltd. against order dated 19.11.2014 of UAC.

DDC, NSEZ informed that M/s. Sterling Flatware had applied for transfer of Building at Plot No.9, NSEZ (4500 Sq.Mtr.) to another SEZ unit viz M/s. Hanung Toys & Textile Ltd. He further informed that the matter was placed before the UAC in its meeting held on 20/01/2014 and UAC had rejected the proposal which was conveyed to the unit vide letter dated 27/01/2014. DDC also informed that the unit had filed appeal before BOA against the decision of UAC and BOA in its meeting held on 20.02.2015 had remanded back the case to the DC, NSEZ for passing speaking orders.

DDC, NSEZ also informed that Shri P.K. Gupta, Director of M/s. Sterling Flatware Ltd. appeared before the UAC in its meeting held on 22.07.2015. Shri Gupta had requested UAC to give some time to verify the documents claimed to be submitted by them for extension of validity of LOA and lease deed, to which the UAC had agreed and directed the representatives of the unit to appear before the UAC in its next meeting and submit documentary evidence in support of their arguments. The representative of unit, however, neither appeared before the UAC nor submitted the requisite documents in spite of the fact that in the last UAC meeting he was informed in person to appear for Personal Hearing in next UAC meeting.

Chairman, UAC invited the attention of the members to Rule 11(5) of SEZ Rules, 2006, which says that notwithstanding any other conditions in the Lease Deed, the lease rights would cease to exist in case of the expiry or cancellation of LOA and in this case, LOA of M/s. Sterling Flatware had expired in 2002. Also, the unit had not made any request for renewal of the same. In addition, he mentioned that Lease Deed itself had expired in 2006 and no request for renewal of lease deed was received from the unit. Therefore, the proposal for transfer of assets and liabilities by M/s. Sterling Flatware to M/s. Hanung Toys & Textile Ltd. was not legally permissible.

The promoters were called to attend the meeting. However, no one turned up. The Committee, therefore, rejected the proposal of M/s. Sterling Flatware Ltd. for transfer of Building at Plot No. 9, NSEZ. UAC examined the case in detail taking into consideration Section 16 of SEZ Act, Rule 54 of SEZ Rules and Rule 74A of SEZ



Rules, 2006 and decided as follows:

1. LOA already stands expired in 2002. Unit had not even applied for renewal of LOA and has not been in operation at least since 2002. Lease of Plot also already stands expired.
2. UAC also decided to reject the request of transfer of assets and liabilities in terms of Rule 74A of SEZ Rules, 2006 as unit is not meeting the requirement of Rule 74A as follows:
 - i. Unit is not holding valid LOA as well as lease of land for a period of five years on date of transfer.
 - ii. Unit has not been in operation for a minimum period of two years as on date of transfer. Unit in fact has not been in operation at least since 2002 as LOA has already expired in 2002.

Hence UAC also directed unit to surrender its premises to NSEZ Authority immediately.

7. Proposal of M/s. Global Diamonds Pvt. Ltd. for Adjudication of SCN and renewal of LOA for next five years.

DDC, NSEZ informed that the Approval Committee in its meeting held on 22.06.2015 had directed the unit to submit revised projections along with credible business plan as projections given by them were not realistic as they had shown export of Rs. 29051 Lakhs against the raw material costing Rs. 198 Lakhs only. However unit had not submitted the revised projections & business plan till date.

DDC, NSEZ further informed that the LOA of the unit had already expired on 31.03.2012 and unit did not make any request for its renewal till April, 2015. The promoters were called to attend the meeting. However, no one turned up.

Chairman, UAC invited the attention of the members to Rule 11(5) of SEZ Rules, 2006, which says that notwithstanding any other conditions in the Lease Deed, the lease rights would cease to exist in case of the expiry or cancellation of LOA and in this case, LOA of M/s. Global Diamonds Pvt. Ltd. had expired in 2012. Also, the unit had not made any request for renewal of the same within due date.

The Committee, therefore, decided to cancel the LOA of M/s. Global Diamonds Pvt. Ltd. under Section 16 of SEZ Act, 2005 as it had already lapsed on 31.03.2012. UAC



directed the unit to complete exit formalities and hand over the Plots to NSEZ under its possession.

8. Proposal in respect of M/s. Apothecaries Clinical Research LLP for adjudication of SCN and LOA Amendment.

DDC, NSEZ informed that the Committee in its meeting held on 22.06.2015 had granted last opportunity to the unit of being heard and deferred the adjudication of SCN for its next meeting. He further informed that the unit vide its letter dated 08.08.2015 has requested for LOA amendment by the way of inclusion of additional items in authorized operations. Some documents/information have been sought from the unit vide letter dated 25.08.2015, which are awaited.

Shri Deepak Khanna, Authorized representative, appeared before the Approval Committee on behalf of the firm. He mentioned that due to regulatory restrictions introduced by the government and gross uncertainties in government policies with regards to clinical research, they were not able to export during last two years. He further stated that their authorized operations have been restricted by the UAC and he requested to restore all the activities they were previously permitted. He further assured to start the export within 2-3 months, once they will obtain the permission for LOA amendment.

