

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: 20/11/2018

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. उप सचिव, 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 12/11/2018 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 मे दिनांक 12/11/2018 को पूर्वाह्न 11:30 बजे सम्मेलन हॉल, प्रशासनिक भवन, नोएडा विशेष आर्थिक क्षेत्र, नोएडा मे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है।

संलग्नक: उपरोक्त

भवदीय,  
नितिन  
20/11/18  
(नितिन गुप्ता)  
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 एवं आवश्यक कार्यवाही के लिए।

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 12/11/2018 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 Vineet K. Singh, Dy. Commissioner, Commercial Tax, Noida.
- 3) Shri Rajesh Sharma, Asstt. Commissioner, Customs, Noida Commissionerate.
- 4) Shri R.L. Meena, Asstt. DGFT, O/o Addl. DGFT, CLA, New Delhi.

2. Besides, during the meeting S/Shri (i) Nitin Gupta, Dy. Development Commissioner, NSEZ, (ii) Md. Salik Parwaiz, Specified Officer, NSEZ, (iv) Prakash Chand Upadhyay, OSD to DC, NSEZ, and (v) Rajendra Mohan Kashyap, PA to JDC, NSEZ 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 04/10/2018.**

It was informed that no reference against the decisions of the Approval Committee held on 04/10/2018 was received and, therefore, Minutes of the meeting held on 04/10/2018 were ratified.

**(ii)** The Approval Committee, in view of the facts that amendments were notified only recently, directed that the cases of those units, whose LOAs were due for renewal within two months of SEZ Rule Amendment dated 19/09/2018 may be considered on file subject to furnishing their application in Form F1 in terms of the Rule 19(6A)(1) of SEZ Amendment Rules, 2018. But after one month all such proposal along with Form F1 would invariably be put up before Approval Committee for taking a view in case request for renewal has not been made two months in advance, as stipulated in amendment Rules.



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

<b>1.</b>	<p><b>Proposal of M/s. Veena Technologies Pvt. Ltd. for setting up a unit in NSEZ.</b></p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ to undertake Manufacturing &amp; Export of Almonds, Walnut, Cashew with projected exports of Rs. 9905 Lakhs and NFE earnings worth Rs. 5797 Lakhs over a period of five years.</p> <p>1.2 Shri Rajesh Gupta, director of the company, appeared before the Approval Committee to explain the project. Shri Gupta informed that he belongs to a business family and he has vast experience in manufacturing industry related to power cables, machines, ferrous and non-ferrous metals.</p> <p>1.3 Shri Gupta further informed that he is also promoter in other companies based in Manesar, Haryana, Himachal Pradesh and Delhi, which are engaged in the activities related to manufacturing as well as trading with turnover of more than Rs. 500 Crores.</p> <p>1.4 The Approval Committee observed that M/s. Veena Technologies Pvt. Ltd. was initially registered for IT/ITES and Service Activities. It was further observed that the promoters do not have relevant experience in the business proposed to be carried out from NSEZ.</p> <p>1.5 Shri Gupta informed that they have bought the company from previous owner recently and now wants to diversify the business in the field of dry fruit with the aim to become one of the most reputed organizations. He further stated that strong business networking has helped them in acquiring huge clientele base in the market. Initially he will require spce of 500 Sq. mtrs which may increase in future.</p> <p>1.6 He further stated that the raw materials will be procured from the domestic market as well as be imported from USA, Turkey, Australia and South Africa. Most of the finished products will be exported to UAE, Saudi Arabia, European Countries and some will be sold in domestic market. He stated that the DTA sale will not be more than 10% of total export.</p> <p>1.7 The Approval Committee, after due deliberations, approved the proposal of M/s. Veena Technologies Pvt. Ltd. for setting up a unit in NSEZ for Manufacturing &amp; Export of</p>
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(i) Almond, (ii) Walnut and (iii) Cashew subject to following condition:

- (i) DTA sale will be allowed not more than 10% of total value of import.
- (ii) No DTA sale will be allowed for initial 6 months.
- (iii) Unit shall comply with other prescribed statutory norms including relating to Phytosanitary conditions and FSSI norms.
- (iv) Customs shall carry out due diligence as & when required as the duty element is very high.
- (v) The unit shall obtain all required approval from respective authorities

The Approval Committee further directed the representative of the company to submit a write-up on the background & profile in respect of Mr. Rajesh Gupta, director of the company.

