

## मुरादाबाद विशेष आर्थिक क्षेत्र

(दिनांक 12/09/2024 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

Minutes of meeting of the Approval Committee of Moradabad SEZ held under the Chairmanship of Shri A. Bipin Menon, Development Commissioner (DC), Noida SEZ at 10:30 AM on 12.09.2024 through video conferencing.

**A.** The following members of the Approval Committee were present through video conferencing during the meeting:

1. Shri Surender Malik, Joint Development Commissioner, NSEZ (Nominee of Deptt. of Commerce in terms of letter dated 23/09/2008).
2. Shri Jagdish Chander, Assistant, DGFT, DGFT Delhi.
3. Shri Yogesh Kumar, Joint Commissioner (Industries), DIC, Moradabad.
4. Shri Devendra Kumar Tomar, Superintendent, CGST Moradabad.
5. Shri Surender Pal, ITO (HQ) O/o. PCIT, Income Tax Department, Moradabad.
6. Ms. Gesu Maurya, Area Manager, UPSIDA, Moradabad SEZ.

**B.** Besides, during the meeting Shri (i) Nitin Gupta, Deputy Development Commissioner, Moradabad SEZ (ii) Vikas Yadav, Assistant Development Commissioner, Moradabad SEZ and (iii) Bhushan Sharma, Superintendent (Customs), Moradabad SEZ were also present to assist the Approval Committee. It was informed that the stipulated quorum for holding the meeting was available and the meeting could proceed.

**C.** At the outset, the Chairman welcomed the participants. After a brief introduction, the agenda was taken up sequentially. After detailed deliberations amongst the members of the Approval Committee as well as interaction with the applicants/representatives of the units, the following decisions were unanimously taken:-

1.	<b>Ratification of Minutes of last meeting of the Approval Committee held on 19.06.2024.</b>
	As no reference against the decisions of the Approval Committee meeting held on 19.06.2024 had been received, the Approval Committee took note of the same and accordingly, the minutes of the meeting held on 19.06.2024 were unanimously ratified.
2.	<b>Proposal for renewal of LOA regarding.</b>
2.1	<b>M/s Goldmine Overseas</b> <ol style="list-style-type: none"> <li>1. The Approval Committee was informed that M/s Goldmine Overseas had submitted a proposal for renewal of LOA dated 16.06.2016 for 2<sup>nd</sup> block of 5 years up to 11.07.2028. It was informed that unit in its first block of 5 years had made exports to the tune of Rs. 1680.72 Lakhs with no foreign exchange outflow. Hence, the NFE for the unit stood at Rs. 1680.72 Lakhs for its first block of operations. The LOA of the unit expired on 11.07.2023 and no request was received from unit within time for renewal of LOA.</li> </ol>

