

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. 12/01/2018-प्रोज/

दिनांक: 09/08/2018

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, ग्रेटर नोएडा।

विषय: दिनांक 01/08/2018 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 में दिनांक 01/08/2018 को पूर्वाह्न 11:30 बजे सम्मेलन हॉल, प्रशासनिक भवन, नोएडा विशेष आर्थिक क्षेत्र, नोएडा में आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है।

संलग्नक: उपरोक्त

भवदीय,  
रवि कुमार शर्मा  
(आर.के. श्रीवास्तव)  
उप विकास आयुक्त

प्रतिलिपि:

1. विशेष कार्याधिकारी - विकास आयुक्त के सूचनार्थ।
2. वैयक्तिक सहायक - संयुक्त विकास आयुक्त के सूचनार्थ।
3. निर्दिष्ट अधिकारी, नोएडा विशेष आर्थिक क्षेत्र - सूचनार्थ एवं आवश्यक कार्यवाही के लिए।
4. उप विकास आयुक्त (सम्पदा), नोएडा विशेष आर्थिक क्षेत्र - सूचनार्थ।

उप विकास आयुक्त

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### Minutes of 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 01/08/2018 in the Conference Hall of NSEZ.

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

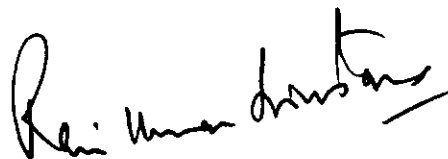
- 1) Shri S.S. Shukla, Jt. Development Commissioner, NSEZ.
- 2) Shri Rajesh Sharma, Asstt. Commissioner, Customs, Noida Commissionerate.
- 3) Shri Sachin Jain, Asstt. Commissioner, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.)
- 4) Shri R.L. Meena, Asstt. DGFT, O/o Addl. DGFT, CLA, New Delhi.
- 5) Smt. Durgesh Nandini, Income Tax Officer, Income Tax Deptt., Noida.
- 6) Shri Mukesh Goyal, Manager, (Rep. of Noida Authority).

2. Besides, during the meeting S/Shri (i) R.K. Srivastava, Dy. Development Commissioner, NSEZ, (ii) Rajesh Kumar, Dy. Development Commissioner, NSEZ (iii) Md. Salik Parwaiz, Specified Officer, NSEZ, (iv) Prakash Chand Upadhyay, Asstt. Development Commissioner, NSEZ, (v) Rajendra Mohan Kashyap, PA to JDC, NSEZ, (vi) K M Srivastava, AEE, UPPCB, Noida, (vii) Kapil Muni, JE, UPPCL, Noida and (viii) Smt. Archana Bharti, Noida Authority 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 04/07/2018.**

It was informed that no reference against the decisions of the Approval Committee held on 04/07/2018 was received and, therefore, Minutes of the meeting held on 04/07/2018 were ratified.



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### **Item wise decisions on proposals included in agenda:**

1.	<p><b>Proposal of M/s. P.A. Pinions for setting up a unit in NSEZ.</b></p> <p>It was informed to the Approval Committee that M/s. P.A. Pinion have requested to withdraw the application filed for setting up a unit in NSEZ. The Approval Committee took note of the same.</p>
2.	<p><b>Proposal in respect of M/s. Kriti Metform Ltd. for Monitoring of performance and renewal of LOA.</b></p> <p>It was informed to the Approval Committee that M/s. Kriti Metform Ltd. has been issued LOA dated 28/12/2004 for Manufacturing, trading and service activities. The unit has commenced its export production w.e.f. 05/10/2007 and LOA of the unit was valid till 04/10/2017.</p> <p>It was informed that unit had not applied for renewal of LOA on time. Besides, lease rent amounting to Rs. 4,47,343/- is currently outstanding against the unit. It was also informed that unit has made exports worth Rs.716.53 Lakhs and earned positive NFE earnings worth Rs.673.32 Lakhs during previous block of five years. It was also informed that Unit has stated that they have not made any trading activities either export or DTA sale during last five years.</p> <p>The Approval Committee monitored the performance of the unit on the basis of APRs submitted by it up to 2016-17 and noted achievement of positive NFE by the unit.</p> <p>It was further informed that the said proposal was earlier considered by the Approval Committee in its meeting held on 04/07/2018. However, as no one appeared before the Approval Committee, it was deferred for the next meeting of Approval Committee with a direction to the unit to ensure their presence in its next meeting failing which their LOA shall not be renewed further.</p> <p>Shri Sadeesh P. Suppiah, MD appeared before the Approval Committee. Shri Suppiah informed that they had applied for renewal of LOA on 13/10/2017. The Approval Committee observed that the unit vide its letter dated 13/10/2017, instead of applying for LOA renewal, had conveyed about acceptance of the terms &amp; conditions of LOA. The</p>

