

Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 12/03/2015)

Page 1 of 12

The meeting of the Approval Committee of Noida SEZ was held at 11:30 AM on 12/03/2015 in the Conference Hall of NSEZ, Noida. The meeting was chaired by Shri Sumeet Jerath, Development Commissioner, Noida SEZ. Following members were present:

- 1 Shri Amiya Chandra, Joint DGFT, Delhi.
- 2 Shri Rohit Dwivedi, Dy. Commissioner, Customs, Noida Commissionerate.
- 3 Shri D. S. Yadav, Asstt. Manager, DIC. Noida (Rep. of Principal Secretary, Industry, Govt. of UP.)
- 4 Shri B. P. Yadav, Asstt. Environmental Engineer, U.P.P.C.B., Noida.

Besides, Shri Rakesh Kumar, Dy. Development Commissioner, NSEZ, Shri K. Bhattacharjee, Specified Officer, NSEZ, Shri R.P. Verma, Asstt. Development Commissioner, NSEZ, also attended the meeting.

Chairman welcomed all members and consented to the agenda being placed before the Approval Committee. The issues discussed and the decisions are as below:-

GIST OF THE MEETING:

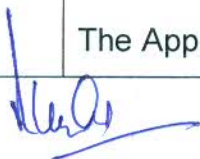
Ratification of Minutes of last meeting of the Approval Committee:

The Approval Committee ratified the minutes of the last meeting held on 29/01/2015.

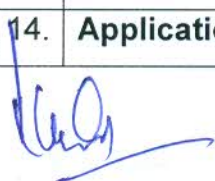
Decisions on Proposals:

1.	Application of M/s. Shree Raj Mahal Jewellers Ltd. for setting up a unit in NSEZ. After due deliberations, the Committee approved the proposal of M/s. Shree Raj Mahal Jewellers Ltd. for setting up a unit in NSEZ subject to condition that no Job work shall be allowed.
2.	Application of M/s. Krish Biomedicals Pvt. Ltd. for setting up a unit in NSEZ. The Approval Committee discussed the proposal at length and deferred the proposal with the direction to the applicant to submit list of Capital Goods with cost of individual machines, manufacturing flow chart of each item in detail, Man-power required for each process, production capacity of each machinery and value of products to be manufactured per month.

3.	<p>Application of M/s. Garmex India for setting up a unit in NSEZ.</p> <p>The Approval Committee deliberated on the matter and noted that the proposal to waive off the transfer charges against Plot No.142, NSEZ, in case new LOA is issued in same name & style as was prior to exit, has been referred to the DOC for consideration.</p> <p>Therefore, the Committee decided to defer the proposal till the receipt of recommendation of DOC for waiver of transfer charges.</p>
4.	<p>Application of M/s. Sterling Enterprises for setting up a unit in NSEZ.</p> <p>The Committee rejected the proposal as no-one from the applicant company turned up twice for the meeting.</p>
5.	<p>Application of M/s. Herboveda India for setting up a unit in NSEZ.</p> <p>The Approval Committee considered the proposal of M/s. Herboveda India and approved the same exclusively for Manufacturing activities on receipt of revised projections. The Committee did not approve Trading of Pharma & General items as proposed by the applicant.</p>
6.	<p>Application of M/s. Allied Industries for setting up a unit in NSEZ.</p> <p>The Approval Committee discussed the agenda in detail and <u>approved</u> the proposal of M/s. Allied Industries subject to condition that no Job work shall be allowed. The Committee also directed the applicant to submit list of employees, details of source of finance and details of business model.</p>
7.	<p>Application of M/s. Optimal Transnational India Pvt. Ltd. for setting up a unit in NSEZ.</p> <p>The Approval Committee discussed the agenda at length and observed that the applicant has proposed to use the premise of M/s. One Touch Solutions India Pvt. Ltd. i.e. Plot No. 129G/15, NSEZ. The Committee further noted that LOA of M/s. One Touch Solutions India Pvt. Ltd. is not valid as on date and the unit has not applied for its renewal. This aspect was explained to the applicant.</p> <p>The Committee, therefore, deferred the proposal with the direction to the applicant to submit detailed business plan of their project.</p>
8.	<p>Application of M/s. S.I. Overseas Jewellers for setting up a unit in NSEZ.</p> <p>The Approval Committee discussed the agenda in detail and <u>approved</u> the proposal of M/s.</p>



