



GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
OFFICE OF THE DEVELOPMENT COMMISSIONER
NOIDA SPECIAL ECONOMIC ZONE
NOIDA DADRI ROAD, PHASE-II, NOIDA - 201305
DISTT. GAUTAM BUDH NAGAR (UTTAR PRADESH)

फ. स.10/191/2008-सेज/

दिनांक: 24/05/2018

1. निदेशक, वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली-110001।
2. संयुक्त महानिदेशक विदेश व्यापार, उद्योग भवन, तिलक मार्ग, जयपुर (राजस्थान)।
3. आयुक्त, (सीआईटी-तृतीय-जयपुर), न्यू सेंट्रल रेवेन्यू बिल्डिंग, स्टैचू सर्किल, सी-स्कीम, जयपुर (राजस्थान)।
4. आयुक्त केन्द्रीय उत्पाद शुल्क, जयपुर-1, न्यू सेंट्रल रेवेन्यू बिल्डिंग, स्टैचू सर्किल, सी-स्कीम, जयपुर (राजस्थान)।
5. प्रबंध निदेशक, रीको लिमिटेड, उद्योग भवन तिलक मार्ग, जयपुर (राजस्थान)।
6. उपसचिव (आई एफ - 1), बैंकिंग प्रभाग, आर्थिक मामलों का विभाग, वित्त मंत्रालय, भारत सरकार, तृतीय तल, जीवन दीप बिल्डिंग संसद मार्ग, नई दिल्ली।
7. आयुक्त, उद्योग विभाग, उद्योग भवन, तिलक मार्ग, जयपुर (राजस्थान)।
8. महाप्रबंधक, रीको लिमिटेड, उद्योग भवन तिलक मार्ग, जयपुर (राजस्थान)।
9. महिंद्रा वर्ल्ड सिटी (जयपुर) लिमिटेड (विकासकर्ता), 411, नीलकंठ टावर, भवानी सिंह मार्ग, सी स्कीम, जयपुर-302001 (राजस्थान)।

विषय: दिनांक 18/05/2018 पूर्वाह्न 11.30 बजे रीको बोर्ड रूम, उद्योग भवन, तिलक मार्ग, जयपुर में आयोजित महिंद्रा वर्ल्ड सिटी (जयपुर) लिमिटेड मल्टी प्रोडक्ट विशेष आर्थिक क्षेत्र के अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी।

महोदय,

उपरोक्त विषय के सन्दर्भ में डा० एल बी सिंघल, विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता में दिनांक 18/05/2018 को पूर्वाह्न 11.30 बजे रीको बोर्ड रूम, उद्योग भवन, तिलक मार्ग, जयपुर में आयोजित महिंद्रा वर्ल्ड सिटी (जयपुर) लिमिटेड विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त संलग्न है।

इसे विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र, नोएडा का अनुमोदन प्राप्त है।

संलग्नक : उपरोक्त

भवदीय,
रवि कुमार श्रीवास्तव
(रवि कुमार श्रीवास्तव)
उप विकास आयुक्त

Minutes of the meeting of Approval Committee of Multi-Product SEZ of M/s. Mahindra World City (Jaipur) Ltd. held under the Chairmanship of Dr. L.B. Singhal, Development Commissioner, Noida SEZ at 11.30 AM on 18.05.2018 at Board Room of RIICO, Udyog Bhawan, Tilak Marg, Jaipur.

The following members of Approval Committee were present during the meeting:-

1. Shri Virendra Singh, Joint DGFT, Jaipur.
2. Shri Sampat Rai, Asstt. Commissioner, Central GST, Jaipur-1.
3. Shri Sanjay Mangaim, Dy. Director, DIC, Jaipur.
4. Shri P.R. Gomlada, Dy. Manager, RIICO, Jaipur.
5. Shri Anuj Bindal, General Manager, Mahindra World City (Jaipur) Ltd. – Representative of Developer, Special Invitee.

❖ Besides, during the meeting i) Shri Shri Prakash Chand Upadhyay, ADC and ii) Shri J.C. Gupta, Specified Officer were also present to assist the Approval Committee.