*Shri Sadeesh P. Suppiah*

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Approval Committee informed Shri Suppiah that since unit had not made request for renewal of LOA, the same couldn't be taken up for renewal.

Shri Suppiah regretted for the delay and stated that during last one year business, sales orders and financial conditions of the company were not so encouraging. He further submitted that as their business and export orders were badly affected, whole affairs of the company were disturbed and they could not concentrate on the company business in NSEZ. He further stated that they accept and realize that there is delay in depositing outstanding lease rent. Due to financial hardship and cash crunch, they could not deposit rent in time, which was not intentional.

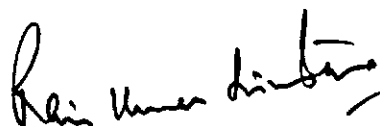
Shri Suppiah further informed that they have already deposited approx. Rs. 2 Lakhs on 01/08/2018 and produced proof of deposit. Regarding remaining lease rent, he submitted that the same shall be deposited before end of August. He also informed that although they are currently not carrying out any trading activities, they may require trading activities at a later stage.

The Approval Committee, after due deliberations, decided to renew the validity of LOA for current block of five years i.e. upto 04/10/2022 subject to the following conditions:-

1. No DTA sale of trading goods shall be allowed.
2. Trading will be allowed only for physical export to any other country, for supply to other units and Developers in the same or other SEZ or EOUs, against freely convertible currency only.
3. Unit will maintain separate area earmarked for manufacturing and trading activities and maintain separate records/accounts of NFE for manufacturing and trading activities.
4. NFE status for manufacturing activity and trading activity will be seen separately.

**3. Proposal in respect of M/s. Aksasia Creations Pvt. Ltd. for renewal of LOA; change in shareholding pattern and monitoring of performance.**

It was informed to the Approval Committee that M/s. Aksasia Creations Pvt. Ltd. has been granted an LOA No.08/01/2005-Proj/1421 dated 21/02/2005 for setting up a unit in



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Noida SEZ for manufacturing of "(i) Garments including garments of leather; (ii) Leather & Leatherite-PU Goods such as Back Packs, Mobile Covers, Laptop & iPad Cases, Purses, Office bags, Photo Frame, Various Box Covers, Wallet, Belt & Other Decorative Items made with Leather/Fake-Leather and Other Accessories and creating design for goods etc.; (iii) Gift Items with leather finish, Trims, Covering and leather with metal combo such as brass, stainless steel, copper & other metals used as combination with leather & Fake Leather (PU)". The unit has commenced its export production w.e.f. 31/07/2008 and LOA of the unit was valid up to 30/07/2018.

It was also informed that unit has made exports worth Rs. 3.70 Lakhs and earned positive NFE earnings worth Rs.3.70 Lakhs during previous block of five years.

It was further informed that unit has recently informed that the company has gone through many changes viz change in directors, shareholders and promoters and all previous directors have retired from the company. Details of change in shareholding pattern of the company is as under:

Name	Shareholding before change (as approved by BOA in its meeting held on 03/07/2017)	Shareholding after change (w.e.f. 25/01/2018)
1. Shri Arvind Singh	20%	--
2. Smt. Chhaya Devi	60%	80%
3. Smt. Vatika Arya	20%	20%

The Approval Committee observed that despite providing many opportunities by this office and promises made by the promoters to increase their export turnover, there have been exports from the unit worth Rs. 2.69 Lakhs and Rs. 1.01 Lakhs only during 2015-16 & 2016-17 respectively. As per NSDL data they have done export of Rs. 19 Lakhs during 2018-19.