	S.I. Overseas Jewellers subject to condition that no Job work shall be allowed.
9.	Application of M/s. Iridium Technosystems Pvt. Ltd. for setting up a unit in NSEZ. No one turned up for the meeting. The Committee observed that discrepancies have been observed in the application, which have been conveyed to the applicant and reply is awaited. The Committee, therefore, decided to defer the proposal till the submission of requisite documents/information from the applicant.
10.	Application of M/s. Jessica Jewels & Fashions Pvt. Ltd. for setting up a unit in NSEZ. No one turned up for the meeting. The Committee observed that discrepancies have been observed in the application, which have been conveyed to the applicant and reply is awaited. The Committee, therefore, decided to defer the proposal till the submission of requisite documents/information from the applicant.
11.	Application of M/s. Vintage Linen for setting up a unit in NSEZ. No one turned up for the meeting. The Committee observed that discrepancies have been observed in the application, which have been conveyed to the applicant and reply is awaited. The Committee, therefore, decided to defer the proposal till the submission of requisite documents/information from the applicant.
12.	Application of M/s. Walnut Consulting for setting up a unit in NSEZ. No one turned up for the meeting. The Committee observed that discrepancies have been observed in the application, which have been conveyed to the applicant and reply is awaited. The Committee, therefore, decided to defer the proposal till the submission of requisite documents/information from the applicant.
13.	Application of M/s. Infinity Global for setting up a unit in NSEZ. No one turned up for the meeting. The Committee observed that discrepancies have been observed in the application, which have been conveyed to the applicant and reply is awaited. The Committee, therefore, decided to defer the proposal till the submission of requisite documents/information from the applicant.
14.	Application of M/s. U.K.B. Cords & Cable Exports Pvt. Ltd. for setting up a unit in



NSEZ.

No one turned up for the meeting. The Committee observed that discrepancies have been observed in the application, which have been conveyed to the applicant and reply is awaited. The Committee, therefore, decided to defer the proposal till the submission of requisite documents/information from the applicant.

15. Proposal in respect of M/s. Virtual Studio Pvt. Ltd. for Adjudication of SCN/taking note of DCP.

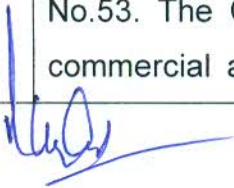
The Approval Committee discussed the agenda in detail and observed that unit has raised first commercial invoice before the execution of Bond-cum-LUT. The Committee decided to impose a penalty of Rs. 1 Lakh for mis-declaration, non- submission of softex & non-submission of APRs on time and directed the unit to refund the duty component with 18% interest for activities, import/procurement prior to date of acceptance of Bond-cum-LUT. The Committee further decided that DCP shall be taken w.e.f. date of acceptance of Bond-cum-LUT i.e. 15.01.2012. The Committee empowered the Development Commissioner to issue Order-in-Original as per above decision against the SCN dated 30/12/2013.

16. Proposal in respect of M/s. Etrastar Hardware & Exports Pvt. Ltd. & M/s. Pitmabara Hardware & Metal Exports Pvt. Ltd. for Adjudication of SCN.

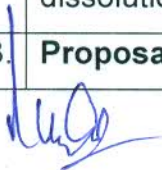
The Approval Committee discussed the agenda in detail and perused the contents of SCN dated 22/08/2012. The Committee noted the dismal performance of both the units and observed that they are not working since 2010-11. The LOA of Pitambara has already expired on 23/04/2013. On request of unit, the Committee decided to allow them to exit from the SEZ scheme subject to fulfilment of relevant formalities in this regard. The Committee also decided to cancel the allotment of Plot No. 166, 168 & 169 and initiate action under provisions of the PP Act for eviction proceeding against the unit.