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	<p>2. Shri Sumit Garg, Partner of the unit appeared before the Approval Committee and explained the proposal. He informed that earlier they had exported around Rs 17 Crores when they had orders in hand. However, they lost business due to COVID and thereafter for the last 2 years he was on bed rest due to a spine ailment. Now, he had export order of approx. Rs. 2.00 Crores for table pillar of Tin from their overseas buyer i.e. Blackrock General Trading LLC. He further stated that after renewal of their LOA they plan to dispatch their first shipment within 15 days.</p> <p>3. The Approval Committee enquired about the condition of already installed machinery in their premises since it was not working since the last three years. Shri Garg informed that all the machinery in their premises were in good condition.</p> <p>4. The representative of UPSIDA informed that the unit had pending dues of Rs. 6.50 Lakhs against their plot which shall be paid by the unit through Nivesh Mitra website. This was required for getting 'NOC/No Dues Certificate'. Shri Garg informed that he would make payment of dues of UPSIDA within 70 days of renewal of LOA.</p> <p>5. The Approval Committee, after due deliberations, empowered the Development Commissioner to take appropriate decision in the matter on file subject to the following:</p> <ul style="list-style-type: none"> <li>ii. The unit shall submit a revised purchase order with complete address, name and contact details of the buyer which will further be verified by office of DC.</li> <li>i. The unit shall pay minimum 50% of his pending dues of developer UPSIDA immediately.</li> </ul>
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2.2	<p><b>M/s Sehar Overseas.</b></p> <p>1. The Approval Committee was informed that M/s Sehar Overseas had submitted a proposal for renewal of LOA dated 29.09.2017 for 2<sup>nd</sup> block of 5 years up to 23.09.2028. It was informed that the unit in its first block of 5 years had made exports to the tune of Rs. 1.02 Lakhs with no foreign exchange outflow. Hence, the NFE for the unit stood at Rs. 1.02 Lakhs for its first block of operations. The LOA of the unit expired on 23.09.2023 and request for renewal of LOA was received from the unit on 11.09.2023 wherein shortcomings were observed in the proposal and communicated thereof. However, the unit did not submit complete requisite information sought on account of which it was not renewed..</p> <p>2. Shri Adnan Arif Partner of the unit appeared before the Approval Committee and explained the proposal. Shri Arif informed that initially the firm was a proprietorship firm which was converted to partnership firm by adding Sh. Mohd. Fahim Ahmed and Smt. Shaheen Sabri as partners in the firm. After changing the constitution of the firm, initial 2 years were wasted due to COVID and they made a small consignment export in 2020-21. Thereafter, they did not get any order for export of Handicrafts and hence were not able to work for remaining period of 1<sup>st</sup> block of 5 years. Now, they have secured an order of around Rs. 2.00 Crores for Tin Ingot from their overseas buyer based in UAE. He further informed</p>
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that their buyer has extended their purchase order for one more month which they needed to execute immediately.

3. The representative of UPSIDA informed that the unit had pending dues of Rs. 1.02 Lakhs against their plot which had to be paid by the unit through Nivesh Mitra website. This was required for getting 'NOC/No Dues Certificate'.
4. The Approval Committee, after due deliberations, empowered the Development Commissioner to take appropriate decision in the matter on file subject to the following:
  - i. The unit shall clear the pending dues of developer UPSIDA at the earliest.
  - ii. the Office of DC to verify the purchase order submitted by the unit.

**3. Proposal to change the company name/ constitution of Artista Home (O.P.C.) Private Limited to Artista Home Private Limited:**

1. The Approval Committee was informed that M/s Artista Home (O.P.C.) Private Limited had submitted a proposal for change of constitution of Artista Home (O.P.C.) Private Limited including mandatory change of company name to Artista Home Private Limited. It is informed that the unit commenced its commercial production w.e.f. 12.04.2023 and its LOA was valid up to 11.04.2028. Further, during the year 2023-24, the unit's exports were Rs. 13.30 Lakhs with no foreign exchange outflow. Hence, the NFE for the unit stood at Rs. 13.30 Lakhs for its first year of operations.
2. Shri Vipul Sachdeva, Director of the unit appeared before the Approval Committee and informed that the MCA regulations required OPC company to convert into a private limited company if its paid up capital or average annual turnover went over a threshold. Hence hence they were voluntarily converting OPC company into a private limited company. Shri Sachdeva informed that they had submitted a Board Resolution for addition of new Directors and assigning authorized signatory for the company. He further informed that they were adding one Director namely Mr. Pradeep Kumar Sachdeva.
3. The Details of Share holding Pattern for company are as under:

Name of the share holder	Share Holding before change		Share Holdings after change		Designation
	No. of Shares	% Share holding	No. of Shares	% Share holding	
Shri Vipul Sachdeva	1,00,000.00	100%	9,00,000.00	90%	Director
Shri Pradeep Kumar Sachdeva	0.00	0.00	1,00,000.00	10%	Director
<b>Total</b>	<b>1,00,000.00</b>	<b>100%</b>	<b>10,00,000.00</b>	<b>100%</b>	

4. The Approval Committee, after due deliberations, approved the change of constitution of company from OPC Private Limited to Private Limited with the addition of Shri Pradeep Kumar Sachdeva as a new Director



with a 10% share in company. The Approval Committee also approved the change of name of company from Artista Home OPC Private Limited to Artista Home Private Limited. This is subject to submission of the following requisite document/ information:

- i. copy of EPCEs certificate.
- ii. revised APRs for the F.Y. 2023-24.