Shri Arvind Singh, Smt. Chhaya Devi and Smt. Vatika Arya directors appeared before the Approval Committee. Shri Singh informed that the company has gone through some changes and doing planning in order to expand the business. Also the company has been engaged in developing and increasing the infrastructure. Construction work is in full swing and once it is completed, their business expansion will go on as they have planned.

*Re: Arvind Singh*

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Shri Singh further informed that they have sent a shipment for leather messenger bags to Afganistan and few more will be sent shortly. He further stated that during the last one & a half year, they made some fresh investments in building, machinery and other assets of the company as follows:

			Values in INR
Investment made in	01/04/2017 to 31/03/2018	01/04/2018 to 30/06/2018	Total
Building	1,13,77,717/-	8,27,890/-	1,22,05,607/-
Fire Fighting Equipments	6,81,236/-	-	6,81,236/-
Lift	45,000/-	2,77,000/-	3,22,000/-
Office & Electric Equipments	12,14,328/-	1,07,010/-	13,21,338/-
Plant & machinery	35,000/-	18,31,300/-	18,66,300/-
<b>Total</b>	<b>1,33,53,281/-</b>	<b>30,43,200/-</b>	<b>1,63,96,481/-</b>

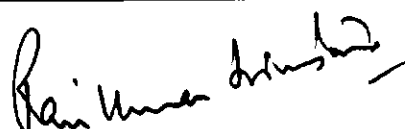
The Approval Committee observed that recently the BOA in its meeting held on 03/07/2017 had approved change in shareholding of the company for more than 50%. Now, the original promoter has transferred its remaining share to the newly inducted promoters.

It was informed to the Approval Committee that a team from NSEZ visited the factory premises of the unit for physical inspection. During the site inspection, following were observed:-

- (i) The building structure was almost complete. Partitioning and installation of sewing machine were in progress.
- (ii) Partitioning material and sewing machine which were to be installed, were found there.
- (iii) Approx. 10 workers were found working.

It was informed to the Approval Committee that DOC vide Instruction No. 89 dated 17/05/2018 has issued guidelines regarding change in shareholding pattern, name change of SEZ Developer and SEZ Units which inter alia states as under:

"5(ii) Re-organisation including Change of name, change in shareholding

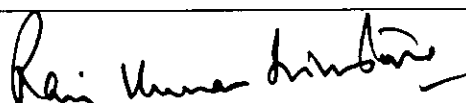


pattern, business transfer arrangements, court approved mergers and demergers, change in constitution of Units located in SEZs may be undertaken with the prior approval of Approval Committee in respect of Units subject to the condition that the unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern. All liabilities of the unit will remain unchanged on such reorganization.

6. Such reorganization shall be subject to the following safeguards:-

- i) Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered entity;
- ii) Fulfilment of all eligibility criteria applicable, including security clearances etc., by the altered entity and its constituents;
- iii) Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. Acts/Rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- iv) Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- v) The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- vi) The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- vii) The unit shall furnish details of PAN and jurisdictional assessing officer of the unit to CBDT."

The Approval Committee, after due deliberations, decided to take the intimation of unit for change in directors and shareholding pattern of the company on records in terms of Instruction No. 89 dated 17/05/2018. The Approval Committee also decided to renew the validity of LOA for the block period of next five years i.e. upto 30/07/2023.



4. **Proposal in respect of M/s. Hotz Industries Ltd. for monitoring of performance and renewal of LOA.**

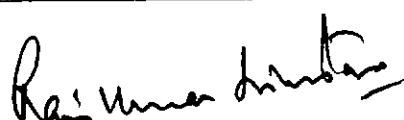
It was informed to the Approval Committee that M/s. Hotz Industries Ltd. had been granted LOA dated 26/04/2007 for setting up a unit in Noida SEZ for manufacturing of (i) Manufacturing of Quilts, Cushion Covers, Curtains, Table Cover, Napkins & Garments; (ii) Manufacturing of Knitted Fabric. The unit has commenced its export production w.e.f. 10/12/2008 and LOA of the unit is valid up to 07/09/2018.

