

Moradabad Special Economic Zone

(Minutes of Meeting of Approval Committee of Moradabad SEZ held on 10/06/2016)

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Minutes of the meeting of the Approval Committee of Moradabad SEZ held under the Chairmanship of Dr. L.B. Singhal, Development Commissioner (DC), Noida SEZ at 12:00 Noon on 10/06/2016 in the Conference Hall of NOIDA SEZ.

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

- 1) Sri S.S. Shukla, Jt. Development Commissioner, NSEZ.
- 2) Dr. (Mrs.) Kanchan Saran, Additional Commissioner (Industries), Moradabad (Rep. of
- 3) Secretary, Industrial Development, Govt. of UP).
- 4) SriS. K. Mishra, Asstt. Commissioner, Central Excise, Hapur Commissionerate, Moradabad.
- 5) SriMukesh Singh, Area Manager, UPSIDC Ltd., SEZ, Moradabad(Rep. of Managing Director, UPSIDC Ltd., Govt. of UP).

2. Besides, during the meeting S/Shri(i) Rakesh Kumar, Dy. Development Commissioner, NSEZ and (ii) Dr. Alok Pandey, Asstt. Development Commissioner, Moradabad Special Economic Zone, Moradabad were also present to assist the Approval Committee.

3. At the outset, Development Commissioner 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:-

It was informed that no reference against the decisions of the Approval Committee meeting held on 03/03/2016 was received and therefore, Minutes of the meeting held on 03/03/2016 were ratified.

Item wise decisions on proposals included in agenda:

1.	<p>Proposal in respect of M/s. ACUBE Kraft Concepts Pvt. Ltd. for setting up a new unit in Moradabad SEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to undertake the manufacturing & export of Handicrafts made of Manufacturing of Handicrafts made of Wood, Glass, Cast Iron & Steel, Brass, Copper & Aluminium with projected exports of Rs. 2351.55 Lakhs and the NFE of Rs. 1926.55 Lakhs over a period of five years with an employment of 25 workers initially.</p>
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Sri Ankur Prakash, Director of the company appeared before the Approval Committee to explain the project. The representative of the unit informed that the promoters have one unit operating in Domestic Tariff Area (DTA) in the same name i.e. M/s. ACUBE Kraft Concepts Pvt. Ltd. and export for the year 2015-16 was Rs. 360.00 Lakh. The representative of the unit further stated that their proposed unit in MORADABAD SEZ shall undertake the manufacturing & export of Handicrafts items made of Wood, Glass, Cast Iron & Steel, Brass, Copper & Aluminium. It was also informed by Sri Ankur Prakash that DTA unit shall be closed after start of their unit in SEZ. It was also confirmed by the representative of company that **it has no plans of importing scraps of any kind in their proposed unit.** The representative of the company informed the Committee that the proposed unit shall start commercial operations within next six months.

Representative of Developer the UPSIDC Ltd. informed that the company has been allotted plot no. D-6 in Pocket "A" of Moradabad SEZ, in principle.

After due deliberations, the Approval Committee approved the application of M/s. ACUBE Kraft Concepts Pvt. Ltd., subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006.

2. **Proposal in respect of M/s. SAINIK LIFESTYLE PVT. LTD. for setting up a new unit in Moradabad SEZ.**

It was informed to the Approval Committee that applicant has proposed to set up a new unit in Moradabad SEZ to undertake the manufacturing & export of Handicrafts made of Manufacturing of Handicrafts made of Stainless Steel, Brass, Aluminium, Iron, Glass, Leather, Wood, Ropes, Wax, Marble Stone, Copper, Glass Mirrors, Lamps & Lanterns, Cushions & Home Furnishings, Textile, Rugs MMF, Photo Frames, Concrete and MDF Wood with projected exports of Rs. 4191.00 Lakhs and the NFE of Rs. 3601.93 Lakhs over a period of five years. It was further informed that they will employ of 35-40 workers initially and the unit has **no plans of importing scrap of any kind in their proposed unit.**

It was also informed that both the Directors of the Company are currently travelling abroad on an urgent business trip and requested the Approval Committee to approve the project.