17. Proposal in respect of M/s. Shahtootwale Industries Ltd. for adjudication of SCN dated 19/12/2014 and Renewal of LOA.

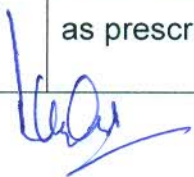
The Approval Committee discussed the proposal in detail and observed that M/s. Shahtootwale Industries Ltd. is not working since last 6 years and not paying lease rent. The Committee further noted that lease rent of Rs. 7,60,264/- is outstanding against Plot No.53. The Committee, therefore, directed the representative of unit to commence the commercial activities and make export within the validity of LOA i.e. 31.03.2015 failing



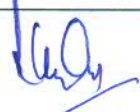
	which their request for renewal of LOA shall not be considered.
18.	Application of M/s. Shree Namu Alloys for Adjudication of SCN, Renewal of LOA & Monitoring of performance. The Approval Committee discussed the agenda at length and after due deliberation decided to renew the LOA of M/s. Shree Namu Alloys for five years. The Committee directed the unit to resubmit the revised APRs so as to ascertain the status of NFE and to take further action for adjudication of SCN dated 03/02/2014. The Committee further directed the representative of unit to submit an affidavit that unit will ensure one to one correlation with import and all the repaired, reconditioned or re-engineered, dismantled product and scrap or remnant or waste shall be exported and none of these goods shall be allowed to be sold to DTA or destroyed as per Rule 18(4)(d) of SEZ Rules, 2006.
19.	Proposal in respect of M/s H & S Industries for adjudication of SCN. No one from the unit turned up for meeting. The Committee decided to grant one last opportunity of being heard and directed to inform the unit to ensure their presence before the Approval Committee in its next meeting.
20.	Proposal in respect of M/s. Groz Engineering Tools Pvt. Ltd. for Amendment in LOA. The Committee considered the proposal of the unit and allowed trading up to 5% of FOB Value of items as per agenda.
21.	Proposal in respect of M/s Varun International for Change of Constitution. The Approval Committee discussed the agenda in detail and approved the unit's request for change of constitution subject to clearance of outstanding lease rent in one installment.
22.	Proposal in respect of M/s Jayashree Jewellers for change of name & constitution. The Approval Committee deliberated on the agenda in detail and in-principally approved change of name /constitution from M/s. Jayashree Jewellers(partnership firm) to M/s. Jayashree Jewellers Pvt. Ltd. (Pvt. Ltd. company) subject to submission of indemnity bond to indemnify the losses of warrant revenue arise out of this agreement and legal consequences, if any. The Committee further directed M/s. Jayashree Jewellers to submit dissolution of Partnership deed on completion of legal processes.
23.	Proposal in respect of M/s. Medico Electrodes International for change of

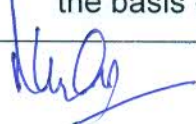


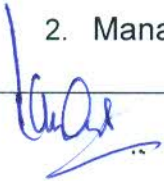
	<p>name/entrepreneurship.</p> <p>The Approval Committee deliberated on the agenda in detail and approved change of name /constitution from M/s. Medico Electrodes International(proprietorship firm) to M/s. Medico Electrodes International Ltd. (a public Ltd. company) subject to submission of indemnity bond to indemnify the losses of warrant revenue arise out of this agreement and legal consequences, if any.</p>
24.	<p>Proposal in respect of M/s. Jayashree Gems & Jewellery for Renewal of LOA.</p> <p>The Approval committee considered the request of unit and approved renewal of LOA for next five years subject to commencement of commercial activities at the earliest.</p>
25.	<p>Proposal in respect of M/s Jindal Exports & Imports Pvt. Ltd. for review of LOA/monitoring of performance.</p> <p>No one from the unit turned up for meeting. The Committee noted that the unit has not complied with the directions of Committee held on 22/08/2014 and not submitted revised projections with credible business plan & objective targets till date. The Committee further observed that unit is not working since 2011-12 and LOA has also expired on 07/04/2014.</p> <p>The Committee, therefore, decided to issue a Show Cause Notice as to why LOA of the unit should not be cancelled.</p>
26.	<p>Proposal in respect of M/s Jindal Dyechem Industries Pvt. Ltd. for review of LOA/monitoring of performance.</p> <p>No one from the unit turned up for meeting. The Committee observed that LOA has expired on 17/02/2015 and the unit has not applied for its renewal. The Committee further noted that unit is not non-functional since 2012-13.</p> <p>The Committee, therefore, decided to issue a Show Cause Notice as to why LOA of the unit and allotment of Plot No. 129G/5 should not be cancelled.</p>
27.	<p>Proposal in respect of M/s Kanak Exports for monitoring of performance and renewal of LOA.</p> <p>The Committee considered the request of unit and approved renewal of LOA for next five years subject to submission of revised projections along with calculation of value addition as prescribed by the Deptt. of Commerce.</p>