❖ At the outset, the Chairman welcomed the participants. After brief introduction, the Chairman informed the members of the Approval Committee that Department of Commerce, Government of India has issued Gazette Notification No. 1713 (E) dated 17.04.2018 for merger of five sector specific SEZs (IT/ITES SEZ, Engineering & Related Industries SEZ, Handicraft SEZ, Gem & Jewellery SEZ & IT/ITES including Software & Hardware manufacturing SEZ) of M/s. Mahindra World City (Jaipur) Ltd. into one Multi-Product SEZ over an area of 604.5836 hectares. Thereafter, each items included in the agenda were taken up for deliberation one by one. After detailed deliberations amongst the members of the Approval Committee as well as interaction with the applicants / representatives of the developers / units, the following decisions were taken:-

01. Ratification of Minutes of last meeting of the Approval Committee held on 16.03.2018:-

The Approval Committee was informed that no reference against the decisions of the Approval Committee held on 16/03/2018 was received from any of the members of the Approval Committee or Trade and therefore, Minutes of the Meeting held on 16/03/2018 were ratified.

02. Proposal of M/s. Sigma Electric Manufacturing Corporation Pvt. Ltd. for setting up a unit in the Multi-Product SEZ of M/s. Mahindra World City(Jaipur) Ltd. located at Village Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta, Tehsil-Sanganer, Distt- Jaipur (Rajasthan)

It was brought to the notice of the Approval Committee that M/s. Sigma Electric Manufacturing Corporation Pvt. Ltd. has submitted an application for setting up a unit over an area of 26818.20 Sqmt. at Plot No. PA-009-002 to 005 in the Multi-Products SEZ of M/s Mahindra World City (Jaipur) Ltd. located at Village Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta, Tehsil-Sanganer, Distt- Jaipur (Rajasthan) for 'Manufacturing of i). Electrical Wiring accessories & Parts thereof made of base metal Copper, Iron, Aluminum, Zinc Aluminum Bronze & Steel alloys (Chapter Heading 8538),



ii). Machined cast components & finished products thereof for automotive & non-automotive applications (Chapter Heading 7307), iii). Tubes & pipes & steel fittings & parts thereof (Chapter Heading 7307), iv). Flow Control & fire protection system (Chapter Heading 7326), v). Industrial & Power transmission & Distribution parts (Chapter Heading 8538), vi). Bearing Housing parts (Chapter Heading 8483), vii). Hydraulic cylinder parts, covers (Chapter Heading 8412), viii). Power transmission for automotive segment (Chapter Heading 8708), ix). Tools & Dies, Jig & Fixtures, Core boxes, Match Plates for Captive use and exports (Chapter Heading 8466), x). By-Products-Scrap and Machining chips (Chapter Heading 7204)" with projected exports of Rs. 25217.00 Lakhs and the cumulative NFE of Rs. 13238.00 Lakhs over a period of five years. It was also informed that the investment of Rs.2225.00 Lakhs towards imported capital goods and Rs.2640.00 lakhs towards Indigenous capital goods & other cost of the project would be met from the Capital / Internal Accruals & Term Loan (ECB). It was further informed that the SEZ developer has given provisional offer for allotment of proposed land to the applicant.

It was also informed that Following shortcomings have been observed in the application in the first instance, which had been communicated to the applicant:-

- (i) Discrepancies in Online Form-F:-
 - a) Duly signed / stamped printout of online Form-F not submitted.
 - b) Details of all 11 Directors required to be mentioned in Para IV of Form-F. Applicant has mentioned details of 07 Directors only. There is also variation in namely of these directors at both places.
 - c) Complete list of proposed items of manufacture has not been mentioned in Para V of Form-F in comparison to the list of proposed items of manufacture mentioned in Project Report. Besides, Annual capacity may be rechecked wither MT or Tones.
 - d) Correct Value of proposed indigenous capital goods required to be mentioned in Para VII(a) of Form-F. Applicant has mentioned Rs.264 lakhs instead of Rs.2640 lakhs.
- (ii) As per copy of Board Resolution dt. 28.03.2018 furnished by the applicant, any two officers of the company from Mr. Kirankumar Yashwantraai Acharya, Mr. Niteen Ganesh Inamdar, Mr. Mukesh Kumar Jain & Mr. Navnath Ganpat Tarle are authorized, jointly, to sign documents on behalf of the company. However, all the documents of instant application have been signed by Mr. Mukesh Kumar Jain only. Therefore, copy of Board Resolution authorizing Mr. Mukesh Kumar Jain to sign severally on behalf of the company required to be submitted.
- (iii) Copy of Certificate of Incorporation originally issued in the name of 'Sunk Rock Metal Foundries India Pvt. Ltd.' required to be given.
- (iv) Copies of PAN Card of all Directors (except Mr. Kirankumar Yashwantraai Acharya) required to be submitted.
- (v) Copies of valid passport of Mr. William Thompson Tolley, Mr. Thomas Kerr Armstrong Jr. required to be given as validity of passport of these directors already expired.