In addition the Committee was apprised that the promoters have a unit in Domestic Tariff Area (DTA) in the name of M/s. Sainik Lifestyle Pvt. Ltd. which is exporting about Rs. 3000.00 Lakh per annum.

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	<p>Representative of Developer the UPSIDC Ltd. confirmed allotment plot no. B-1, B-5 & B-8 in favour of this company in Pocket "A" of Moradabad SEZ, in principally.</p> <p>After due deliberations, the Approval Committee approved the application of M/s. Sainik Lifestyle Pvt. Ltd., subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006.</p>
3.	<p>Proposal in respect of M/s. JASPER OVERSEAS PVT. LTD. for setting up a new unit in Moradabad SEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to undertake manufacturing & export of Handicrafts made of Brass, Aluminium, Iron, Glass and Copper with projected exports of Rs. 3920.00 Lakhs and the NFE of Rs. 2576.00 Lakhs over a period of five years with an employment of 50 workers initially.</p> <p>Mr. Mohd. Zubair Siddiqui, Director of the firm appeared before the Approval Committee to explain the project. He stated that his proposed unit in MORADABAD SEZ shall undertake the manufacturing & export of Handicrafts made of Brass, Aluminium, Iron, Glass and Copper. Mr. Zubair also informed that he is proprietor of a DTA unit namely M/s. Green Exports which employs 35 persons and has a turnover of Rs. 242.34 Lakhs. He submitted that after start of proposed unit in SEZ he will close down the DTA unit. <u>He also confirmed that the company has no plans of importing scraps of any kind in their proposed unit.</u> The promoter of firm informed the committee that it will commence production from the proposed unit within next six to nine months.</p> <p>The representative from UPSIDC Ltd. confirmed allotment of space at plot no. D-10 in pocket "A" in favour of M/s. Jasper Overseas Pvt. Ltd.</p> <p>After due deliberations, the Approval Committee approved the application of M/s. Jasper Overseas Pvt. Ltd., subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006.</p>
4.	<p>Proposal in respect of M/s. Gemini Enterprises for setting up a new Service unit in Moradabad SEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to manufacturing of Packing Tapes, Corrugated Paperboard Boxes, Plastic Packaging Foil (Polyethylene Foils), Thermocol (Polystyrene), Nylon Packing Stripes, Wrapping</p>

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Paper, Staple Pins, Bubble & Plastic Packing, Cases /Crates, Pallets, Polythene Bags and Sacks & Bags of Cotton and further exclusive sale to other SEZ Units in Moradabad SEZ with the help of 7 to 10 workers and the unit has proposed to achieve FOB Value of Rs. 274.00 Lakhs and NFE of Rs. 220.05 Lakhs during its first 5 years of operation.

Sri Sudhir Dutt, Proprietor of the firm appeared before the Approval Committee and explained the project. He submitted that he proposes to setup unit for manufacture of Packaging Items. The representative from UPSIDC Ltd. confirmed allotment of space in favour of M/s. Gemini Enterprises provided if the proposal is submitted for Manufacturing unit in place of Services.

The Approval Committee upon detailed deliberations agreed that approving such packaging units in Sector Specific SEZs like Moradabad SEZ shall be beneficial to the units operating inside the zone in reducing cost of production by SEZ unit. However, before taking a decision it was felt that the matter may be referred to DoC for clarification as to whether a Packaging Unit can be approved in a sector specific SEZ.

After due deliberations, the Approval Committee deferred the application of M/s. Gemini Enterprises, with the direction that a letter to be send to the Department of Commerce for necessary guidance in the matter.

5. **Proposal in respect of M/s. Shree Bankey Bihari International for setting up a new unit in Moradabad SEZ.**

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to undertake manufacturing & export of handicrafts made of Brass, Iron, Glass, Copper, Aluminium, Leather, Textile, Wood and Stainless Steelwith projected exports of Rs. 1755.00 Lakhs and the NFE of Rs. 1527.50 Lakhs over a period of five years with the help of about 35 workers initially.