The Committee, after due deliberations, approved amendment in LOA restoring authorized operations approved vide LOA No. 10/280/2009-Proj/9713 dated 30.12.2010, subject to submission of documents/information sought for vide this office letter dated 25.08.2015. The UAC further 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.

9. Adjudication of Show Cause Notice issued to M/s. Noida Plast Pvt. Ltd.

DDC, NSEZ informed that the LOA of unit had already expired on 04.06.2013 and unit had not requested for its renewal within due date. He further informed that the unit had made export of Rs. 48,000/- only during 2008-09 and has been lying non-functional since 2009-10.

The UAC further noted that the promoters of the company were given personal



hearing twice and informed via email dated 16.06.2015 & 28.08.2015 to attend the meeting. However, the promoters of the unit didn't turn up for the meeting.

Chairman, UAC invited the attention of the members to Rule 11(5) of SEZ Rules, 2006, which says that notwithstanding any other conditions in the Lease Deed, the lease rights would cease to exist in case of the expiry or cancellation of LOA and in this case, LOA of M/s. Noida Plast Pvt. Ltd. had expired in 04.06.2013. Also, the unit had not made any request for renewal of the same within due date.

The Committee, therefore, decided to cancel the LOA dated 05.06.2008 under Section 16 of SEZ Act, 2005 as the same had already lapsed on 04.06.2013. The Committee further directed the unit to vacate the Plot No. 69, NSEZ failing which action under PP Act shall be initiated.

10. Adjudication of Show Cause Notice issued to M/s. Jagat Gems & Jewellery.

DDC, NSEZ informed that the LOA of unit has already expired on 31.03.2015 and unit has not applied till date for its renewal. He further informed that lease rent amounting to Rs. 12,60,848/- is currently outstanding in respect of Plot No. 129G/33, 34 & 35, NSEZ as on 30/09/2015.

Shri Sarabjit Singh, Proprietor, appeared before the Approval Committee for personal hearing. He explained that due to his ill health, he was not able to concentrate on the business and hence could not carry on his export activities in NSEZ during last a few years. He further informed the Committee that the lease rent will be deposited by this month.

The Committee, after due deliberations, deferred the case with following directions to unit:

1. Submit concrete business plans along with timeline for the implementation of project.
2. Clear entire outstanding lease rent as on date.
3. Submit documentary evidence in respect of health conditions of Shri Sarabjit Singh.

UAC decided that a view will be taken by UAC after taking into account complete facts



	including export performance of the unit during 2010-11 to 2013-14.
11.	<p>Application of M/s. Walnut Consulting for setting up a new Unit in NSEZ.</p> <p>DDC, NSEZ informed the UAC that the applicant has submitted an application for setting up a new unit in NSEZ for undertaking service activities related to IT/ITES. The application has been found deficient in many respects and the deficiencies have been conveyed to the applicant on 28.05.2015. However, applicant has not rectified the deficiencies till date.</p> <p>The Committee noted that the promoters of the company were earlier called in the UAC meeting held on 12.03.2015 and 07.05.2015 to explain their project. However, the promoters of the company failed to turn up for the meeting(s).</p> <p>The Committee, therefore, rejected the proposal of M/s. Walnut Consulting for setting up a unit in NSEZ.</p>
12.	<p>Application of M/s. Iridium Technosystems Pvt. Ltd. for setting up a new Unit in NSEZ.</p> <p>DDC, NSEZ informed the UAC that the applicant has submitted an application for setting up a new unit in NSEZ for manufacturing of Electronics Products. The application has been found deficient in many respects and the deficiencies have been conveyed to the applicant on 28.08.2014. However, applicant has not rectified the deficiencies till date.</p> <p>The Committee noted that the promoters of the company were earlier called in the UAC meeting held on 12.03.2015 and 07.05.2015 to explain their project. However, the promoters of the company failed to turn up for the meeting(s).</p> <p>The Committee, therefore, rejected the proposal of M/s. Iridium Technosystems Pvt. Ltd. for setting up a unit in NSEZ.</p>
13.	<p>Adjudication of Show Cause Notice issued to M/s. Kishan Lal Jewels Pvt. Ltd.</p> <p>DDC, NSEZ informed the UAC that promoter of unit had sent an email and requested to defer/ postpone the personal hearing as he is out of India for some urgent export order. The Committee acceded to the request and deferred the proposal to the next</p>



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	meeting of UAC.
14.	<p>Additional Matters discussed in the UAC.</p> <p>DDC, NSEZ informed the Approval Committee that M/s. Impetus Infotech (India) Pvt. Ltd., an approved unit at NSEZ, has requested for approval for additional service i.e. "Management or Business Consultant Service" for availing service tax exemption. It has been further informed that such requests need approval of UAC as per guidelines laid down in Instruction No. 79 dated 19.11.2013 and DOC letter dated 24th June, 2014.</p> <p>The Committee acceded to the request of M/s. Impetus Infotech (India) Pvt. Ltd. and approved "Management or Business Consultant Service" as additional service to the unit.</p>

Meeting ended with thanks to the Chair.