**2. Proposal in respect of M/s. Smart Chip Pvt. Ltd. for inclusion of additional authorized operations.**

It was informed to the Approval Committee that M/s. Smart Chip Pvt. Ltd. had been issued LOA dated 20/01/2011 for following activities:

*Manufacturing & Trading of:*

- (i). Biometric Devices/Terminals
- (ii). Automatic Fingerprint Identification Systems /Fingerprint Scanner.
- (iii). Magnetic and optical Readers and Scanners
- (iv). Image Capture Device,
- (v). Smart Card Reader.

2.2 The unit commenced its export production w.e.f. 09/01/2012 and LOA is valid till 08/01/2022.

2.3 It was informed to the Approval Committee that unit has submitted a proposal for inclusion of Software and IT Enabled services for Biometric Devices/Terminals (ITC-HS 85238020) in its authorized operations.

2.4 Shri N.K. Prusty, authorized representative of the company appeared before the Approval Committee. He informed that they have been carrying out these services for

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their manufactured products. However, now they have got enquiries from other companies and expecting orders for the Software and IT Enabled services for biometric devices/terminals.

2.5 The Approval Committee observed that unit has been allowed manufacturing as well as trading items in its authorized operations and it has made DTA sales during previous block of five years. Further, unit vide this office letter dated 25/10/2018 has been asked to submit some documents/information which are still awaited. The Approval Committee also observed that forex worth Rs. 424.47 Lakhs has been shown pending as on 31/03/2018.

2.6 Shri Prusty informed that they have not done any trading activities during previous block of five years. He further informed that all the foreign exchange which were pending as on 31/03/2018 have been realized within the prescribed time limit. He also stated that they will submit reply of this office letter dated 25/10/2018 at the earliest. Regarding DTA sale of Rs. 36671.31 Lakhs, Shri Prusty informed that DTA sale has been done under Rule 53(A)(l) and these pertains to ITA/ITA-1 items.

2.7 The Approval Committee, after due deliberations, approved the proposal of M/s. Smart Chip Pvt. Ltd. for inclusion of Software and IT Enabled services for Biometric Devices/Terminals in its authorized operations subject to the following additional conditions for existing and instant approved authorized operation:-

- (i). No DTA sale of trading goods shall be allowed.
- (ii). 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 in terms of Section 2(z) of SEZ Act, 2005.
- (iii). Unit will maintain separate area earmarked for manufacturing and trading activities and maintain separate records/accounts of NFE for manufacturing and trading activities.
- (iv). NFE status for manufacturing activity and trading activity will be seen separately.
- (v). Unit shall file softex forms in respect of service activities as per RBI guidelines on

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	<p>the subject.</p> <p>(vi). Unit shall comply with the definition of services as given in Section 2(z)(iii) of SEZ Act, 2005.</p>
3.	<p><b>Proposal in respect of M/s. Balaji Export Co. for renewal of LOA and monitoring of performance.</b></p> <p>It was informed to the Approval Committee that M/s. Balaji Export Co. had been issued an LOA dated 16/09/2003 for following activities:</p> <p><i>(1) Manufacturing of Plain Gold Jewellery and Studded jewellery (with precious/non-precious stones, beads and pearls).</i></p> <p><i>(2) Import of outdated/old jewellery and melting the same for manufacturing of fresh jewellery.</i></p> <p><i>(3) Manufacturing of rhodium plated gold jewellery.</i></p> <p><i>(4) Manufacturing of Plain &amp; Studded Silver/Platinum/ Palladium Jewellery.</i></p> <p><i>(5) Manufacturing of Brass/Steel Jewellery/Plain &amp; Studded imitation Jewellery item.</i></p> <p>3.2 The unit commenced its export production w.e.f. 13/10/2003 and LOA is valid till 12/12/2018.</p> <p>3.3 It was informed to the Approval Committee that the unit has made exports worth Rs. 4910.75 Lakhs and earned positive NFE earnings worth Rs. 156.21 Lakhs during previous block of five years between 2013-14 to 2017-18. It was further informed that unit has not made any export during 2016-17 &amp; 2017-18.</p> <p>3.4 Shri Rohit B. Kanabar and Shri Sujit Kumar Jha, authorized representative of the unit appeared before the Approval Committee. Shri Kanabar informed that they were concentrating on Silver jewellery business and accordingly factory was being renovated. Due to factory renovation, production adversely suffered during 2016-17 &amp; 2017-18. However, now they have started production from current financial year and made exports to the tune of 38 kgs of Jewellery (approx.) (value Rs. 7 Crores approx.) during 2018-19.</p> <p>3.5 It was informed to the Approval Committee that unit has been asked to submit completed application in Form F1 for renewal of LOA in terms of Rule 19(6A)(1) of SEZ</p>

