

NOIDA SPECIAL ECONOMIC ZONE

Minutes of 3rd Meeting (2018 Series) of Unit Approval Committee for EOU Scheme held under the Chairmanship of Dr. L.B. Singhal, Development Commissioner, NSEZ, Noida on 09.05.2018 at 03.30 AM at NSEZ, Noida.

3rd Meeting (2018 Series) of Unit Approval Committee for EOU scheme (UAC) was held on 09.05.2018 under the chairmanship of Dr. L.B. Singhal, Development Commissioner, Noida SEZ.

The following members of the Unit Approval Committee were present in the meeting:

1. Shri S.S. Shukla, Joint Development Commissioner, NSEZ, Noida.
2. Shri Rajesh Sharma, Assistant Commissioner, Customs, ICD Noida.
3. Shri Durga B Chhetri, Assistant Commissioner, Customs (Preventive), Delhi.
4. Shri R.L. Meena, Assistant DGFT, Central Licensing Authority, New Delhi.

Besides during the meeting of UAC, Smt. Mala Rangarajan, DDC and Shri Ram Baboo, ADC were also present to assist the UAC.

2. The Chairman welcomed all participants of the UAC and thereafter agenda was taken up for discussion.

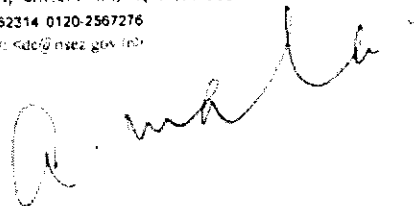
3.0(2018) Confirmation of Minutes of 2nd Meeting (2018 series) of the UAC held on 16.04.2018.

The Committee ratified the Minutes of the 2nd UAC meeting (2018 Series).

3.01(2018) Proposal for Issuance of LOP after one year of approval of the proposal for setting up a new 100%EOU for manufacture and export of restoration of Automobiles, Cars and Carriages, Locumatives, Transport Vehicles, Antiques, machinery Engine and Auto Parts.

It was informed that the proposal has already been approved in the 3rd Meeting (2017 series) of UAC held on 11.04.2017 subject to following conditions:-

- 1) Receipt of positive site inspection report from jurisdictional Central Excise;
- 2) Provision of para 6.08, 6.09, 6.13, 6.14 of FTP and para 6.29(a),(b),(c) & (d) of HBP shall not, however, apply to such activities;



- 3) The unit shall not import prohibited items of import in the ITC (HS);
- 4) Any permission required for import under any other law shall be applicable; and
- 5) The proposal is basically carrying out restoration work and can be considered under para 6.16 of FIP 2015-2020, hence the unit would not be permitted to undertake activities such as sale in domestic tariff area, export through third party, transfer of goods to another EOU, sub-contracting or job-work and supply or sale of samples.

Positive site inspection report from Central Excise was also received vide letter CE-20/deneb/RC/R-XX/D-IV/GGN-1/02/16-17/504 dated 01.05.2017 from the Assistant Commissioner, Division-IV, Central Excise Gurgaon-I However, the unit desired that issuance of LoP be kept in abeyance. Therefore, LoP was not issued. However, the unit, after lapse of one year, vide its letter dated 25.04.2018, has requested that LoP may be issued.

The Committee deliberated the matter. Jurisdictional Customs Officer, Shri Chhetri AC (Customs) informed the Committee that the site inspection was again carried out by the officers of Customs (Preventive) and it was found that the said firm does not exist at the said premises. Further, AC (Customs) stated that it was informed by the security guard posted there that the firm was earlier located at the basement of the premises. However, they had vacated the premises in mid-April. It was also informed that the owner of the premises also confirmed that the unit had left and that they had paid rent only upto March'2018.

Shri Madan Mohan, Managing Director appeared before the Committee. He explained that they have a valid lease deed for nine years (upto March'2026) of the premises. He further mentioned that there were two parts of the site. In one part there was tourist office, which has been recently closed down / vacated. Second part is bare land and when the officers of jurisdictional Customs reached there, only Guards were available who were not aware about lease of adjoining part of land where EOU is proposed to be set up. The Committee asked the representative of the unit to furnish a copy of the registered Lease Deed. He also mentioned that now smaller land would be required and keeping this in view they will submit revised Lease

A. Mohan

Deed in respect of lesser area. Further, the Committee directed that site inspection should be carried out again and the directors of the unit should be present during site inspection. AC (Customs) and representative of the unit exchanged their phone numbers.