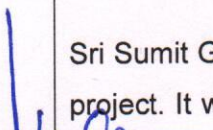
Sri Anurag Kumar Agarwal and Sri Sumit Garg, which are two out of three Partners of the firm appeared before the Approval Committee and explained the project. It was informed by them that all the three partners of this firm are operating three different units in DTA and currently exporting handicrafts and chemical products for a value of Rs. 700.00 Lakhs & Employment to about 100 workers in their units. They further informed that **the unit has no proposal to import any kind of scraps in their proposed unit in this SEZ** and it will commence production from the proposed unit within next six months.

The representative of developer (the UPSIDC Ltd.) confirmed allotment of plot no. G-7 in favour of the proposed unit.

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	<p>After due deliberations, the Approval Committee approved the application of M/s. Shree Bankey Bihari International, subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006.</p>
6.	<p>Proposal in respect of M/s. RMD International for setting up a new unit in Moradabad SEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to undertake manufacturing & export of handicrafts made of Brass, Copper, Iron, Steel, Wood and Aluminium with projected exports of Rs. 240 Lakhs and the NFE of Rs. 240 Lakhs over a period of five years and the unit has no items under import. The proposal envisages an employment of 25 workers initially.</p> <p>Smt. Anuradha Dubey, Partner and Sri Mayur Dubey, representative of Sri Mayur Dubey another partner of the firm appeared before the Approval Committee and explained the project. Smt. Anuradha Dubey stated that she along with Sri Mohit Dubey have been undertaking exports from their DTA unit and having an export of Rs. 150.00 Lakhs presently with 30 workers. She further informed that <u>the unit has no proposal to import any kind of scraps in their proposed unit in this SEZ</u> She further assured that her unit in MORADABAD SEZ shall commence production and exports in six months.</p> <p>The representative from UPSIDC Ltd. confirmed allotment of space in favour of this unit at plot no. G-1 & G-2.</p> <p>After due deliberations, the Approval Committee approved the application of M/s. RMD International, subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006..</p>
7.	<p>Proposal in respect of M/s. Goldmine Overseas for setting up a new unit in Moradabad SEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to undertake manufacturing & export of handicrafts made of Brass, Aluminium, Iron, Wood, Copper, Glass, Textile, Home Décor & Home Furnishing, Steel, Leather and Tin with projected exports of Rs. 12700.00 Lakhs and the NFE of Rs. 9950.00 Lakhs over a period of five years with the help of about 25-30 workers initially.</p> <p>Sri Sumit Garg, Partner of the firm appeared before the Approval Committee and explained the project. It was informed by them that both the partners of this firm are operating different units</p> 

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	<p>in DTA and currently exporting handicrafts items for a cumulative value of Rs. 2800.00 Lakhs & Employment to about 80 workers in their units. <u>The unit has no proposal to import any kind of scraps in their proposed unit in this SEZ.</u> The promoter of firm informed the committee that it will commence production from the proposed unit within next six months.</p> <p>The representative of developer (the UPSIDC Ltd.) confirmed allotment of plot no. G-61 in favour of the proposed unit.</p> <p>After due deliberations, the Approval Committee approved the application of M/s. Goldmine Overseas, subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006..</p>
8.	<p>Proposal in respect of M/s. Rishi International (India) for setting up a new unit in Moradabad SEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to undertake manufacturing & export of handicrafts made of Brass, Aluminium, Iron, Wood, Copper, Glass, Textile, Stainless Steel and Leather with projected exports of Rs. 865.61 Lakhs and the NFE of Rs. 734.41 Lakhs over a period of five years with the help of 20 workers initially.</p> <p>Sri Rishi Madan, Partner of the firm appeared before the Approval Committee and explained the project. He informed that the partners of this firm are operating export unit in name of M/s. Rishi International in DTA and currently exporting handicrafts items for a cumulative value of Rs. 722.67 Lakhs & Employment to about 50 workers in their unit and in event of starting their unit in SEZ they will close the DTA unit. <u>The unit has no proposal to import any kind of scraps in their proposed unit in this SEZ.</u> The promoter of firm informed the committee that it will commence production from the proposed unit within next six to nine months.</p> <p>The representative of developer (the UPSIDC Ltd.) confirmed allotment of plot no. M-22, 23 & 24 in favour of the proposed unit.</p> <p>After due deliberations, the Approval Committee approved the application of M/s. Rishi International (India), subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006.</p>
9.	<p>Proposal in respect of M/s. Trendz's Inc. for setting up a new unit in Moradabad SEZ.</p> <p>It was informed to the Approval Committee that the applicant has proposed to set up a new unit</p>