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	<p>Rules, 2006 which is still awaited.</p> <p>3.6 The Approval Committee observed that previous block of five years was valid till 12/10/2018.</p> <p>3.7 The Approval Committee after due deliberations, decided to extend the validity of LOA for a period of two months. The Approval Committee directed the unit to submit a write-up on non-performance of unit during 2016-17 &amp; 2017-18 along with Form F1 for renewal of LOA. The Approval Committee also deferred the matter of monitoring for its next meeting with a direction to place complete performance along with achievement of value addition upto 12/10/2018.</p>
4.	<p><b>Proposal in respect of M/s. Groupe iSOURCE for Monitoring of Performance and Renewal of LOA.</b></p> <p>It was informed to the Approval Committee that M/s. Groupe iSOURCE had been issued an LOA dated 21/02/2008 for Information Technology Enabled Services. The unit commenced its export activities w.e.f. 01/10/2008 and LOA is valid till 30/11/2018.</p> <p>4.2 It was informed to the Approval Committee that the unit has made exports worth Rs. 573.70 Lakhs and earned positive NFE earnings worth Rs. 558.13 Lakhs during previous block of five years between 2013-14 to 2017-18.</p> <p>4.3 No one from the unit appeared for the meeting.</p> <p>4.4 It was informed to the Approval Committee that unit has been asked to submit completed Form F1 in terms of Rule 19(6A)(1) along with the self-declaration related to the criteria specified in Rule 19(6B). Reply of unit is awaited.</p> <p>4.5 The Approval Committee after due deliberations, decided to extend the validity of LOA for a period of two months so that work of unit does not suffer. The Approval Committee further directed the unit to submit completed Form F1 in terms of Rule 19(6A)(1) along with the self-declaration related to the criteria specified in Rule 19(6B) and deferred the matter for its next meeting.</p>

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**5. Proposal in respect of M/s. Lakeland Gloves & Safety Apparel Pvt. Ltd. for Monitoring of Performance and Renewal of LOA.**

It was informed to the Approval Committee that M/s. Lakeland Gloves & Safety Apparel Pvt. Ltd. had been issued an LOA dated 18/01/2008 for Manufacture & Export of (1) Non-Woven fabric Safety Apparel for Dust Protection (Coverall, Coats, Pant, Jackets, Shoe Covers, Aprons, Hoods). (2) Non-Woven fabric Safety Apparel for Liquid Splash Protection (Coverall, Coats, Pant, Jackets, Shoe Covers, Aprons, Hoods). The unit commenced its export production w.e.f. 23/10/2018 and LOA was valid till 22/10/2018.

5.2 It was informed to the Approval Committee that the unit has made exports worth Rs. 1205.00 Lakhs and earned positive NFE earnings worth Rs. 394.13 Lakhs during previous block of five years between 2013-14 to 2017-18.

5.3 Shri Vishal Kumar and Shri Anil Thomas, directors of the unit appeared before the Approval Committee. Shri Thomas informed that they are into manufacturing of fabric safety apparel. They mainly export to USA. Shri Thomas further informed that they are planning to expand the business.

5.4 The Approval Committee monitored the performance of unit and noted achievement of positive NFE earnings by the unit.

5.5 The Approval Committee, after due deliberations, decided to extend the validity of LOA for five years i.e. upto 22/10/2023.

**6. Proposal in respect of M/s. Dr. Fresh Assets Ltd. (Unit-I) for Monitoring of Performance and Renewal of LOA.**

It was informed to the Approval Committee that M/s. Dr. Fresh Assets Ltd. (Unit-I) had been issued an LOA dated 19/12/1995 for following activities:

1. Manufacturing & Export of Tooth Brushes, Oral Hygiene products like Toothpick, Tongue Cleaner, Dental Floss and Travel Kit.