- (vi) Residential address proof of foreign directors namely Mr. Joseph Gerard Del Toro , Mr. Tariq Abdalla Mohamed Osman, Ms. Joyce Demonteverde, Schnoedl, Ms. Heather Lynne Faust, Mr. William Thompson Tolley, Mr. Thomas Kerr Armstrong Jr., Mr. Charles Joseph Burns required to be submitted as passports of these directors do not contain their residential address.
- (vii) Copy of Form-32/DIR 12 for appointment of Ms. Heather Lynne Faust along with copies of Form-32/DIR 12 for cessation of first directors namely Mr. Pranay Prakash Bhatia & Mr. Rajesh Papatial Thakkar required to be submitted.
- (viii) Applicant has shown purchase value of proposed SEZ land as Rs.10.86 crore at page 26 of project report which needs to be corrected as land is to be taken on lease only.
- (ix) Current shareholding of company duly certified by CA may be submitted.
- (x) Copy of PAN Card in the name of M/s. Sigma Electric Manufacturing Corporation Pvt. Ltd.
- (xi) Address proof of Mr. Viren Ajit Joshi and Mr. Kirankumar Yashwantraai Acharya matching with address given in list of directors.
- (xii) Applicant needs to specify ITC(HS) Code of items under heading 7204 as some items under this heading are Restricted.
- (xiii) Item-wise manufacturing process flowchart of all the proposed item of manufacture.

It was further informed that the applicant had submitted its reply which is being examined.

Mr. Mavnath G. Tarie, Sr. V.P.- Operations & Mr. Mukesh Jain, Sr. V.P.- Finance appeared before the Approval Committee on behalf of the applicant company and explained the proposal. The representatives of the applicant firm informed as under:-

- The Company was originally promoted by Mr. Sajjan Kumar Agarwal, NRI and having the Business in the name of M/s Sigma Electric Manufacturing Corp., USA. The Company is incorporated on 17-05-1989. The company is presently controlled and owned by M/s Sunk Rock Mauritius Acquisitions Company (Finally owned by PE i.e. Argand Partners LP).
- All the existing facilities of Sigma both at Pune & Jaipur are 100% EOU status holder and exporting more than 95% of its products mainly to USA and have achieved Positive NFE throughout the years since inception.
- Product range of the company includes machined ferrous and non-ferrous sand-cast, gravity, die-cast metal parts and assemblies. The Products of the company are made in Copper, Iron, Steel, Zinc, Aluminum, and Aluminum Bronze etc. Products are used in Industries like Lighting, Electrical, Home Appliances, Power Tools, Construction Machinery, Farm Equipment etc.



- The plant would be one of the best in the industry across countries and would be developed in phases. In the first phase SIGMA is proposing to acquire land approx. 27000 sq. mtrs in Mahindra SEZ, Jaipur. It will have capacity of manufacturing of 4500 MT of casting parts. The main product includes Electrical wiring accessories & parts thereof, Industrial and Power transmission & distribution, Hydraulics, Bearing housing parts, Flow control & fire protection systems, Power transmission for automotive segment. Presently in first phase Company is setting up an industrial unit in SEZ for Iron facilities only and to meet subsequent requirement for Non-Ferrous products such as made of base metal like: Aluminum, Zinc & Copper alloys and Aluminum Bronze etc, for such future requirement and expansion they will approach separately to Development Commissioner office, NSEZ, Noida for taking appropriate approvals as required. Majority production would be exported to USA.
- They will import high end machines such as high pressure mold line from Sinto Japan, Sand Plant equipments from Germany and machining equipment such as CNC/VMC and various SPM's machines for assemblies, grinding machines and robots for various critical requirements including high end pollution equipment and other allied equipments for utilities, finishing etc. Imports of various input material, consumables, assembly parts and spares will also be procured from overseas besides some requirement will be met from domestic source.
- Necessary required latest pollution control equipment's will be installed to ensure environmental and other requirements to meet pollution control norms. They shall also take required approvals for the same from respective Govt authorities such as Pollution Control Deptt.
- Sub-contracting will be required for certain processes outside such as CNC/ VMC machining of casting parts, paint and powder coatings and certain plating process on need base on respective customer requirement and where capacity constraints will be there specially to handle peak customer demands or having seasonal impact in demand where necessary shall be out sourced.
- Major manufacturing activities will be carried out within the SEZ premises, besides, approx. 15% work may be done through sub-contracting from DTA. The required necessary Customs/Excise Permission will be obtained before doing such Sub-contracting and all necessary applicable laws will be taken care as prescribed. They will not send Scrap material outside for Job work/sub-contracting.