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in Moradabad SEZ to undertake manufacturing & export of handicrafts made of Brass, Aluminium, Iron, Wood, Copper, Textile, Home Décor & Home Furnishing, Steel, Leather, Fashion Accessories, Handcrafted Rugs & Druggets and Hand knotted carpets with projected exports of Rs. 1400.00 Lakhs and the NFE of Rs. 1190.00 Lakhs over a period of five years with the help of about 45 workers initially.

Sri Abdul Basit, Proprietor of the firm appeared before the Approval Committee and explained the project. He informed that currently he is operating an export unit in name of M/s. A. A. Traders in DTA and exporting handicrafts items for a cumulative value of Rs. 150.00 Lakhs & employment to about 30 workers in his unit. He further informed that he will close the DTA unit after start of their unit in SEZ. **The unit has no proposal to import any kind of scraps in their proposed unit in this SEZ.** The promoter of firm informed the committee that it will commence production from the proposed unit within next six months.

The representative of developer (the UPSIDC Ltd.) confirmed allotment of plot no. M-2 & 3 in favour of the proposed unit.

After due deliberations, the Approval Committee approved the application of M/s. Trendz's Inc, subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006.

10. **Proposal in respect of M/s. Metal Vision for setting up a new unit in Moradabad SEZ.**

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to undertake the manufacturing & export of handcrafted Pot Succourers & Scouring, EPNS-wares, Brass, Copper, Copper Alloy, Table & Kitchen-wares & other household articles, Handcrafted Sanitary wares & Parts there-of and Handcrafted Cast Iron Articles with projected exports of Rs. 2400.93 Lakhs and the NFE of Rs. 1648.68 Lakhs over a period of five years with the help of about 28 workers initially.

Sri Mohammad Zubair Khan, Proprietor of the firm appeared before the Approval Committee and explained the project. He informed that currently he is operating an export unit in name of M/s. R. N. International in DTA and exporting handicrafts items for a cumulative value of Rs. 223.99 Lakhs & employment to about 45 workers in his unit. He further informed that he will close the DTA unit after start of their unit in SEZ. **The unit has no proposal to import any kind of scraps in their proposed unit in this SEZ.** The promoter of firm informed the committee that it will commence production from the proposed unit within next six months.

The representative of developer (the UPSIDC Ltd.) confirmed allotment of plot no. G-73 & 74 in

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favour of the proposed unit.

After due deliberations, the Approval Committee approved the application of M/s. Metal Vision, except for items "Polishing Pads, Gloves & the likes" which are not handicrafts, subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006.

11. **Proposal in respect of M/s. Tanmay International for setting up a new unit in Moradabad SEZ.**

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to undertake the manufacturing & export of handicrafts made of Handicraft articles of Brass, Copper, Iron, Aluminium, Glass, Leather and Textiles with projected exports of Rs. 845.00 Lakhs and the NFE of Rs. 679.24 Lakhs over a period of five years with the help of 15 workers initially.

Sri Tanmay Singh, Proprietor of the firm appeared before the Approval Committee to explain the project. He informed that currently he is operating two export units in DTA in the name of M/s. Tanmay Overseas and M/s. Tonchi Suchi PGM Co. at Delhi and exporting handicrafts items for a cumulative value of Rs. 700.00 Lakhs out of total present turnover & extending employment to about 50 workers in his unit. He further informed that he will close the DTA unit after start of their unit in SEZ. **The unit has no proposal to import any kind of scraps in their proposed unit in this SEZ.** The promoter of firm informed the committee that it will commence production from the proposed unit within next six to nine months.

The representative of developer (the UPSIDC Ltd.) confirmed allotment of plot no. G-26 to the proposed unit.

After due deliberations, the Approval Committee approved the application of M/s. Tanmay International, subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006.