2. Trading of:

i) Fashion Jewellery sets such as Necklace, Bracelet, Earring, Pendants, Bangles, Jhumki other than gold, silver & precious



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metals.

- ii) Clothing such as Ladies suits, Slips, Kurti, Skirts, Sleepwear, Night Gowns, Costumes and Men's Clothing.
- iii) Handicraft items such as Table mats, Wooden Stool, Trays, Chowki, Statue, Bouquet and Painting.
- iv) Essential Oils such as Lemon Gross, Lavender, Rosemary, Rose Geranium and Peppermint oil etc.

3. Trading of Turmeric Powder, Ginger Powder, Peppercorns Powder & Dry Extract, Cow Ghee, Honey, Dates and Nuts bars, Ashwagandha Powder, Triphala Tablets, Guduchi Powder, Amaranth Muesli, Oats Granola, Other related products.

**[Trading condition -No DTA sale and 100% physical export shall be carried out by the unit]**

6.2 The unit commenced its export production w.e.f. 15/06/1996 and LOA is valid till 05/10/2018.

6.3 It was informed to the Approval Committee that unit was earlier granted in-principle approval for exit on 18.08.2009. The unit had requested for withdrawal of their request of exit, renewal of LOA and inclusion of trading items in their authorized operations, which was considered by the Approval Committee in its meeting held on 06/04/2016. The Approval Committee in the said meeting had approved the proposal of the unit for Withdrawal of exit request, inclusion of trading items in the LOA and decided to renew the LOA of the unit for a period of one year.

6.4 It was further informed that the Approval Committee in its meeting held on 03/05/2017 observed that unit has made export worth Rs. 3.30 Lakhs during 2016-17 and accordingly renewed the LOA for six months upto 05/10/2017. Later, the LOA was again renewed by the Approval Committee and currently the extended period of LOA was valid upto 05/10/2018.

6.5 Shri Vijay Pathak, director appeared before the Approval Committee. Shri Pathak informed that they have made exports worth Rs. 32.97 Lakhs during 2017-18 and no import was made during this period. He further stated that they have made export approx. Rs. 1-1.5 Lakhs during 2018-19.

6.6 It was informed that unit had made exports worth Rs. 3.30 Lakhs during 2016-17.

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APR for the year 2017-18 is awaited. Further, as per APR for the period 2016-17, there are only 2 employees in the unit.

6.7 The Approval Committee observed that unit has been allotted Plot No. 155, 156 & 157, NSEZ admeasuring 1815 Sq. mtrs. cumulatively. However, despite several opportunities, employment generation and export performance of the unit in comparison to the space allotted is very low. The Approval Committee expressed its displeasure over the dismal performance.

6.8 The Approval Committee further observed that unit has submitted projections of exports worth Rs. 470 Lakhs over a period next five years which is also very low. The Approval Committee also observed that unit has also not submitted completed Form F1 in terms of Rule 19(6A)(1) along with the self-declaration related to the criteria specified in Rule 19(6B). Besides, other documents as asked vide this office letter dated 02/11/2018 are also awaited.

6.9 Shri Pathak informed that they are hopeful to increase the export activities in future as currently some orders are in process. He further stated that they have also been issued another LOA (Unit-II) which is also working in the zone. He requested to renew the LOA for next five years.

6.10 Keeping in view the dismal performance of the unit during previous block of five years, the Approval Committee did not agree with the request of the unit for renewal of LOA for a period of five years. The Approval Committee, after due deliberations, decided to renew the LOA for a period of two months. The Approval Committee further directed the unit to submit a complete status of Unit-I & II and concrete plan for working in NSEZ along with completed Form F1 and other documents as asked vide this office letter dated 02/11/2018.

6.11 The Approval Committee further directed that on receipt of all the documents from the unit, the facts pertaining to both units may again be placed before it for further consideration.



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**7. Proposal in respect of M/s. Bera Enterprise for Monitoring of Performance and Renewal of LOA.**

It was informed to the Approval Committee that M/s. Bera Enterprise had been issued an LOA dated 21/12/2011 for Manufacturing & Export of Handmade Plain & Studded Gold Jewellery for all purity upto 22 Carat and Silver Jewellery. The unit commenced its export production w.e.f. 23/10/2013 and LOA was valid till 21/10/2018.

