भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग
विकास आयुक्त का कार्यालय
नौएडा विशेष आर्थिक क्षेत्र
नौएडा दादरी रोड, फेस-II, नौएडा.201305, जिला गौतम बुद्ध 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)

स्वच्छ भारत
एक कदम स्वच्छता की ओर

फा. सं. 12/01/2019-प्रोज/ 1323 दिनांक: 11/02/2021

सेवा में,

1. मुख्य कार्यपालक अधिकारी, न्यू ओखला औधोगिक विकास प्राधिकरण, मुख्य प्रशासनिक भवन, सेक्टर - 6, नौएडा।
2. अतिरिक्त महानिदेशक विदेश व्यापार, वाणिज्य एवं उधोग मंत्रालय, 'ए' विंग, इंद्रप्रस्थ भवन, आई पी एस्टेट, नई दिल्ली ।
3. प्रधान आयकर आयुक्त, आयकर भवन, प्लाट सं.- ए-2डी, सेक्टर 24, नौएडा ।
4. आयुक्त, सीमा शुल्क, नौएडा सीमा शुल्क आयुक्तालय, इनलैंड कंटेनर डिपो, तिलपता, दादरी, गौतम बुद्ध नगर, उत्तर प्रदेश - 201306.
5. निदेशक, वाणिज्य विभाग, वाणिज्य एवं उधोग मंत्रालय, भारत सरकार, उधोग 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 उधोग केंद्र, कलेक्ट्रेट के पास, सूरजपुर, ग्रेटर नौएडा।

विषय: दिनांक 04/02/2021 को अपराह्न 03:00 बजे आयोजित नौएडा विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी।

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और श्री ए. बिपिन मेनन, विकास आयुक्त, नौएडा विशेष आर्थिक क्षेत्र की अध्यक्षता मे दिनांक **04/02/2021** को अपराह्न **03:00 बजे** विडियो कॉन्फ्रेंसिंग द्वारा आयोजित नौएडा विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है।

भवदीय,

नितिन
11/2

संलग्नक: उपरोक्त

(नितिन गुप्ता)
उप विकास आयुक्त

प्रतिलिपि:

1. विशेष कार्याधिकारी - विकास आयुक्त के सूचनार्थ।
2. वैयक्तिक सहायक - संयुक्त विकास आयुक्त के सूचनार्थ।
3. निर्दिष्ट अधिकारी, नौएडा विशेष आर्थिक क्षेत्र - सूचनार्थ एवं आवश्यक कार्यवाही के लिए ।
4. सचिव, नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण- सूचनार्थ एवं आवश्यक कार्यवाही के लिए।
5. उप विकास आयुक्त (एडमिन) - सूचनार्थ एवं कार्यवृत के हिंदी अनुवाद के लिए|

उप विकास आयुक्त

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 04/02/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

Minutes of meeting of the Approval Committee of Noida SEZ held under the Chairmanship of Shri A. Bipin Menon, Development Commissioner (DC), Noida SEZ at 03:00 PM on 04/02/2021 through video conferencing.

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

1) Shri Nitin Gupta, Dy. Development Commissioner, NSEZ (Nominee of Deptt. of Commerce in terms of letter dated 23/09/2008).
2) Shri Ashok Kumar, Superintendent, Customs, Noida Commissionerate.
3) Shri Rakesh Kumar, FTDO, O/o Addl. DGFT, CLA, New Delhi.
4) Shri Manish Kumar, Income Tax Officer, Income Tax Deptt., Noida.
5) Shri Mukesh Goyal, Manager, New Okhla Industrial Development Authority, Noida.
6) Shri Garima Mishra, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.).

2. Besides, during the meeting S/Shri (i) Amit Kumar Gupta, Specified Officer, NSEZ, (ii) Pramod Kumar, Asstt. Development Commissioner, NSEZ, (iii) Arun Singh Parihar, Stenographer, Project Section, NSEZ, (iv) Satya Vijay, AEE, UPPCB, Noida, (v) S.K. Bharti, JE, UPPCL, Noida were also present to assist the Approval Committee. It was informed that the stipulated quorum for holding the meeting is available and meeting can proceed.

3. At the outset, the Chairman welcomed the participants. After brief introduction, items included in the agenda were taken up for deliberation one by one. 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:-

(i) Ratification of Minutes of last meeting of the Approval Committee held on 05/01/2021.

It was informed that no reference against the decisions of the Approval Committee held on 05/01/2021 was received and, therefore, Minutes of the meeting held on 05/01/2021 were unanimously ratified by the Approval Committee.

(ii) Item wise decisions on proposals included in agenda:

1.	**AF Ferrari Secure Logitech Private Limited – Setting up a new unit in NSEZ.** 1.1 The Approval Committee was informed that M/s. AF Ferrari Secure Logitech Private Limited has proposed to set up a new unit in NSEZ for (i) Warehousing of other Travel Goods; (ii) Warehousing of Jewellery Boxes; (iii) Warehousing of leather goods; (iv) Warehousing of smart watches; (v) Warehousing of watches with precious metal; (vi) Warehousing of other watches; Warehousing of writing instruments (Ball pens, Fountain Pens, refills etc.) with projected exports of Rs. 263.60 Lakhs and NFE earnings worth Rs.231.89 Lakhs and proposed investment of Rs. 40.00 Lakhs in indigenous plant & machinery/capital goods and employment of 3 persons, over a period of five years. 1.2 It was informed that the said proposal was also considered by the Approval Committee in its last meeting held on 05/01/2021 wherein the Approval Committee had directed the representative of Income Tax Deptt. to examine the matter of demand of INR 1.25 Crores raised by Income Tax Deptt. on company in Dec 2019 against some expenditure disallowance of INR 1.23 Crores and provide his comments on the same as to whether the Income Tax matter reflected by the unit shall have any bearings on the proposal being considered by the Approval Committee. The Approval Committee had also deferred the proposal with a direction to the applicant to submit their revised proposal with respect to the requirement of area in NSEZ along with removal of deficiency as observed in their application. 1.3 It was further informed that now the applicant has envisaged area of 500 sq.mtrs. against the old projections of 125 sq. mtrs. The representative of Income Tax Deptt. informed that the matter of demand of INR 1.25 Crores on company in Dec 2019 against some expenditure disallowance of INR 1.23 Crores was raised by Income Tax Deptt., Delhi. He stated that they have sought status of the said matter from Delhi office which is awaited.