- That they do not produce CRGO Steel material as a Product nor shall be using said raw material whether prime or scrap for their production requirement though they have Raw material requirement of Steel scrap which will be met from domestic source as well Pig Iron will be used as raw material. Further Instruction no. 87 Dated : 20.12.2016 issued regarding import of non-prime, mill left over, scrap and spurious CRGO material does not fall in their required category of raw material or finished product as clarified further in the Steel Products (Quality Control) Second Order dated: 12.03.2012 of Ministry of Steel. It was further declared that they will neither consume nor do import such material for their requirement as such the said orders shall not be applicable on them.

After due deliberations, the Approval Committee approved the proposal, subject to examination of documents submitted by the applicant along with the following terms & conditions:-

- (i) Import of non-prime, mills left over scrap and spurious CRGO materials will not be allowed for this project and Instruction No. 87 dated 20.12.2016 issued by DOC will be strictly complied with in this regard.
- (ii) Unit shall obtain necessary environmental clearances prior to commencement of operation from SEZ and also comply with environment pollution control norms.
- (iii) Removal of scraps outside SEZ for sub-contracting will not be allowed.

The Approval Committee directed the Specified Officer to ensure the compliance of relevant provisions of SEZ Act / Rules by the unit. The Approval Committee directed the representative of the applicant to submit a brief note on their activities on PAN India basis along with flow-chart. Accordingly, as per direction of the Approval Committee the applicant has submitted a brief note for the same vide its email dated 22.05.2018.

3. Proposal of M/s. Mahindra World City (Jaipur) Ltd., Developer for grant permission for operating OLA Pedal Services in the Multi-Product SEZ of M/s. Mahindra World City(Jaipur) Ltd. located at Village Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta, Tehsil-Sananer, Distt- Jaipur (Rajasthan).

It was brought to the notice of the Approval Committee that M/s. Mahindra World City (Jaipur) Ltd., Developer has submitted a request for grant permission for operating OLA Pedal Services in the SEZ premises. It was informed that the developer had furnished copy of MOU dated 21.02.2018 (effective from 10.02.2018) signed with M/s. ANI Technologies Pvt. Ltd. (OLA) for the period of three years. It was further informed that as per para 2.3 of said MOU, OLA shall provide bicycles on rental basis (to be booked through 'Ola Cabs' mobile app.) to the operating units and people working within SEZ. Further, in Para 4 of said MOU, it has been mentioned that MWCJ & OLA shall mutually determine and allow OLA to park the bicycles and / or setup designated 'Docking Stations', if required at the mutually identified locations in SEZ. Such stations may be moved, with reasonable prior intimation. The location of parking of bicycles shall be provided without any charges however if



the agreement creates any long-term occupancy of the locations then mutually agreed charges may be applicable.

Shri Anuj Bindal, G.M. & Shri Vimal Mishra, DGM appeared before the Approval Committee on behalf of the developer and explained the proposal.

The Approval Committee observed that request of the developer is neither for setting up a unit nor allotment of space to facility provider under Rule 11(5) of SEZ Rules, 2006. Hence, the Approval Committee decided that the developer has to take its own decision for creation of said facility in SEZ.

04. Proposal of M/s. Infosys BPM Ltd., Co-developer for approval of list of goods to carry on default authorized operation in the M/s. Mahindra World City (Jaipur) Ltd. Multi-Product SEZ at Jaipur (Rajasthan).

It was brought to the notice of Approval Committee that M/s. Infosys BPM Ltd., Co-developer has submitted proposal for approval of list of materials to carry on following authorized operation in the Multi-Product SEZ of M/s. Mahindra World City (Jaipur) Ltd. at Village Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta, Tehsil-Sanganer, Distt- Jaipur (Rajasthan):-

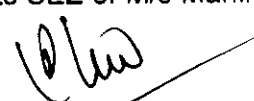
S. No.	Name of Authorized Operation	S. No. at default list of Auth. Opr. as per Inst. No. 50 & 54	Estimated Value of goods (Rupees in lakhs)
(i).	Parking including Multi-Level Car Parking (automated / manual)	18	27.50
(ii).	Security offices, police posts, etc at entry, exit and other points within and along the periphery of the site.	11	103.00
(iii).	Roads with Street lighting, Signals and Signage.	01	138.00
		Total:	268.50

Shri Puneet Mundhra, Sr. Manager & Shri Vasudev Shenoy, Sr. Manager-Finance appeared before the Approval Committee on behalf of the co-developer and explained the requirement of proposed materials.