7.2 It was informed to the Approval Committee that the unit has made exports worth Rs. 20403.73 Lakhs and earned positive NFE earnings worth Rs. 293.96 Lakhs during previous block of five years between 2013-14 to 2017-18.

7.3 It was also informed that M/s. Bera Enterprises were served a show cause notice dated 02.06.2015 for non-achievement of prescribed value addition norms. As against prescribed value addition of 3%, the unit could achieve value addition of 1.005% in the year 2013-14. The SCN is yet to be adjudicated. It was further informed that the matter was considered by the Approval Committee in its meeting held on 07/10/2015 and 02/11/2016 wherein the Approval Committee deferred the matter and directed to prepare a report on consignment wise value addition achievement or shortfall in terms of para 4.67 of HBOP 2015-2020.

7.4 Shri Saikat Bera, partner in the firm appeared before the Approval Committee. He informed that although at starting they could not achieve value addition during 2013-14 & 2014-15 as per prescribed norms. However, now they are exporting as per prescribed value addition norms.

7.5 The Approval Committee, after due deliberations, decided to extend the validity of LOA for next block of five years i.e. upto 22/10/2023. The Approval Committee further deferred the matter for monitoring of performance and adjudication of SCN dated 02/06/2015 for its next meeting and directed project section to prepare a report in consultation with NSEZ Customs on the following:

- (i) Details of value addition after issue of circular by DOC in 2013.
- (ii) Details of yearwise prescribed value addition norm as per HBOP and value addition

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	<p>achieved by the unit.</p> <p>(iii) Cumulative value addition achieved by the unit during previous block of five years.</p> <p>The Approval Committee also directed the promoter of the unit to furnish yearwise as well as cumulative value addition achieved by the unit.</p>
8.	<p><b>Proposal in respect of M/s. APK Identification for Monitoring of Performance and Renewal of LOA.</b></p> <p>It was informed to the Approval Committee that M/s. APK Identification had been issued an LOA dated 18/08/2003 for Manufacturing of Radio Frequency Identification Devices, Smart Cards, Voice Coils, Plastic Moulded Parts, Plastic &amp; Metallic Machined Components. The unit commenced its export production w.e.f. 01/12/2003 and LOA is valid till 30/11/2018.</p> <p>8.2 It was informed to the Approval Committee that the unit has made exports worth Rs. 4594.63 Lakhs and earned positive NFE earnings worth Rs. 1798.44 Lakhs during previous block of five years between 2013-14 to 2017-18.</p> <p>8.3 Shri Ramashankar Sharma, authorized representative of the unit appeared before the Approval Committee. Shri Sharma informed that they are regular exporter and have achieved positive NFE during previous block of five years.</p> <p>8.4 The Approval Committee monitored the performance of unit and noted achievement of positive NFE earnings by the unit.</p> <p>8.5 The Approval Committee, after due deliberations, decided to extend the validity of LOA for a period of five years i.e. upto 30/11/2023.</p>
9.	<p><b>Proposal in respect of M/s. Hitech Overseas for Monitoring of performance in view of exit request of unit.</b></p> <p>No one from the unit appeared before the Approval Committee. The Approval Committee deferred the matter and directed to place the same in its next meeting with full facts including correct NFE position.</p>