12. **Proposal in respect of M/s. Amrut Handicrafts for setting up a new unit in Moradabad SEZ.**

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ to undertake manufacturing & export of handicrafts made of Handicraft articles of Brass, Aluminium, Iron, Wood, Copper, Textile, Home Décor & Home Furnishing, Steel, Leather, Fashion Accessories, Handcrafted Rugs & Druggets and Hand knotted carpets with projected exports of Rs. 805.00 Lakhs and the NFE of Rs. 644.00 Lakhs over a

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period of five years with the help of about 35 workers initially.

Sri Mohd. Fahim, Proprietor of the firm appeared before the Approval Committee to explain the project. He informed that currently he is operating an export unit in name of M/s. A. B. Traders in DTA and had exported handicrafts items in past for a value of Rs. 50.00 Lakhs out of total present turnover of Rs. 100.00 Lakhs & it is extending employment to about 15 workers in his unit He further informed that he will close the DTA unit after start of their unit in SEZ. **The unit has no proposal to import any kind of scraps in their proposed unit in this SEZ.** The promoter of firm informed the committee that it will commence production from the proposed unit within next six months.

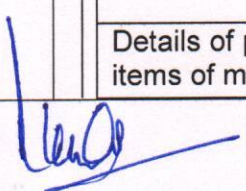
The representative of developer (the UPSIDC Ltd.) confirmed allotment of plot no. M-1 in favour of the proposed unit.

After due deliberations, the Approval Committee approved the application of M/s. Amrut Handicrafts, subject to the condition that no import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006.

13. **Proposal of M/s. Phoenix India for inclusion of additional items of manufacture under authorized operations.**

It was informed to the Approval Committee that M/s. Phoenix India Inc. has submitted proposal for addition of items of manufacture i.e. "**Handicraft Items made of Iron and Rugs & Druggets**" in their existing LOA dated 02.07.2015-

Name of the Unit	M/s. Phoenix India Inc.
LOA No. & date	LOA No. NSEZ/4-372/2003-MBD/9041dated 02.07.2015
Date of Commencement of Production	26.03.2016
LOA valid upto:	25.03.2021
Whether Bond-cum-LUT Submitted/Accepted	Yes; for Rs. 500.00 Lakhs
Location of the Unit	Plot no.D-17, Moradabad Special Economic Zone, 6th
Details of Existing Authorized Operations	<i>Handicrafts made of Copper, Brass, Textile, Leather, Handcrafted Imitation Jewellery, Fashion Accessories, Home Furnishings, Home Décor and Handicrafts made of Steel, Wood, Aluminium & Glass.</i>
Details of proposed additional items of manufacture	Handicraft items made of Iron & Rugs & Druggets.



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Proposed revised entry in LOA under Authorized Operations (in event of approval by UAC)

Handicrafts made of Copper, Brass, Textile, Leather, Handcrafted Imitation Jewellery, Fashion Accessories, Home Furnishings, Home Décor, Rugs & Druggets and Handicrafts made of Steel, Wood, Aluminium, Glass & Iron.

Sri Akshat Jain, Partner of the firm appeared before the Approval Committee and explained that they have received many enquiries for supply of Handicrafts made of Iron and Rugs & Druggets from various countries and if these items are allowed for inclusion in their existing LOA, they will be able to increase the business.

After due deliberations, the Approval Committee approved the addition of "**Handicraft items made of Iron & Rugs & Druggets**" in the existing authorized operation of M/s. Phoenix India Inc.

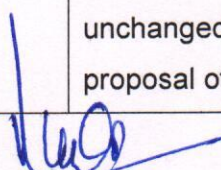
14. Proposal of M/s. Phoenix India Inc. for permission to import raw materials & consumables required for execution of authorized operations.