After due deliberations, the Approval Committee approved the list of materials.

05. Proposal of M/s. Aro Granite Industries Ltd. for setting up a unit in the Multi-Product SEZ of M/s. Mahindra World City(Jaipur) Ltd. located at Village Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta Tehsil-Sanganer, Distt- Jaipur (Rajasthan)

It was brought to the notice of the Approval Committee that M/s. Aro Granite Industries Ltd. has submitted an application for setting up a unit over an area of 27610.60 Sqmt. at Plot No. PA-008-010 to 014 in the Multi-Products SEZ of M/s Mahindra World City (Jaipur) Ltd. located at Village

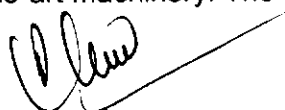


Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta, Tehsil-Sanganer, Distt- Jaipur (Rajasthan) for manufacturing of "Polished Random Granite Slabs" with projected exports of Rs. 20060.00 Lakhs and the cumulative NFE of Rs. 18152.00 Lakhs over a period of five years. It was also informed that the investment of Rs.2300.00 Lakhs towards imported capital goods and Rs.2680.00 lakhs towards Indigenous capital goods & other cost of the project would be met from the Equity (Internal Accruals) & Debt. It was further informed that the SEZ developer has given provisional offer for allotment of proposed land to the applicant.

It was also informed that Following shortcomings have been observed in the application in the first instance, which had been communicated to the applicant:-

- (i) Discrepancies in Online Form-F:-
 - a) Total proposed forex outgo for 5 years has been shown Rs.1908 lakhs in para XI of Form-F, whereas investment on imported Plant & Machinery has been shown as Rs.2300 lakhs in para VI(a)(ii) of Form -F. Therefore the applicant is required to include proposed value of imported Plant & Machinery in proposed forex outgo.
 - b) Value in Para VII of Form-F need to be given in INR only & not in lakhs.
 - c) Name in Form-F signatory is written as Sahil Arora, however specimen signature appears to be of Sunil Arora while comparing with signature of Audited Balance sheet for 2017-18.
- (ii) Copy of Certificate of Incorporation along with Memorandum of Association of the company required to be given.
- (iii) Variation in residential address of Mr. Sahil Arora in his Aadhaar Card vis-à-vis details mentioned in Para IV of Form-F have been found. Besides, copy of complete Aadhaar Card having residential address not given in respect of Mr. Rahul Gupta.
- (iv) Copy of Form 32/DIR 11/12 for appointment of Mr. Sunil Arora and Copy of Form 32/DIR 11/12 for cessation of first director namely Mr. Prem Arora required to be submitted.
- (v) In Cost of Project, value of Plant & Machinery has been mentioned as Rs.23.03 Crore (page 11 of DPR), whereas total investment on imported & indigenous Plant & Machinery has been shown as Rs.49.80 Crore in para VI of Form-F.
- (vi) Variation in figures of Means of Finance given in Project Report vis-à-vis Para VI(b) of Form-F have been found. Hence correct figures may be provided.
- (vii) Updated details of directors / shareholding required to be mentioned in project report
- (viii) Copy of LOP No. A/2000(56)/EOU-TN dated 29.03.2000 may be given.
- (ix) Value of imported & indigenous capital goods given in list does not match with value of capital goods given in Form-F.

Mr. Sahil Arora, Director appeared before the Approval Committee on behalf of the applicant company and explained the proposal. He informed that the company was promoted by Mr. Sunil K Arora, Director in the year 1988. Presently the company has a 100% EOU located in Hosur, Tamilnadu, engaged in the processing and exporting of Granite Tiles and Granite Slabs. He further informed that they are exporting more than 100 shades / colours of granite from India to over 50 countries around the world. He informed that the company is a certified IMS company, a recognised Star Export House and amongst the largest exporter of granite tiles and slabs in the country. He further informed that the company has manufacturing plants comparable to the best in the world, equipped with state-of-the-art machinery. The company maintains best quality standards to meet the



ever-changing expectations of buyers worldwide, be it in terms of product quality or delivery. He informed that the proposed new plant in Mahindra SEZ will enable them to reduce transportation cost by more than 50%.