It was informed that the Approval Committee in its meeting held on 06/09/2017 had extended the validity of LOA upto 07/07/2018 and decided that further renewal shall be considered on the basis of performance of unit during the extended period of validity of LOA. Later LOA of unit was extended for two months upto 07/09/2018 so that working of the unit does not suffer.

Shri Arun Jain, MD appeared before the Approval Committee. He informed that their company had some internal issues and the management could not focus on identifying new customers for export. But now all the issues are behind and Management is confident of achieving exports in the coming year. He further informed that they had received orders worth US\$140,000 with a time schedule. The consignments were ready to export, but the same could not be cleared as they were advised by the Customs Officials that "Knitted Fabric" was not covered in their LOA. Necessary permission was received by them on 09<sup>th</sup> October 2017 and this was only one time permission. They had made only one export on 10/10/2017 as per the approval granted vide this office letter dated 09/10/2017. The unit has further stated that since they were constrained for some time due to the L/C terms. Therefore, further export orders they had to execute from their other facility.

Shri Jain further informed that they have now received orders for Export of uniforms and requested to give them an opportunity of proving their commitment to exports by extending the validity of LOA.

The Approval Committee decided to extend the validity of LOA of the unit for one year and decided that further renewal shall be considered on the basis of performance of unit





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during the extended period of validity of LOA. Shri Jain requested to extend the validity for atleast two years which will give their buyer some confidence in the company. Approval Committee further directed Shri Jain to submit a brief write-up on the activities to be undertaken in future, which he mentioned during the meeting.

The Approval Committee, after due deliberations, agreed with the request of the promoter of the unit and decided to extend the validity of LOA of M/s. Hotz Industries Ltd. for two years. The Approval Committee further decided that after completion of one year, performance of the unit shall be monitored by Approval Committee.

5. **Proposal in respect of M/s. Golden Peacock Overseas Ltd. for inclusion of additional authorized operations.**

It was informed to the Approval Committee that M/s. Golden Peacock Overseas Ltd. had been issued LOA dated 16/10/1989 for Manufacturing activities. The unit commenced its export production w.e.f. 01/07/1992 and LOA is valid till 31/03/2022.

It was informed to the Approval Committee that the unit has submitted a proposal for inclusion of Manufacturing & Export of MS/S. Steel wire crimped with Ferrule, Stud, eyelets and snap hooks with customized wire length with or without assembly of cable blocker (under ITC HS Chapter - 7312) in its authorized operations.

Shri Praveen Gupta and Shri Gulshan Kumar, authorized representatives of the company appeared before the Approval Committee. Shri Gupta informed that they have three units in NSEZ which have cumulative turnover of approx. Rs.40 Crores. Shri Gupta further informed that they are getting enquiry about the above items from their International buyers.

The Approval Committee directed them to submit a write up on manufacturing process of the above products as to what activities will be carried in-house; details of indigenous/imported raw materials etc.

The Approval Committee, after due deliberations, approved the proposal of unit for inclusion of Manufacturing & Export of MS/S. Steel wire crimped with Ferrule, Stud, eyelets and snap hooks with customized wire length with or without assembly of cable

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blocker (under ITC HS Chapter - 7312) in its authorized operations.

6. **Proposal in respect of M/s. Royal Refinery Pvt. Ltd. for inclusion of additional authorized operations.**

No one from the unit appeared for the meeting. The Approval Committee deferred the matter for its next meeting.

7. **Proposal in respect of M/s. Narayan Exports for change in partners and shareholding.**

It was informed to the Approval Committee that M/s. Narayan Exports had been issued LOA dated 30/11/2005 for Manufacturing of Readymade Garments and Fabric Made-ups, Manufacturing of Headgear and Parts thereof under Chapter 65. The unit commenced its export production w.e.f. 24/03/2009 and LOA is valid till 23/03/2019.