It was informed to the Approval Committee that M/s. Phoenix India Inc. has requested for permission to import raw materials and consumables required for executing their authorized operation. Unit has submitted revised Form "F" and Project Report which has been examined as under:

(Amount in Lakh Rupees)

Sl. No.	Description	Existing Entries in		Revised Entries	
		Import	Indigenous	Import	Indigenous
1	Capital Goods	Nil	24.130	Nil	24.13
2	Raw Materials & Consumables	Nil	1774.665	532.399	1242.265
3	FOB Value of Export in Five Years	N.A.	2400.000	N.A.	2400.000
4	Foreign Exchange Outgo in Five	Nil	N.A.	532.390	N. A.
5	Net Foreign Exchange Earning in	N.A.	2400.000	N. A.	1867.610
6	Total Project Cost		76.635		76.635

It was informed to the Approval Committee that the unit has proposed an Import of Raw Materials & Consumables to the extent of INR 532.399 Lakhs and it has revised the same to be procured from the domestic market to the extent of INR 1242.265 Lakhs in place of previously projected one hundred per cent domestic procurement of INR 1774.665 Lakhs. The revised NFE has now been projected as INR 1867.610 Lakhs as against the previously projected NFE of INR 2400.000 Lakhs. However, the projected investment and Total Cost of the Project is unchanged. The representative of the unit Sri Akshat Jain, Partner intimated that they have no proposal of importing any kind of scrap items in the unit.



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After due deliberations, the Approval Committee approved the above revision in the value of imported & indigenous raw materials & consumables.

15. **Proposal of M/s. Tanishq International for inclusion of additional items of manufacture under authorized operations.**

M/s. Tanishq International vide its letter dated 05.05.2016 has submitted proposal for addition of items of manufacture i.e "**Handicraft Items made of Textile, Rugs & Druggets, Home Décor & Home Furnishings**" in their existing LOA dated 31.01.2014: -

Name of the Unit	M/s. Tanishq International
LOA No. & date	LOA No. NSEZ/4-357/2003-MBD/8100dated 31.01.2014
Date of Commencement of production	29 January 2015.
LOA valid upto	28 January 2020
Whether Bond-cum-LUT submitted/	Yes; Dated 23.01.2015 for Rs. 100.00 Lakhs.
Location of the Unit	Plot no.G-33, Moradabad Special Economic Zone 6th km, Pakbara-Dingarpur Road, Moradabad.
Details of Existing Authorized Operations	<i>Fashion & Artificial Jewellery, Glass Beads, Artware of Metal including Brass & Other Fashion Accessories.</i>
Details of proposed additional items of manufacture	<u>Handicraft items made of Textile, Rugs & Druggets, Home Décor and Home Furnishings.</u>
Proposed revised entry in LOA under Authorized Operations (in event of approval by UAC)	<i>Fashion & Artificial Jewellery, Glass Beads, Art-ware of Metal including Brass & Other Fashion Accessories, Handicraft items made of Textile, Rugs & Druggets, Home Décor and Home Furnishings</i>

Sri Anand Mishra, Partner of the firm appeared before the Approval Committee and explained that they have received many enquiries for supply of Handicrafts made of Textile, Rugs & Druggets, Home Décor & Home Furnishings from various countries and if these items are allowed for inclusion in their existing LOA, they will be able to increase the business.

After due deliberations, the Approval Committee approved the addition of "**Handicraft items made of Textile, Rugs & Druggets, Home Décor & Home Furnishings**" in the existing authorized operation of M/s. Tanishq International.

16. **Import of Scrap & Metal Waste for recycling inside the SEZ by nine SEZ units in terms of Rules 18(4)(d) of SEZ Rules, 2006:**

It was brought to the notice of the Approval Committee that Moradabad SEZ had been granted Formal Approval No. F.2/(2)/11/2001-EPZ dated 27.06.2003 for setting up a sector specific

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SEZ for Handicraft. The SEZ was notified on 08.10.2003 prior to implementation of SEZ Act, 2005 & SEZ Rules, 2006 and it came into operation on 16th April, 2007. The details of export, employment & investment during the last five years are as under: -

Year	Export (Rs. Crore)	Employment	Investment (Rs. Crore)
2011-12	112.97	224	199.12
2012-13	254.49	235	227.32
2013-14	429.20	272	321.83
2014-15	463.10	585	341.17
2015-16	464.29	1004	361.86

It was informed that at present 35 units are in operation and 18 Units are under implementation.