It was informed to the Approval Committee that background of the company & its promoters had been inquired over phone from Mr. Suresh Babu, Dy. Dev. Commissioner, looking after matters of 100%EOU, MSEZ and he informed that nothing adverse has come to the notice against the available directors / promoter of M/s. Aro Granite Industries Ltd., with them.

After due deliberations, the Approval Committee approved the proposal, subject to the condition that the applicant company shall obtain necessary environmental clearances and necessary permission from Deptt. of Mining, prior to commencement of operation from SEZ and also comply with environment pollution control norms. Approval Committee further directed the representative of the applicant unit to submit a brief note on their proposed activities. Accordingly, as per direction of the Approval Committee the applicant has submitted a brief note for the same vide its email dated 21.05.2018.

06. Proposal of M/s Systweak Software, a unit in the IT/ITES SEZ (Now Multi-Product SEZ) of M/s Mahindra World City (Jaipur) Ltd. at Village Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta, Tehsil-Sanganer, Distt- Jaipur (Rajasthan) for monitoring of performance and consideration of Exit from SEZ Scheme.

It was brought to the notice of the Approval Committee that M/s. Systweak Software had been granted LOA No. 10/43/2011-SEZ/4678 DT.23.06.2011 for setting up a unit in IT/ITES SEZ (now Multi-Product SEZ) of M/s Mahindra World City, (Jaipur) Ltd. at Jaipur (Rajasthan) for Software Development. The unit had commenced its operations w.e.f. 16.01.2012. The LOA of the unit was valid up to 31.03.2018. Year wise Performance/NFE achievement status of unit as per APRs & verified by NSEZ CA firm is as under:

(Rs. In lakhs)				
Year	FOB value of export	NFE earned	DTA Sales	Pending Foreign Exchange realization
2011-12	1641.62	1640.83	0.00	0.00
2012-13	18069.14	9041.72	0.00	0.00
2013-14	39673.20	8279.44	0.00	0.00
2014-15	24319.98	10721.14	0.00	0.00
2015-16	9941.88	6482.51	0.00	0.00
2016-17	3449.78	2226.77	0.00	0.00
2017-18	0.00	0.00	0.00	0.00
Total:	97095.60	38392.41	0.00	0.00

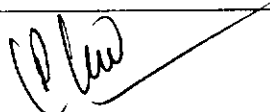
* However, various observations have been made by CA Firm in respect of these APRs.

It was informed that the unit vide its letter dt. 02.01.2017 had applied for exit from SEZ scheme stating that due to changing business environment and deterioration of the Proprietor's health, unit has exercised exit option. Accordingly unit was requested to submit requisite



documents/clarification for further consideration of its proposal for exit, vide letter dt. 06.03.2017, email dt.07.06.2017 and letter dt.24.10.2017. It was informed that in compliance, the unit vide its letter dated 18.04.2017 and subsequent letters dt.01.08.2017 & 01.11.2017 had submitted requisite documents/clarification as under:-

S.No	Queries	Reply
(i)	No Dues Certificate From SEZ Specified Officer.	Submitted, No Objection/ No dues Certificate No. MWCJL/SEZ/SWS/14/2011/352 dt. 02.11.2017 issued by Specified Officer.
(ii)	No Dues Certificate From Developer	No Objection from Developer dt 31.07.2017 has been submitted. Unit has already vacated the premises.
(iii)	To surrender original Letter of Approval dated 23.06.2011.	The unit has submitted original LOA dt.23.06.2011.
(iv)	No Dues in respect of Form-I (CST)	Form I Section NSEZ has stated that no Form I has been issued to unit. Besides, unit has submitted notarized Legal Undertaking on Rs. 100 non-judicial stamp paper (in place of No Objection/ No Dues Certificate against Form I) stating that the firm shall adhere to the mode of payment of penalties, if any, for time frame in which penalties are required to be paid to the Development Commissioner, Noida, Against Form I without any demur or protest.
(v)	No Dues from Labour Department.	Addl. Labour Commissioner has been requested vide letter dt.14.12.2017 to provide information in r/o any outstanding dues against the unit giving him 15 days' time for this. The said timeline has expired, No reply has been received from the Labour Deptt. Besides, unit has submitted Affidavit-cum-Undertaking (in place of a No Objection /No Dues from Jurisdictional Labour Department) on Rs. 100 non-judicial stamp paper stating that the firm shall adhere to the mode of payment of penalties, if any, for time frame in which penalties are required to be paid to the Labour Deptt., without any demur or protest.
(vi)	No Dues Certificate from jurisdictional Service Tax Department.	No Dues letter dt.08.01.2018 from jurisdictional GST Department has been received. Besides, unit has submitted Affidavit-cum-Undertaking (in place of a No Objection /No Dues from jurisdictional Service Tax Department) on Rs. 100 non-judicial stamp paper stating that the firm shall adhere to the mode of payment of penalties, if any, for time frame in which penalties are required to be paid to the Service Tax Department, without any demur or protest.
(vii)	No Dues Certificate for local taxes i.e. CST/VAT from the department concerned.	Tax Clearance Certificate dt. 18.04.2017 has been submitted.