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10.	<p><b>Proposal in respect of M/s. Varun International for review of LOA.</b></p> <p>It was informed to the Approval Committee that M/s. Varun International had been issued an LOA dated 25/03/2013 for Manufacturing of Textile &amp; Textile articles and Handicrafts (made of silk cotton viscose, polyester, synthetic yarn. The unit did not commence its export production. LOA of the unit was valid till 24/03/2016.</p> <p>10.2 It was informed to the Approval Committee that the unit has not applied for extension in the validity of LOA till date.</p> <p>11.3 It was further informed that unit was allotted SDF No. D-16, NSEZ on 17/06/2013. Lease rent amounting to Rs. 7,53,024/- is outstanding against the unit. Possession of the said premise has already been taken over by NSEZ Authority on 21/11/2016.</p> <p>11.4 The Approval Committee observed that LOA of the unit has already expired on 24/03/2016 and unit has not applied for its extension till date. The Approval Committee, after due deliberations, decided to treat the LOA cancelled as already lapsed. The Approval Committee further directed Estate Management Division, NSEZ to issue reminder in respect of Recovery certificate to the jurisdictional magistrate for recovery of outstanding lease rent against the unit &amp; its promoters after verifying correct/new address of the promoters of the firm and pursue the matter vigorously.</p>
11.	<p><b>Proposal in respect of M/s. T.C. Import Export for review of LOA.</b></p> <p>It was informed to the Approval Committee that M/s. T.C. Import Export had been issued an LOA dated 28/12/2005 for Manufacturing of Heater Element, Resistance/Stainless Steel Wire &amp; Electrical Appliance i.e. Electric Immersion Water Heater. The unit commenced its export production w.e.f. 12/09/2006 and its LOA was valid till 11/09/2011.</p> <p>11.2 It was informed to the Approval Committee that this office vide letter dated 01.11.2011 and subsequent letter dated 12/10/2018 had informed the unit that their LOA has already lapsed on 11.09.2011 and advised them to complete exit formalities. However, no reply from the unit has received till date.</p> <p>11.3 Dy. Commissioner, Commercial Tax Department vide its letter dated 27.06.2016</p>

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had informed that the total amount of Rs.2076603/- is outstanding against M/s. T.C. Import Export. In this regard, unit was advised to clear all the dues of Commercial Tax Department and submit No Dues Certificate from them to this office. However, unit has not submitted No Dues Certificate from Commercial Tax Department, till date.

11.4 It was further informed that unit was allotted SDF No. G-9, NSEZ on 19/04/2006. Lease rent amounting to Rs. 12,62,008/- is outstanding against the unit. Possession of the said premise has already been taken over by NSEZ Authority on 10/12/2012.

11.5 The Approval Committee, after due deliberations, observed that LOA of the unit has already expired on 11/09/2011. The Approval Committee directed project section to write to the promoters of the unit to complete exit formalities. The Approval Committee further directed EM Division, NSEZ to issue reminder in respect of Recovery certificate to the jurisdictional magistrate for recovery of outstanding lease rent against the unit & its promoters after verifying correct/new address of the promoters of the firm and pursue the matter vigorously. Approval Committee also directed that letter may be written to the senior officers of the Commercial Tax Deptt. to recover their dues and also advised representative of Tax Deptt. present in the meeting to take further necessary action as appropriate.

**12. Proposal in respect of M/s. SRHR Exports for monitoring of performance and review of LOA.**

It was informed to the Approval Committee that M/s. SRHR Exports had been issued an LOA dated 19/12/2011 for Manufacturing of Handcrafted/machine made gold/platinum/silver jewellery (plain/studded with precious/semi-precious stones, pearls & diamonds). The unit commenced its export production w.e.f. 03/09/2012 and its LOA was valid till 02/09/2017.

12.2 It was informed to the Approval Committee that unit vide its letter dated Nil received on 08/02/2018 had requested to grant them permission for exit from SEZ Scheme. Accordingly, the unit vide this office letter dated 22/02/2018 and subsequent reminder dated 16/10/2018 was requested to comply with exit formalities. However, no reply from the unit has received till date.

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12.3 It was further informed that the unit has made exports worth Rs. 2169.64 Lakhs and earned positive NFE earnings worth RS. 2020.19 Lakhs during previous block of five years i.e. from 2012-13 to 2016-17. The Approval Committee took note of positive NFE earned by the unit.

12.4 It was further informed that unit was allotted SDF No. I-16A, NSEZ on 04/01/2012. Lease rent amounting to Rs. 4,22,683/- is outstanding against the unit. Estate Management division, NSEZ has issued reminder to the unit for surrender for the said premise. No one from the unit appeared before the Approval Committee.

12.5 The Approval Committee observed that unit has already applied for exit from SEZ scheme. The Approval Committee directed to issue reminder to the unit for completing exit formalities. The Approval Committee further directed that if required, LOA of the unit may be extended for a period of two months exclusively to complete exit formalities subject to condition that no import/export shall be allowed.