It was further informed that following nine units in Moradabad SEZ are engaged in Import of various metal scraps by for their authorized operations during the last more than seven years:-

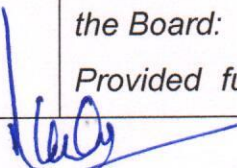
Sl. No.	Name of Units Importing Metallic Scrap	Date of LOA
1	M/s. Modern Metal Overseas	12/07/2012
2	M/s. Omega Traexim Inc.	31/01/2014
3	M/s. S.F. Star International	22/02/2010
4	M/s. SRG Impex	29/11/2012
5	M/s. Indian Allied Exports	31/01/2014
6	M/s. Dollar Industries	19/04/2010
7	M/s. Superior Metal's Overseas	12/07/2012
8	M/s. S.N. Metal Casting Exports	20/10/2008
9	M/s. Pacific Industries	24/04/2012

It was further informed that the units of this SEZ recycle the metal scrap in house and convert them as ingots for making various types of handicraft items. Also some units send the scrap to their job workers in DTA for converting it into ingots and also into handicrafts. The manufactured items are brought back into SEZ Unit along with the wastage/rejects. In this connection, attention is invited to Rule 18(4)(d) of SEZ Rules, 2006 provides as under: -

" No proposal shall be considered for import of other used goods for recycling:

Provided that extension of Letter of Approval for an existing Unit shall be decided by the Board:

Provided further that reconditioning, repair, and re-engineering may be permitted



subject to the condition that exports shall have one to one correlation with imports and all the reconditioned or repaired or reengineered products and scrap or remnants or waste shall be exported and none of these goods shall be allowed to be sold in the Domestic Tariff Area or destroyed;”

Further, it was informed that out of above nine units which were allowed for import of Scrap as raw material, two units namely, M/s. S. N. Metal Casting Exports and M/s. Pacific Industries are under investigation of DRI on the charges of mis-declaration on account of importing Foreign origin cigarettes in the name of M/s. Pacific Industries in the guise of import of ‘Shredded Metal Scrap’. A huge quantum of cigarettes was also recovered by the DRI from the premises of M/s. S. N. Metal Casting Exports.

After due deliberations, the Approval Committee decided that the import of “Metal Scrap” by SEZ units may be stopped forthwith by incorporating the condition in all the existing LOAs and the LOAs to be issued in Moradabad SEZ as:

“No import of used goods including metallic wastes and scraps shall be allowed to be imported in terms of Rule 18(4)(d) of SEZ Rules, 2006”.

The Approval Committee also directed to refer the matter to the BOA.

17. **Following cases for monitoring of performance/APRs were also placed before the Approval Committee. The unit wise decision of Approval Committee is indicated below:-**

i) **M/s. Shaila Exports** - Approval Committee monitored performance of the unit on the basis of APRs for a period from 2011-12 to 2015-16 and noted achievement of positive NFE by the unit. It was noticed that the unit has 1752.90 Lakhs Foreign Exchange pending for realization since January-March 2016 which is within the prescribed limit of RBI.

ii) **M/s. Brassex Exports** – Approval Committee monitored performance of the unit on the basis of APRs up to 2015-16 and noted achievement of positive NFE by the unit.

iii) **M/s. Dollar Industries** – Approval Committee monitored performance of the unit on the basis of APRs for a period from 2011-12 to 2015-16 and noted achievement of positive NFE by the unit. It was noticed that the unit has 472.60

Moradabad Special Economic Zone

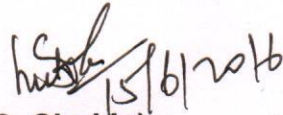
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Lakhs Foreign Exchange pending for realization.

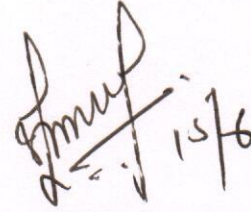
Sri Kashif Kamal, Partner of the firm appeared before the Approval Committee and informed that there is no case of pending foreign exchange realisation beyond nine months.

Meeting ended with vote of thanks to the Chair.



(S. S. Shukla)

Joint Development Commissioner



(Dr. L.B. Singhal)

Development Commissioner