(viii)	Copy of Authority Letter in favour of authorized signatory of unit (other than proprietor).	Letter signed by Proprietor.
(ix)	Date upto which unit remained in operation, may also be confirmed.	The unit has stated that they have remained in operation in SEZ till 15.04.2017.
(x)	Submit registered Lease Deed effective from dt.23.06.2011 (Date of LOA) & up to date	Submitted registered Lease Deed, executed on 20.07.2011 and valid upto 19.07.2016. and, a copy of Registered lease Deed beyond 19.07.2016 has been submitted.
(xi)	Duly notarized Legal Undertaking for exit on Rs.100 non-judicial stamp paper, as per format.	Submitted.
(xii)	<ul style="list-style-type: none"> ➤ Up to date APRs, including APR for the current year. ➤ Documents/ explanation relating to variation in export figures as communicated by CA firm engaged by this office. 	Submitted. APRs/reply submitted by the unit have been checked by the NSEZ CA firm & various observations have been made.
(xiii)	Clarification for opting for exit.	Submitted vide letter dt.18.04.2017. Unit has stated that usage of Desktop computers has gone down due to growth of mobile and the mobile applications have not been their best part so far. The contribution of mobile applications in their total revenue is less than 2 % and it has been stagnant in the last 2 years. Besides, the revenue from Desktop Software application is falling and they are unable to design new software for desktop computers because the overall market of desktop application is shrinking. However, their clients those work with them have decided to move to mobile applications and they have not been working on desktop applications anymore and the larger companies like Symantec/Norton, who are also in this business, have been trying to cannibalize their business by misusing their position as market leaders in Anti-virus technology.

Shri Shrishail Rana, Proprietor appeared before the Approval Committee on behalf of the unit and requested to allow exit from SEZ scheme.

After due deliberations, the Approval Committee took note of the positive NFE earnings made by the unit during its operation in SEZ. The Approval Committee further decided that the proposal of the unit for exit from SEZ scheme may be considered separately on file upon receipt of rectified APRs from the unit in terms of observations made by the CA Firm. The Approval Committee directed the representative of the unit to submit rectified APRs as per observations of CA firm, NSEZ.



07. Proposal of M/s. The Phone Support Pvt. Ltd., a unit in the IT/ITES SEZ (Now Multi-Product SEZ) of M/s Mahindra World City (Jaipur) Ltd. at Village Kalwara, Jhai, Bhamboriya, Bagru Khurd & Newta, Tehsil-Sanganer, Distt- Jaipur (Rajasthan) for monitoring of performance and consideration of Exit from SEZ Scheme.

It was brought to the notice of the Approval Committee that M/s. The Phone Support Pvt. Ltd. had been granted LOA No. 10/40/2013-SEZ/7424 DT.16.07.2013 for setting up a unit in IT/ITES SEZ (now Multi-Product SEZ) of M/s Mahindra World City, (Jaipur) Ltd. at Jaipur (Rajasthan) for activities relating to BPO, Customer Support Center, Software Development and allied services related to Software Development. The unit had commenced its operations w.e.f. 31.12.2013. The LOA of the unit is valid up to 30.12.2018. Year wise Performance/NFE achievement status of unit as per APRs & verified by NSEZ CA firm is as under:

(Rs. in lakhs)

Year	FOB value of export	NFE earned	DTA Sales	Pending Foreign Exchange realization
2013-14	443.98	443.98	0	0
2014-15	3011.90	3011.9	0	0
2015-16	4326.69	4326.69	0	0
2016-17	1694.61	1650.89	0	0
2017-18	300.08	300.08	0	0
Total:	9777.26	9733.54	0	0

*Though there are some observations made by the NSEZ CA firm in respect of APRs.