It was also clarified that the process of re-conditioning and restoration comes under para 6.16 of FTP and provisions of para 6.08, 6.09, 6.13, sub-contracting under para 6.14 are not applicable to the proposal covered under para 6.16 of FTP. The representative of the unit submitted that carrying out restoration work without sub-contracting would entail heavy investment and that he will have to consult his team before taking final decision in the matter.

The Committee decided to defer the proposal and requested AC (customs) to furnish a detailed site inspection report. The representative of the firm was asked to communicate his decision at the earliest.

3.02(2018) Proposal for setting up of a 100%EOU M/s Foodimentary (India) Private Limited for manufacture and export of Ready to Cook Sauces, Daals, Chutnis and Wraps.

It was informed that the proposal received from M/s Foodimentary (India) Private Limited was for setting up of a 100%EOU at E2 & E3, Rajat Industrial Park, Vikrampur, Bazpur, Distt. Udham Singh Nagar, Uttarakhand-262401 for **manufacture and export of Ready to Cook Sauces, Daals, Chutnis and Wraps under ITC (HS) Code 21039000 with annual capacity 1200/- MT PA.** As per project report, unit has three directors details of which are as under:-

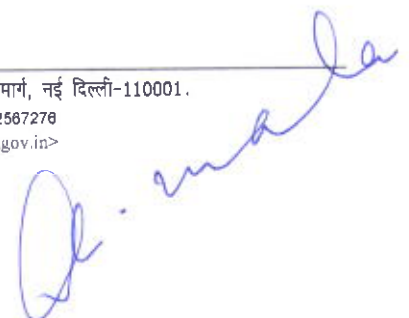
- A. Udaivir Vikramaditya Singh Rathore, Managing Director: MBA from the Melbourne Business School, Australia. Shri Udai having experience of approx. 25 years and a financial services professional, he has handled profit centres, SBUs and Country Business Operations for banks and financial services companies across the globe.
- B. Ranjit Singh Sethia, Non-executive Director: Having 50 years of entrepreneurial and business experience in food & drink sector in India and in UK. His role in the business as advisory capacity.

C. Sundeep Sethia, Director: Sundeep Sethia having degree in Engineering and Economics Management from Oxford University and has over 30 years of experience.

It was also informed that the proposal has already been considered and approved by Cochin SEZ. The initial proposal was for setting up EOU at Tumkur, Karnataka. LOP has also been issued. However, they could not implement the project due to delays and cost overruns.

Shri Sundeep Sethia, Director of the firm appeared before the Approval Committee to explain the proposal. He informed that Foodmentary (India) Private Limited is a subsidiary of The Foodimentary Group Ltd., UK and they have been in food industry since 2013 and dealing in Services related to food industry for Retail, Procure to Pay, Supply chain Management, Inbound & Outbound Logistics Services, Market Research, Analytics, Data Processing, Software Services, Software & Process Consultancy and Customer Relationship Management Services, The company is also engaged in overseeing its group company 'The Spice Tailor Limited (TST)', production and export of TST products by ITC Limited (Food division), Bengaluru and Tasty Bites Eatables Limited, Pune for the last five years.

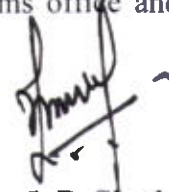
He informed that their company has been sub-contracting production activities to other companies. Further, it was informed that they have taken on lease the premises from one of their sub-contractor alongwith the machines. It was also informed that lease deed was valid for six years. As far as the reason behind setting up the project under EOU scheme, he informed that they need to import some of their raw materials on regular basis. In this regard, he submitted that some of the raw material such as dairy product cannot be sourced from domestic market, as dairy products from India are prohibited in U.K., their main market. Therefore, they need to import these raw materials on regular basis and incentives available under EOU scheme would give them cost advantage and help them in being competitive in global market.



It was also informed that investment of approx. Rs.12.00 crore in capital goods over a period of five years would be made by the company.

The committee noted that proposal is for conversion of existing DTA unit into 100%EOU. The Committee directed the unit to submit detailed technical report duly certified by an independent Chartered Engineer, with details of list of capital goods installed in the unit alongwith its value, age etc.

The Committee, after due deliberations, approved the proposal of the unit subject to the receipt of positive site inspection report from jurisdictional Customs office and submission of technical report duly certified by Chartered Engineer.



(Dr. L.B. Singhal)
Development Commissioner