**13. Proposal in respect of M/s. Ajit Exports for monitoring of performance and review of LOA.**

It was informed to the Approval Committee that M/s. Ajit Exports had been issued an LOA dated 16/05/2011 for Manufacturing & Export of (i) Plain Gold Jewellery; (ii) import of old/idle/outdated gold jewellery for melting and remaking into finished product for export; (iii) Studded gold jewellery and plain & studded silver jewellery; (iv) Import of mountings, semi-finished/outdated jewellery for studding, assembling. Rhodium plating, refinishing, into finished product for export. The unit commenced its export production w.e.f. 01/01/2004 and its LOA was valid till 31/12/2013.

13.2 It was further informed that the unit had made exports worth Rs. 24943.00 Lakhs and earned positive NFE earnings worth RS. 1024.00 Lakhs during first block of five years i.e. from 2003-04 to 2007-08.

13.3 It was further informed that unit was issued SCN dated 30/04/2009 for non-fulfillment of Terms & Condition of LOA & contravening the provisions of FTP/SEZ Rules' 06. LOA of the unit has been suspended till adjudication of SCN vide this office letter dated

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01/12/2009. The above SCN is yet to be adjudicated.

13.4 It was further informed that an SCN dated 02/02/2010 was issued by the DRI, New Delhi to the unit and others in case of mis-declaration of items of import/export and clandestine removal by M/s. Ajit Exports. The DRI vide their letter dated 28/05/2014 had intimated that a final SCN has been issued on 12/11/2013 demanding total duty to the tune of Rs. 94.75 Crore from M/s. Ajit Exports and M/s. Vee Ess Jewellers Pvt. Ltd.

13.5 It was also informed that the unit vide their letter dated 17/06/2014 had intimated that the said SCN dated 02/02/2010 is pending and yet not been adjudicated. The unit had further stated that neither the DRI nor the adjudicating authority had imposed any kind of restriction on them. The unit had requested to renew the LOA stating that the adjudication of the SCN dated 02/02/2010 might take a long time and they will suffer irreparable losses in case the LOA is not renewed.

13.6 Accordingly, proposal of the unit for renewal of LOA was placed before Approval Committee in its meeting held on 29/01/2015. The Approval Committee deliberated on the matter and perused the contents of the legal opinion obtained. The Committee decided not to renew the LOA of M/s. Ajit Exports till adjudication of the SCNs by the DRI and NSEZ. The same was conveyed to the unit vide this office letter dated 13/02/2015.

13.7 It was further informed that Customs, NSEZ has stated that the Assistant Commissioner (Adj.) has informed that the case of M/s. Ajit Exports is under adjudication process. As soon as the case is finalized, the same will be intimated to Customs, NSEZ.

13.8 The Approval Committee observed that lease rent amounting to Rs.4,36,197/- is also outstanding against the unit. Notice under Section 4 and R.C. have been issued against the unit. Further, action could not be taken as the case of M/s. Ajit Exports is pending in DRI.

13.9 No one from the unit appeared for the meeting.

13.10 The Approval Committee, after due deliberations, directed to issue reminder to ADG, DRI/ DRI HQ along with complete facts of the case and for seeking current status of SCN dated 02/02/2010.



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**14. Proposal in respect of M/s. Capgemini Technology Services India Ltd. (Unit-I) for Monitoring of performance of the unit.**

It was informed to the Approval Committee that M/s. Capgemini Technology Services India Ltd. (Unit-I) had been granted an LOA dated 17/02/2006 for IT/ITES. The unit has commenced its export activities w.e.f. 19/06/2008 and LOA of the unit is valid up to 18/06/2023.

14.2 It was informed to the Approval Committee that unit has made exports worth Rs. 99918.34 Lakhs and achieved NFE earnings worth Rs. 95131.26 Lakhs during previous block of five years. It was further informed that unit has rendered services worth Rs. 34,80,765/- in DTA against payment in INR. As per Section 2(z)(iii) of SEZ Act 2005, "Services means such tradable services which earn foreign exchange". Hence, the above sales are not as per SEZ Act/Rules and value of Rs. 34,80,765/- had to be against free foreign exchange but the unit has received payments in INR.

14.3 It was also informed that the proposal in respect of unit for renewal of LOA along with monitoring of performance was considered by the Approval Committee in its meeting held on 04/10/2018 wherein the Approval Committee gave the option to unit representatives if they so desire to settle the matter as per section 11(4) of the FT(D&R) Act, 1992 for violation of SEZ Act and Rules by imposing penalty to regularize authorized operations. The representatives informed that they will bring the above aspect of the case in the notice of the promoters/appropriate authority of their company and requested for some time to take a decision in the matter.