It was informed that name of the unit was changed from M/s. Backbay Clothing to M/s. Narayan Exports after approval of Approval Committee granted in its meeting held on 06/04/2016. It was further informed that Approval Committee had also granted approval for change in partners and shareholding as the change in shareholding was less than 50% as per following details:

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

It was informed to the Approval Committee that unit has now proposed both original promoters i.e. Mr. T.N. Agrawal (holding 50% shares) and Smt. Meenu Agrawal (holding 25% shares) will retire from partnership firm and Mr. O.N. Agrawal will join as partner with 75% shareholding. as per following details:

Name of partners/shareholder	Existing	Proposed
1. Shri T. N. Agrawal	50%	--
2. Smt. Meenu Agrawal	25%	--
3. Shri Vipin Kumar Agrawal	25%	25%
4. Shri O.N. Agrawal	--	75%

*Ravi Kumar Agrawal*

The Approval Committee observed that in the instant case total change in shareholding tantamount to 100% as none of the original promoters is now partner in firm.

Shri Vipin Agrawal, Shri O.N. Agrawal and Shri T.N. Agrawal appeared before the Approval Committee for the meeting. Shri Vipin Agrawal informed that currently there are 30-35 employees working in the unit. He further stated that they have achieved turnover of approx. Rs.65 Crores from their DTA units. He also stated that it will take 2-3 years to start full-fledged operations in the NSEZ unit.

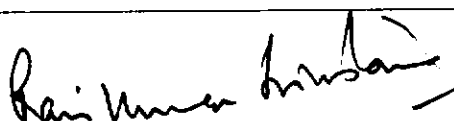
Shri Vipin Agrawal further informed that Shri O.N. Agrawal has a long experience of business and presently doing well in the field of home furnishing items. He is promoter in three other firms. The total business of the firms in which he is partner is more than Rs.900 Million and approx. 700-800 employees are currently working there.

It was informed to the Approval Committee that DOC vide Instruction No. 89 dated 17/05/2018 has issued guidelines regarding change in shareholding pattern, name change of SEZ Developer and SEZ Units which inter alia states as under:

*"5(ii) Re-organisation including Change of name, change in shareholding pattern, business transfer arrangements, court approved mergers and demergers, change in constitution of Units located in SEZs may be undertaken with the prior approval of Approval Committee in respect of Units subject to the condition that the unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern. All liabilities of the unit will remain unchanged on such reorganization.*

6. Such reorganization shall be subject to the following safeguards:-

- i) Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered entity;
- ii) Fulfilment of all eligibility criteria applicable, including security clearances etc., by the altered entity and its constituents;
- iii) Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. Acts/Rules which regulate issues like capital gains, equity change, transfer, taxability etc.



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- iv) Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- v) The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- vi) The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- vii) The unit shall furnish details of PAN and jurisdictional assessing officer of the unit to CBDT."

The Approval Committee, after due deliberations, decided to take the intimation of unit for change in partners and shareholding pattern of the company on records in terms of Instruction No. 89 dated 17/05/2018 subject to payment of applicable transfer charges.

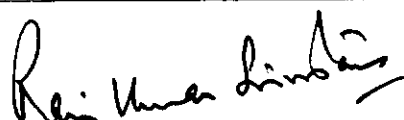
**8. Proposal in respect of M/s. Vijayshree Food Products Pvt. Ltd. for change in Directors.**

It was informed to the Approval Committee that M/s. Vjayshree Food Products Pvt. Ltd. had been issued LOA dated 27/05/2011 for Manufacture & Export of Spit Tobacco. The unit has commenced its export production w.e.f. 16/05/2013 and its LOA is valid till 15/05/2023.

It was informed that unit had recently executed Bond-cum-LUT and during examination of Bond-cum-LUT executed by the unit, it was observed that there was a change in directors of the company which was never intimated to this office. It was further informed that now the unit has informed about change in directors of the company as under:

Directors before change	Directors after change
1. Mr. Prashan Kumar Bothra	1. Mr. Kamal Kumar Sharma
2. Mr. Mankeshwar Singh	2. Mr. Mankeshwar Singh

It was also informed that there is no change in shareholding pattern of the company due



to the change in directors. The Approval Committee observed that the change in directors took place on 29/06/2015. However, unit has never intimated this office about the said changes, which is a violation of condition No. 14 of Bond-cum LUT executed by the unit.