28.	<p>Proposal in respect of M/s M.D. Overseas for renewal of LOA.</p> <p>The Committee considered the request of unit and approved renewal of LOA for next five years subject to submission of revised projections along with calculation of value addition as prescribed by the Deptt. of Commerce.</p>
29.	<p>Proposal in respect of M/s Maharishi Ayurveda Care, Plot No. 32, NSEZ for Monitoring of performance/Review of LOA.</p> <p>The Approval Committee reviewed the case and noted that LOA of M/s Maharishi Ayurveda Care expired on 31.12.2014 and unit has not applied for its extension till date. On explanation given by the unit's representative during meeting, the Committee directed the unit to submit request for LOA extension along with credible business plan & objective targets with proper justification & current status so as to forward their case to BOA for further extension.</p>
30.	<p>Proposal in respect of M/s Ess Ess Traders for Review of LOA/case.</p> <p>The Approval Committee discussed the agenda note in detail and observed that unit has neither submitted credible business plan nor its sister concerns namely M/s. Ess Ess International & M/s. Ess Gulliver Ladder Mfg. Co. Pvt. Ltd. have completed the exit formalities, as directed by the Committee on 17/10/2014. The Committee further noted that LOA of M/s. Ess Ess Traders has expired on 31.03.2013. No physical export has been effected since inception and the unit is also not paying lease rentals.</p> <p>The Committee, therefore, decided not to renew their LOA and initiate action under PP Act for eviction proceeding against the unit.</p>
31.	<p>Proposal in respect of M/s Gee Cee Exim Pvt. Ltd. for Review of LOA/case.</p> <p>No one from the unit turned up for meeting. The Committee however monitored the performance of unit and observed that the unit effected only one export on 23/12/2009 worth Rs. 69000/- and made import of Rs. 109.37 Lakhs, resulting in negative NFE. The unit is lying non-functional since then. The Committee further noted that LOA has already expired on 22/11/2014 and unit has not applied for its renewal till date. Besides, lease rent of Rs. 232518/- (approx 2 qtrs) is currently outstanding against Plot No. 72-73.</p> <p>The Committee, hence, decided to issue a Show Cause Notice to the unit as to why their LOA and allotment of Plot No. 72-73 should not be cancelled for being negative NFE, non-</p>