14.4 Smt. Manisha Patil, authorized representative of the company appeared before the Approval Committee. It was informed to her that in terms of Section 2 (z) (iii) of the SEZ Act, 2005, services means such tradable services which earn foreign exchange. In case the unit has rendered services in DTA against INR, the same is violation of the said section of the SEZ Act. Smt. Patil gave consent on behalf of company to settle the case as per section 11(4) of the FT(D&R) Act, 1992.

14.5 In light of facts & circumstances of the case, DC, NSEZ in consultation with the members of the Approval Committee, imposed a penalty of 0.1% of the value of services

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rendered in DTA against payment in INR subject to minimum Rs.10,000/- on the unit as per section 11(4) of the FT (D&R) Act, 1992.

14.6 The Approval Committee also monitored the performance of unit and noted achievement of positive NFE Earnings by the unit during previous block of five years.

**15. Proposal in respect of M/s. J & S Exports for Monitoring of performance of the unit.**

It was informed to the Approval Committee that M/s. J & S Exports had been issued an LOA dated 28/02/2007 for following activities:

1. *Manufacturing of all kinds of Ladies Garments (top, skirt, dress hand-embroidered)*
2. *Manufacturing of Scarves, pants, blouse, Capri, home-furnishing, embroidered fabric panels, garments accessories.*
3. *Relabeling/ Repackaging/ Trading Activities of:*
  - i) *All kinds of ladies/Men's Garments*
  - ii) *All kind of kids/Child Garments*
  - iii) *All kind of Boys/Girls Garments.*
  - iv) *All kind of artificial jewellery.*

*[Trading activities were permitted on 16/10/2015 subject to condition that No DTA sale of trading goods shall be allowed]*

15.2 The unit commenced its export production w.e.f. 11/10/2007 and LOA was valid till 10/10/2017.

15.3 It was informed that unit has not made application for renewal of LOA on time. Unit applied for renewal of LOA after much delay on 15/03/2018 and subsequently vide this office letter dated 02/04/2018 unit was requested to submit some documents/information related to LOA Renewal. However, unit has not submitted the said details till date.

15.4 It was further informed that lease rent amounting to Rs. 10,10,283/- (upto 30/09/2018) is outstanding against the unit and recovery certificate under section 14 of P.P. Act 1971 was issued on 08/08/2018.

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15.5 Shri Dhruv Jalan, partner in the unit appeared before the Approval Committee. He informed that they have been a good NFE earner. But, since last 2-3 years they struggled due to non-availability of adequate credit lines. However, recently they have repaid entire dues of the bankers from their own resources and they are in process of reviving the business operations of the unit.

15.6 Shri Jalan further informed that due to financial constraints they could not deposit lease rent on time. He further informed that they are depositing Rs. 3 Lakhs within this week and requested to grant them 3 months' time to deposit the remaining amount to which the Approval Committee agreed. The Approval Committee directed him to deposit Rs. 3 Lakhs immediately, for which DD is ready and rest of the amount in 3 months.

15.7 Shri Jalan has further stated that now they have been receiving inquiries for supplies and they hope to make export of approx. Rs. 8 Crores in the first year. He also stated that they will be able to commence the operation by January 2019 and projected to employ approx. 250-300 persons.

15.8 The Approval Committee noted positive NFE achievement by the unit for the block period of 2007-08 to 2011-12 and directed representative of unit to furnish NFE position of current block 2012-13 to 2017-18.

15.9 The Approval Committee, after due deliberations, directed the unit to submit a detailed write-up on non-performance and future business plan and also to submit completed Form F1 for renewal of LOA. It was further directed that decision on renewal of LOA would be taken in the next meeting. Approval Committee further directed the representative of the unit that whatever he stated during the meeting, an email/letter may be sent to NSEZ Administration in this regard.

**16. Proposal in respect of M/s. Educomp Solutions Ltd. for Monitoring of performance of the unit.**

It was informed to the Approval Committee that M/s. Educomp Solutions Ltd. had been issued an LOA dated 29/03/2006 for Software Development & IT Enabled Services. The unit commenced its export activities w.e.f. 01/04/2007 and its LOA was valid till