Shri Ritesh Kumar Patawari, authorized representative of the company appeared before the Approval Committee. Shri Patawari informed that they are into manufacturing of spit tobacco and export the product to USA, Europe, East Africa, South Africa etc. There are currently 6 employees working in the unit. He further mentioned that newly inducted director Shri Kamal Kumar Sharma has vast knowledge and experience in the tobacco business.

Shri Patawari stated that they inadvertently could not inform this office about the said changes due to oversight without any malafide/willful intentions. He apologized for the same and assured that such mistake will not be repeated in future.

The Approval Committee, after due deliberations, decided to take the intimation of unit for change in directors of the company on records. The Approval Committee also warned the unit to be more careful in future for timely compliances. The Approval Committee also directed the unit to submit detailed Bio-data in respect of new director Mr. Kamal Kumar Sharma as well as names & address of companies/firms in which he is engaged as director/partners/ proprietor.

9. **Proposal in respect of M/s. Naimex for change in partners and shareholding Patterns of the firm.**

It was informed to the Approval Committee that M/s. Naimex has been issued an LOA dated 22/08/2007 for Manufacturing of Geo Technical Investigation Instruments and Construction Materials testing equipment & Trading Activities. The unit has commenced its export production w.e.f. 17/12/2008 and LOA is valid till 16/12/2018.

It was further informed that recently the unit vide its letter dated 11/05/2018 had executed Bond-cum-LUT. During examination of Bond-cum-LUT executed by the unit, it was observed that the said Bond-cum-LUT was signed by Mr. Pranav Kapur and Mrs. Vaneeta Kapur in the capacity of partners. However, as per available records in the office, Shri Arvind Verma and Smt. Neena Verma are partners in the firm. Unit has never

*Ravi Kumar*

intimated this office about change in partners, which is violation of condition No. 14 of Bond-cum-LUT.

Shri Arjun Bhushan Uppal, authorized representative of the unit appeared before the Approval Committee. He informed that the partners have been changed due to death of previous partner i.e. Smt. Neena Verma on 19/10/2014 and Shri Arvind Verma on 02/04/2018. He further stated that Smt. Vaneeta Kapur and Shri Pranav Kapur have been appointed as new partners, as being legal heirs of Sh. Arvind Verma.

It may be informed that at the time of setting up of unit, Shri Arvind Verma and Smt. Neena Verma were partners with following shareholding pattern:-

<b>Name of partner</b>	<b>Shareholding pattern during 2007</b>
1. Sh. Arvind Verma	50%
2. Smt. Neena Verma	50%

Now, due to change in partnership deed, new shareholding pattern of firm is as under:-

<b>Name of partner</b>	<b>New Shareholding pattern</b>
(i) Sh. Pranav kapur	50%
(ii) Dr. Vaneeta kapur	50%

It was informed to the Approval Committee that DOC vide Instruction No. 89 dated 17/05/2018 has issued guidelines regarding change in shareholding pattern, name change of SEZ Developer and SEZ Units which inter alia states as under:

*"5(ii) Re-organisation including Change of name, change in shareholding pattern, business transfer arrangements, court approved mergers and demergers, change in constitution of Units located in SEZs may be undertaken with the prior approval of Approval Committee in respect of Units subject to the condition that the unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern. All liabilities of the unit will remain unchanged on such reorganization.*

*6. Such reorganization shall be subject to the following safeguards:-*

*i) Seamless continuity of the SEZ activities with unaltered*

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*responsibilities and obligations for the altered entity;*