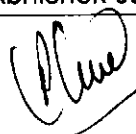
It was informed that the unit vide its letter dt. 20.04.2017 had applied for exit from SEZ scheme stating that due to changing business environment and mass exodus of employees and clients to competitive companies, unit has exercised exit option. Accordingly, acceding to the request of unit, a letter dt. 29.05.2017 and email dt.26.10.2017 was issued to the unit with the request to submit necessary documents as listed in the said letter and email, for further consideration of its proposal for exit.

It was informed that in compliance, the unit vide its letter dt.12.09.2017 & 03.11.2017 had submitted requisite documents/clarification as under:-

S.No	Queries	Reply
(i)	No Dues Certificate From SEZ Specified Officer.	Submitted, No Objection/ No dues Certificate No. MWCJL/SEZ/TPS/Misc/03/2017/350 dt. 02.11.2017 issued by Specified Officer.
(ii)	No Dues Certificate From Developer	Two No Objection Certificates dt 01.09.2017 have been submitted from Developer. The developer has confirmed that the premises have been vacated by the unit.
(iii)	To surrender original Letter of Approval dated 16.07.2013.	The unit has submitted original LOA dt.16.07.2013

(Handwritten Signature)

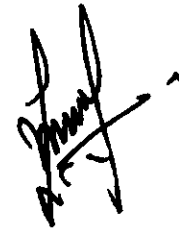
(iv)	No Dues in respect of Form-I (CST)	Form I Section NSEZ has stated that no Form I has been issued to unit. Besides, unit has submitted notarized Legal Undertaking on Rs. 100 non-judicial stamp paper (in place of No Objection/ No Dues Certificate against Form I) stating that the firm shall adhere to the mode of payment of penalties, if any, for time frame in which penalties are required to be paid to the Development Commissioner, Noida, Against Form I without any demur or protest.
(v)	No Dues from Labour Department.	Addl. Labour Commissioner has been requested vide letter dt.19.12.2017 to provide information in r/o any outstanding dues against the unit giving him 15 days' time for this. The said timeline has expired, No reply has been received from the Labour Deptt. Besides, unit has submitted Affidavit-cum-Undertaking (in place of a No Objection /No Dues from Jurisdictional Labour Department) on Rs. 100 non-judicial stamp paper stating that the firm shall adhere to the mode of payment of penalties, if any, for time frame in which penalties are required to be paid to the Labour Deptt., without any demur or protest.
(vi)	No Dues Certificate from jurisdictional Service Tax Department.	No Dues letter dt.08.01.2018 from jurisdictional GST Department has been received. Besides, unit has submitted Affidavit-cum-Undertaking (in place of a No Objection /No Dues from jurisdictional Service Tax Department) on Rs. 100 non-judicial stamp paper stating that the firm shall adhere to the mode of payment of penalties, if any, for time frame in which penalties are required to be paid to the Service Tax Department, without any demur or protest.
(vii)	No Dues Certificate for local taxes i.e. CST/VAT from the department concerned.	A computer generated copy of the No Dues Certificate dt.08.06.2017 valid upto dt. 13.06.2017 has been submitted, issued by Smt. Sulekha Agarwal, Commercial Tax Officer.
(viii)	Board Resolution regarding exit decision and in favour of authorized signatory to sign exit related documents.	Submitted.
(ix)	Up to date APRs, including APR for the current year.	Submitted.
(x)	Date upto which unit remained in operation, may also be confirmed.	The unit has stated that they have remained in operation in SEZ till 30.06.2017.
(xi)	Duly notarized Legal Undertaking for exit on Rs.100 non-judicial stamp paper, as per format.	Submitted.
(xii)	DIR 11/12 regarding the cessation in respect of Directors Mr. Shashank Rana, Mr. Aditya Chordia, Mr. Apporv Garg & CA Abhishek Jain.	Submitted.



Shri Shrishail Rana, Director appeared before the Approval Committee on behalf of the unit and requested to allow exit from SEZ scheme.

After due deliberations, the Approval Committee took note of the positive NFE earnings made by the unit during its operation in SEZ. The Approval Committee further decided that the proposal of the unit for exit from SEZ scheme may be considered separately on file upon receipt of rectified APRs from the unit in terms of observations made by the CA Firm. The Approval Committee directed the representative of the unit to submit rectified APRs as per observations of CA firm, NSEZ.

Meeting ended with a vote of thanks to the Chair.



(Dr. L.B. Singhal)
Development Commissioner