	performance and non-payment of lease rent.
32.	<p>Proposal in respect of M/s Noida Plast Pvt. Ltd. for Review of LOA/case.</p> <p>No one from the unit turned up for meeting. The Committee however monitored the performance of unit and noted negligible performance of unit since inception. The unit is lying non-functional since 2011-12. The Committee further noted that LOA has already expired on 04/06/2013 and unit has not applied for its renewal till date.</p> <p>The Committee, hence, decided to issue a Show Cause Notice to the unit as to why their LOA and allotment of Plot No. 69 should not be cancelled.</p>
33.	<p>Following cases for monitoring of performance/APRs were also placed before the Approval Committee. The unit wise decision of UAC are indicated below:-</p> <p>i) GKB Optic Technologies Pvt. Ltd.- The Committee monitored the performance of the unit on the basis of APRs up to 2013-14 and noted achievement of positive NFE by the unit.</p> <p>ii) Goldwyn Ltd.- The Committee monitored the performance of the unit on the basis of APRs up to 2013-14 and noted achievement of positive NFE by the unit.</p> <p>iii) Kundan Rice Mills Ltd.- No one from the unit turned up for meeting. The Committee monitored the performance of the unit on the basis of APRs up to 2013-14 and noted achievement of positive NFE. The Committee, however, directed to inform the unit to submit details of calculation of value addition in respect of Plain/studded jewellery as per prescribed value addition norms by Deptt. of Commerce.</p> <p>iv) Magnum Aviations Pvt. Ltd.- The Committee monitored the performance of the unit on the basis of APRs up to 2013-14 and noted achievement of positive NFE by the unit.</p> <p>v) P.P. Jewellers (Delhi)- The Committee monitored the performance of the unit on the basis of APRs up to 2013-14 and noted achievement of positive NFE by the unit.</p> <p>vi) P.P. Jewels Pvt. Ltd.- Unit representative explained before the Committee that entire foreign exchange has been realized as per APRs submitted by them and their NFE is also positive in the block of five years. The Committee monitored the performance and decided to renew the LOA of unit for further five years subject to submission of APR for 2013-14, details of achievement of value addition during 2013-14 and projections for next five years.</p> <p>vii) PC Jeweller Impex- The Committee observed that the unit has not implemented the project and validity of LOA has already expired on 16/02/2012. Hence the Committee decided to treat the LOA as lapsed and inform the unit accordingly.</p> <p>viii) PC Jeweller Ltd. (Unit-I) - The Committee monitored the performance of the unit on the basis of APRs up to 2013-14 and noted achievement of positive NFE by the unit.</p> 

	<p>ix) PC Jeweller Ltd. (Unit-II) - The Committee monitored the performance of the unit on the basis of APRs up to 2013-14 and noted achievement of positive NFE by the unit.</p> <p>x) Phoenix Lamps Ltd. (Unit-II)- The Committee monitored the performance of the unit on the basis of APRs up to 2013-14 and noted achievement of positive NFE by the unit.</p> <p>xi) SRS Ltd.- The Committee monitored the performance of the unit on the basis of APRs up to 2013-14 and noted achievement of positive NFE by the unit.</p>
34.	<p>I) Issuance of Completion/Occupancy certificates to units in NSEZ.</p> <p>The Committee deferred the proposals related to issuance of completion/occupancy certificates to units in NSEZ as representative of Noida Authority did not attend the meeting.</p> <p>II) Adjudication of SCN dated 12/11/2014 issued to M/s. Global Diamonds Pvt. Ltd.</p> <p>The Approval Committee discussed the agenda in detail and observed that unit has not given concrete proposal for the renewal of LOA. On request of unit, the Committee gave an opportunity for written submission as explained by the unit representative during personal hearing.</p> <p>The Committee further empowered the Development Commissioner to adjudicate the SCN after examination of written submission/reply of SCN by the unit and to issue Order-in-Original accordingly.</p>
35.	<p>Matters related to Service Tax/Approval of additional list of services.</p> <p>It was informed by the DDC (RK) that matter has been referred to DOC regarding modification in the notification No. 7/2014-ST dated 11.07.2014. However the decision is awaited. Therefore UAC decided to wait till the decision from DOC.</p> <p>Besides, The Committee considered the proposal for approval of additional list of services in terms of guidelines laid down in Instruction No. 79 dt. 19.11.2013 and DOC letter dated 24th June, 2014 (other than default services) as applied by individual NSEZ units and approved the same.</p> <ol style="list-style-type: none">1. Business Auxiliary Services – Stable Packaging Pvt. Ltd.2. Management or Business Consultant Service – Optic Electronic India Pvt. Ltd. 

Supplementary Agenda:**1. Proposal in respect of M/s M. M. Knitwears for Renewal of LOA/monitoring of performance.**

No one from the unit turned up for meeting. The Committee however monitored the performance of unit and noted that the unit is lying non-functional since 2013-14. The Committee, hence, decided to issue a Show Cause Notice to the unit as to why their LOA and allotment of Plot No. 100 should not be cancelled.