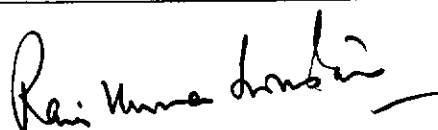
- ii) Fulfilment of all eligibility criteria applicable, including security clearances etc., by the altered entity and its constituents;*
- iii) Applicability of and compliance with all Revenue / Company Affairs /SEBI etc. Acts/Rules which regulate issues like capital gains, equity change, transfer, taxability etc.*
- iv) Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.*
- v) The Assessing Officer shall have the right to assess the taxability of the gain/loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.*
- vi) The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.*
- vii) The unit shall furnish details of PAN and jurisdictional assessing officer of the unit to CBDT."*

The Approval Committee observed that there is change in 100% shareholding pattern of the unit which happened due to death of original promoters and transfer of their shares to the legal heirs. Hence, Approval Committee was of view that transfer charges will not be applicable in this case.

The Approval Committee, after due deliberations, decided to take the intimation of unit for change in partners and shareholding pattern of the firm on records in terms of Instruction No. 89 dated 17/05/2018. The Approval Committee also warned the unit to be more careful in future and should ensure mandatory timely compliances.

**10. Proposal in respect of M/s. Stable Packaging Pvt. Ltd. (Unit-I) for Monitoring of performance in terms of Rule 54 of SEZ Rules, 2006 in view of exit request of unit.**

It was informed to the Approval Committee that M/s. Stable Packaging Pvt. Ltd. (Unit-I) had been granted LOA dated 20/11/2008 for (i) Manufacture of corrugated boxes, polyester and polyethylene bags (printed & plain), box strapping, self-adhesive tape. (ii)



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Trading of Corrugated boxes, polyester and polyethylene bags (printed & plain), various kinds of paper and polythene granules, adhesive tape, box strapping, starch and glue, stapler pin and other various kind of adhesive powders and chemicals. The unit had commenced its export production w.e.f. 08/05/2009 and LOA of the unit is valid up to 07/05/2009.

It was informed that Approval Committee in its meeting held on 03/01/2018 had approved the proposal for exit from SEZ scheme under Rule 74A of SEZ Rules, 2006 and transfer of its assets & building at Plot No. 119A, 120 & 121, NSEZ to M/s. Ebix Software India Pvt. Ltd. (Unit-III) subject to fulfillment of exit formalities by M/s. Stable Packaging Pvt. Ltd. (Unit-I) and payment of applicable transfer charges. Accordingly, decision of the Approval Committee was conveyed to the unit vide this office letter dated 10/01/2018.

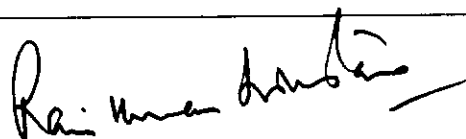
It was further informed that in terms of Rule 54 of SEZ Rules, 2006, it is for Approval Committee to arrive at conclusion that unit has achieved positive NFE. It was also informed that unit has submitted all the documents related to exit from SEZ scheme as asked vide this office letter dated 10/01/2018.

Shri Sushil Gupta, director of the unit appeared before the Approval Committee. He informed that they have another unit in NSEZ with the same name & title. Due to this they will not be able to provide NOC from Service Tax & Trade Tax, but they have undertaken that if there is any liability arising on Unit-I from the departments Unit-II will be liable to pay the same.

The Approval Committee monitored the performance of the unit on the basis of APRs submitted by it up to 2018-19 and noted achievement of positive NFE by the unit. The Approval Committee further observed that no foreign exchange is pending for realization as on date. In view of above, the Approval Committee, after due deliberations, granted final exit to the unit.

**11. Proposal in respect of M/s. Windermere Exports Pvt. Ltd. for Monitoring of performance in terms of Rule 54 of SEZ Rules, 2006 in view of exit request of unit.**

It was informed to the Approval Committee that M/s. Windermere Exports Pvt. Ltd. was granted an LOA dated 06/12/2006 for On-line tutoring. The unit commenced its export





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activities w.e.f. 10/04/2007 and LOA of the unit was valid up to 09/04/2017.