**4. Proposal of M/s Parth Exports for inclusion of additional Item/ITC (HS) code as Authorized operation in the LOA dated 29.09.2017.**

1. The Approval Committee was informed that M/s Parth Exports had submitted proposal for revision/ inclusion of additional ITC(HS) codes for their authorized operations in their LOA dated 29.09.2017. It is informed that the unit commenced its commercial production w.e.f. 18.02.2020 and its LOA is valid up to 17.02.2025. Further, during the first block up to FY 2023-24, the unit's exports were Rs. 5764.61 Lakhs with no foreign exchange outflow. Hence, the NFE for the unit stood at Rs. 5764.61 Lakhs for its first year of operations. Further, the unit had an amount of Rs. 105.80 Lakhs pending for realization beyond stipulated time as on 03.09.2024.
2. Shri Vasu Goel, Partner of the unit appeared before the Approval Committee and explained the proposal. He informed that they were revising some outdated HS codes and adding new ITC (HS) codes for their authorized operations as per demand of their overseas buyer. the Committee enquired about the products of MDF articles and country of export wherein Shri Goel the unit informed that they will manufacture trays and other kitchenware items and export these articles to USA.
3. The Approval Committee, after due deliberations, approved the proposal of unit for **revision/ inclusion of additional ITC (HS) codes** of existing authorized operations in their LOA dated 29.09.2017 which now stands as under:

Sr. No	Description as given by Unit	ITC(HS) Code	Specific Description as per DGFT
1	Articles of Aluminum	76151030	Utensils: ----Other Table, Kitchen or Other Household Articles
2	Article of Brass	74181021	Utensils: ----Of Brass
3	Article of Copper	74181022	Utensils: ----Of Copper
4	Article of Other Metal Furniture	94032090	Other Metal Furniture
5	Article of Marble/Stone Artware	68029900	Worked monumental or building stone (except slate) and articles thereof, other than goods of heading 6801; mosaic cubes and the like, of natural stone (including slate), whether or not on a backing; artificially coloured granules, chippings and powder, of natural stone (including slate) -- Other
		68022110	Marble Blocks or Tiles



6	Article of Wood	44199090	Tableware and Kitchenware, of Wood -- Other
7	Article MDF	44119429	Other: -- Of a Density not Exceeding 05 G/Cm <sup>3</sup>
8	Lantern/Hurricane	94055000	Non-Electrical Luminaires and Lighting Fittings
		34060090	Candles, Tapers and the like --Other
9	Lamp	94051900	Chandeliers and other Electric Ceiling or Wall Lighting Fittings, Excluding those of a kind used for Lighting Public Open Spaces or Thoroughfares -- Other
		94052900	Electric Table, Desk, Bedside or Floor-Standing Luminaires: -- Other

4. The approval is subject to the fact that the unit shall not import or export any product which is restricted or prohibited for imports or exports respectively.

5. **Proposal of C L Gupta Overseas LLP for Permission regarding Guidelines for Solar Power Generation, Transmission and Distribution in SEZ.**

1. The Approval Committee was informed that M/s C L Gupta Overseas LLP had submitted a proposal for permission regarding procurement of Solar Modules for captive power generation without payment of duty on the imported goods.
2. Shri Girdhari Gupta, authorized representative of the unit informed that they the unit would procure the Solar modules and install the same on the roof of their plot A-01 and they will use the power generated by solar modules in their same plot A-01 only.
3. The Committee enquired about the capacity and country of import, Shri Girdhari informed that the total installed capacity of the solar module would be 1185 KWP and they would import the goods from China. He also informed that they would use this solar generated power for captive consumption.
4. The Approval Committee noted that Department of Commerce vide OM dated 07.03.2024 has conveyed that **“Duty benefits under Section 26 of SEZ Act, 2005 is allowed to the units for installation as well as OM of renewable energy equipment exclusively for captive consumption of the unit with a specific condition that the power shall not be wheeled out to DTA”.**
5. The Approval Committee, after due deliberations, approved the proposal of the unit subject to condition that such captive solar generating power plant shall comply with all rules, regulations and technical standards framed under the Electricity Act 2003 as amended from time to time. This would include the mandatory registration with Central Electricity Authority where capacity of such Captive generative power plants exceeds 500 KW.