2. Proposal in respect of M/s Cyber Futuristics India Pvt. Ltd. for expansion of project/ addition of Plots.

The Committee considered the request of unit for expansion of project/ addition of Plots and approved the same as per projections submitted by them.

3. Proposal in respect of M/s. Bhartiya Industries for adjudication of SCN/renewal of LOA.

The Approval Committee discussed the agenda at length and observed that LOA was issued to the unit on 12/10/2006 and unit started its activities on 19/11/2007. Unit was functional upto the years 2008-09 and thereafter no business has been carried out from the allotted plot. An SCN was issued on 23/01/2015 for non-performance, non-submission of APRs and non-payment of lease rent. Unit submitted its reply on 23/02/2015, however the Committee did not find the reply satisfactory.

The Committee further noted that the LOA has already been lapsed on 18/11/2012 and premises is lying unutilized since 2009. The Committee, therefore, decided to treat the LOA as cancelled. The Committee also cancelled the allotment of Plot No.23 and directed the Estate section to take necessary action accordingly. The Committee empowered the Development Commissioner to issue Order-in-Original as per above decision against the SCN dated 23/01/2015.

4. Application of M/s. Prince Exports for setting up a unit in NSEZ.

No one turned up for the meeting. The Committee observed that discrepancies in the application have been already conveyed to the applicant and their reply is awaited. The Committee, therefore, decided to defer the proposal till the submission of requisite documents/information from the applicant.

5. Proposal in respect of M/s. Stylistic Metals Pvt. Ltd. for adjudication of SCN/Renewal of LOA.

The Approval Committee discussed the agenda at length and observed that LOA was issued to the unit on 25/09/2007 and unit started its activities on 17/12/2009. Unit was functional upto the year 2011-12 and thereafter no business has been carried out from the allotted plot. An SCN was issued on 03/02/2015 for dismal performance and non-utilization of space allotted for the purpose to carry out authorized operations and earn foreign exchange.

The Committee further deliberated on reply of unit & request for renewal of LOA and noted that projections of FOB value of exports have been given for Rs. 72.08 Lakhs only in next five years out of which forex outgo is Rs. 63.44 Lakhs. Hence the Committee was of the view that it cannot be considered as justifiable to run the business with an earning of Rs. 8.64 Lakhs in five years.

The Committee, therefore, decided to cancel the LOA & allotment of Plot No.136A and directed the Estate management section to take necessary action accordingly. The Committee empowered the Development Commissioner to issue Order-in-Original as per above decision against the SCN dated 03/02/2015.

6. Proposal in respect of M/s Aparna Fashions for Renewal of LOA.

The Approval Committee deliberated on the proposal at length and observed that LOA of unit has already expired on 01/01/2015. The Committee further noted negligible export and employment generation by the unit in previous years.

The Committee after due deliberation decided not to renew the LOA and directed the Estate Management section to initiate eviction proceedings under the provisions of PP Act.

7. Application of M/s. Saasfocus Consulting Pvt. Ltd. for setting up a unit in NSEZ.

The Approval Committee considered the proposal of M/s. Saasfocus Consulting Pvt. Ltd. and observed that there have been some deficiencies in their application. However, the required documents and information were produced by the applicant before the Committee during the meeting.

The Committee, after due deliberation, approved the proposal. However LOA may be issued after on file examination of documents produced by the applicant.

8. **Proposal in respect of M/s Samtex Fashions Ltd. for Exit from SEZ Scheme.**

The Approval Committee deliberated on the proposal at length. The Committee noted that unit has withdrawn their previous request of transfer of Plot No. 134 to M/s. iGate Global Solutions Ltd. without opting exit from SEZ Scheme. Now unit has opted exit from SEZ Scheme and requested to allow exit in phased manner. Unit representative explained their planning to transfer assets & liabilities to another valid LOA holders under Rule 74A. UAC approved exit from SEZ Scheme but did not agree with its proposal to exit in phased manner & directed the representative of the unit to submit their intention in writing.

Meeting ended with vote of thanks to the chair.


(Sumeet Jerath)

Development Commissioner