It was informed that Unit was granted In-principle exit approval for exit from SEZ scheme vide this office letter dated 20/10/2016 and unit was advised to submit requisite documents for compliance with exit formalities. Unit vide its letter dated 09/01/2017 and subsequent letters received on 06/06/2018 & 09/07/2018 has submitted all the documents related to exit from SEZ scheme as asked vide this office letter dated 20/10/2016. It was further informed that in terms of Rule 54 of SEZ Rules, 2006, it is for Approval Committee to arrive at conclusion that unit has achieved positive NFE.

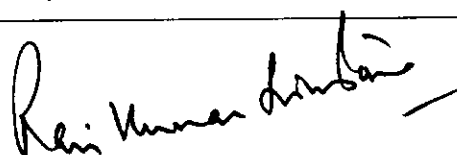
Shri B.B. Jindal, director of the company appeared before the Approval Committee. He informed that due to worldwide recession during 2008-09, their exports started declining. He further informed that they have tried their best but they could not get new export orders and due to that they decided to exit from NSEZ.

The Approval Committee monitored the performance of the unit on the basis of APRs submitted by it up to 2018-19 and noted that unit has been lying non-functional since 2011-12. The Approval Committee further observed that no foreign exchange is pending for realization as on date. In view of above, the Approval Committee decided that unit may be allowed final exit from the SEZ subject to compliance of exit formalities.

**12. Proposal in respect of M/s. M.D. Overseas Ltd. for Monitoring of performance in terms of Rule 54 of SEZ Rules, 2006 in view of exit request of unit.**

It was informed to the Approval Committee that M/s. M.D. Overseas Ltd. had been granted LOA dated 29/01/2004 for Manufacturing of Jewellery of Gold/Silver/ Platinum and Palladium (Plain or Studded with Diamond/ Colour Stones/ Precious & Semi-precious stones). The unit commenced its export production w.e.f. 15/05/2004 and LOA of the unit is valid up to 14/05/2019.

It was informed that Unit was granted In-principle exit approval for exit from SEZ scheme vide this office letter dated 19/07/2017 and unit was advised to submit requisite documents for compliance with exit formalities. Unit vide its letter dated 09/11/2017 and subsequent letters dated 15/11/2017, 22/11/2017, 29/12/2017, 09/01/2018, 15/01/2018, 08/03/2018, 28/05/2018, 15/06/2018 & 29/06/2018 has submitted all



the documents related to exit from SEZ scheme as asked vide this office letter dated 19/07/2017. It was further informed that in terms of Rule 54 of SEZ Rules, 2006, it is for Approval Committee to arrive at conclusion that unit has achieved positive NFE.

Shri B.B. Jindal, director of the company appeared before the Approval Committee. He informed that they are not working since 2012-13 and hence they have decided to exit from SEZ scheme.

It was informed that vide this office letter dated 18.07.2018, Deputy Commissioner, Commercial Tax Department has been requested to confirm as to whether any liability of their department falls against the said unit. If no response is received within 15 days from issue of this office letter, it would be presumed that no amount of Trade Tax are outstanding against the said unit and final exit shall be considered based on available records and without further reference in the matter. Reply awaited from the department.

The Approval Committee monitored the performance of the unit on the basis of APRs submitted by it up to 2017-18 and noted that unit has been lying non-functional during current block of five years w.e.f. 15/05/2014. The Approval Committee further observed that no foreign exchange is pending for realization as on date. In view of above, the Approval Committee decided that the unit may be allowed final exit subject to compliance of exit formalities.

**13. Proposal in respect of M/s. Heuer International (A division of G.S.T. Corporation Ltd.) for Monitoring of performance.**

It was informed to the Approval Committee that M/s. Heuer International (A division of G.S.T. Corporation Ltd.) had been issued LOA dated 07/07/2006 for (i) Manufacturing of medical/surgical devices, including manufacture of orthopedic implants, instruments accessories, orthotics aids, resuscitator silicon project and ii) Trading items as per list in file (52 items). The unit has commenced its export production w.e.f. 27/07/2007 and LOA of the unit is valid till 26/07/2022.

It was informed that proposal in respect of M/s. Heuer International for Renewal of LOA; Change of directors and Monitoring of performance was considered by the Approval Committee in its meeting held on 03/01/2018 and then again in 04/07/2018. During the