6. **Proposal for personal hearing:**



**M/s Indian Allied Exports.**

1. Shri Shantam Goel appeared before the Approval Committee and requested for renew of their LOA dated 31.01.2014. On being asked why the unit had not submitted complete requisite information sought by Approval Committee in its last meeting regarding their DTA sellers and Drawback availed corresponding to the pending export proceeds, Shri Shantam informed that the bill wise details were not available and the unit had submitted a list of his DTA suppliers along with their dues. Shri Shantam further informed that he does not have the details of drawback availed and the same may be sought from Customs of Moradabad SEZ.
2. The Committee further enquired about the status of pending forex remittance beyond nine months wherein Shri Goel informed that around Rs. 1.5 crores GR have been submitted in their AD Bank (Union Bank of India) for generating of BRC out of current pending Forex of Rs. 27.81 Crores. He also informed that the remaining Forex would be realized within 1.5 years once he starts operation from his SEZ unit. He also informed that he currently has a purchase order of Rs. 10 Lakhs from overseas buyer, a copy of which he will share in email after the meeting.
3. The Approval Committee, discussed the proposal of the unit and noted the following:
  - i. The outstanding foreign exchange for realization for the unit has been reduced from Rs. 44.00 Cr. to Rs. 27.81 Cr over the last couple of years.
  - ii. The unit has made exports to the tune of Rs. 113.60 Cr. out of which 27.81 Cr. is pending for realization as on date, which implies that the unit has around 23% of their exports are pending for realization.
4. The Approval Committee after due deliberations, approved the proposal of unit for renewal of LOA till 10.12.2024 (expiry of 2<sup>nd</sup> block of 5 years) subject to the following conditions:
  - i. 100% examination of all transaction including Export/ Import/ DTA Procurement and DTA sale etc.
  - ii. The unit must ensure that there is reduction in outstanding pending forex and status of pending Forex will be monitored till the expiry of LOA i.e. 10.12.2024.
  - iii. Stock verification and monitoring of the unit would be done by DC office/ Customs, Moradabad SEZ.

7. **Monitoring of performance of following SEZ units after renewal of their LOA for next block as per provisions of Rule 54 of SEZ Rules' 2006:**

**M/s Guildart Unit-II.**

1. The Approval Committee was informed that M/s Guildart Unit-II was granted LOA No. NSEZ/4-169/2003-MBD/443 dated 05.07.2005 for Manufacturing & Export of Handicrafts items made of Brass, Aluminum, Iron, Wood, Copper, Glass, Marble/Stone, Ceramic, Rattan Jute, Fabric



and Lamp Artware. The unit started their production on 18.05.2009 and completed its 3<sup>rd</sup> block of 5 years on 17.05.2024.

2. It was informed that in terms of Rules 19(6A)(1), of SEZ Rules, 2006, LOA of the unit has been renewed by the Development Commissioner, NSEZ for 4<sup>th</sup> block of five years from 18.05.2024 up to 17.05.2029. Further, the unit has proposed FOB value of Exports at Rs. 7400.00 Lakhs, Forex outgo of Rs. 670.00 Lakhs and NFE of Rs. 6730.00 Lakhs for its 4<sup>th</sup> block of operations.
3. The Committee was informed that total export income generated by the unit in its 3<sup>rd</sup> block of 5 years is to the tune of Rs. 4783.52 Lakhs and total Forex Outgo stands at Rs. 387.90 Lakhs. Hence, the Net Foreign Exchange earnings by the unit in 3<sup>rd</sup> block is 'Positive' and stands at Rs. 4395.62 Lakhs. The unit also has Forex of Rs. 1.24 Cr. pending for realization beyond nine months of stipulated time period as on 02.09.2024.
4. The Approval Committee, after due deliberations, satisfactorily monitored the performance of unit and noted that the unit had achieved 'Positive' NFE in its 3<sup>rd</sup> block of operations during the period from 18.05.2019 to 17.05.2024.
5. The Approval Committee further directed that details of pending forex shall be shared with the unit seeking current status of the same.

The Meeting ended with a vote of thanks to the Chair.



(Surender Malik)

Joint Development Commissioner



(A. Bipin Menon)

Zonal Development Commissioner