1.4 Shri Rohit J Kharadkar, director, Shri Dauji Gupta and Shri Ashish K Verma authorized representatives of the company appeared before the Approval Committee through video conferencing and explained the proposal. Shri Gupta informed that AF Ferrari brings together the expertise and capabilities of the secured logistics of gems & jewellery and luxury goods as well as end-to-end logistics solutions in India, hence providing a bridge for customers between India and the world, filling the gap of a much needed experienced and professional secure logistics service provider in India.

1.5 Shri Kharadkar informed that AF Ferrari Secure Logitech Private Limited is a subsidiary of Ferrari Group incorporated in November 2013 and growing since then. AF Ferrari has presently offices in Mumbai, Surat, New Delhi, Jaipur and Kolkata. He further informed that the company offers quality service, timeliness, flexibility and responsiveness with accurate and customized solutions for high-value merchandise and commodities.

1.6 Shri Kharadkar further informed that their clients include high end premium watches/writing instruments brands from Switzerland, France etc. which includes Rolex, Swatch, Cartier etc. He informed that the warehoused goods shall be exported/ sold to markets like India and neighbouring countries. He also informed that waiting time for these high end products is 1-2 weeks as the customers are not readily available. Further, as per clients requirements visitors may come to NSEZ to see the goods or the goods may be temporary sent to DTA market for showcasing the products.

1.7 The Approval Committee, after due deliberations, directed the applicant to submit addresses of their DTA offices and copies of documents related to Income Tax demand & deposit of 20% of demand raised. The Approval Committee further directed that on receipt of addresses, physical verification of the premises may be undertaken. The Approval Committee also directed to obtain report from Income Tax Deptt. on matter of demand of INR 1.25 Crores on company in Dec 2019 against some expenditure disallowance of INR 1.23 Crores. The Approval Committee further directed to defer the proposal to the

	next Approval Committee on receipt of status of penalty imposed by Income Tax department and verification of DTA offices of applicant.
2.	**Interra Infotech (India) Pvt. Ltd. – Change in directors/shareholding pattern, renewal of LOA and monitoring of performance.** 2.1 It was informed that M/s. Interra Infotech Pvt. Ltd. has intimated about change in director & shareholding pattern of the company along with a request for renewal of LOA for remaining period of current block of five years i.e. upto 30/07/2025. 2.2 It was informed to the Approval Committee that Mr. Sanjay Kapoor has joined the company as a director w.e.f. 14/10/2020. Further, number of shares of the company has been raised from 100000 to 4970000. However, there is no change in percentage shareholding pattern of the company. 2.3 The Approval Committee observed that although the unit has achieved positive NFE earnings, its export performance was very low in comparison to the earlier approved projections. It was also informed that unit has made total DTA sales worth Rs. 481.34 Lakhs during previous block of five years i.e. from 2015-16 (31/07/2015-31/03/2016) to 2020-21(01/04/2020-30/07/2020) against payments received in INR. 2.4 It was also informed that during examination of the data given in APRs submitted by the unit for previous block of five years vis-à-vis NSDL Softex data, it was observed that there is difference between export value in APRs as compared to NSDL data. It was also informed that APR for the year 2019-20 is still awaited from the unit. 2.5 Shri Vijay Sharma, authorized representative of the company appeared before the Approval Committee through video conferencing. He informed that their main export market is USA. However, due to less business orders from USA, the export performance declined during previous block of five years. He also stated that the data of APR matches with the data of NSDL keeping in view that NSDL data is based on softex filed by unit during the financial year

	whereas the APR data is given on the basis of invoices filed during the respective year. He also stated that they will submit APR for the year 2019-20 at the earliest. 2.6 Shri Sharma further informed that they have received payments in INR against DTA sales worth Rs. 481.34 Lakhs during previous block of five years. It was informed to him that as per Section 2(z)(iii) of SEZ Act 2005, "Services means such tradable services which earn foreign exchange". Hence, the above services worth Rs. 481.34 Lakhs, which have been rendered in DTA against payment in INR, are not as per SEZ Act/Rules. 2.7 The Approval Committee, after due deliberations, unanimously decided to take on records change in directors/shareholding pattern of the company. The Approval Committee also renewed the validity of LOA for remaining period of current block of five years i.e. upto 30/07/2025 subject to submission of APR for the year 2019-20 and CPC code of the services allowed under authorized operations by the unit. The Approval Committee further directed to issue a Show Cause Notice under Foreign Trade (Development & Regulation) Act, 1992 to the unit for violation of Section 2(z)(iii) of SEZ Act, 2005 i.e. rendering services in DTA worth Rs. 481.34 Lakhs during previous block of five years against payment receipt in INR. The Approval Committee empowered the Development Commissioner to issue the SCN and also adjudicate the same on receipt of written reply from the unit/grant of personal hearing.
3.	**Onnsynex Ventures Pvt. Ltd. – Inclusion of additional authorized operations in LOA and monitoring of performance.** 3.1 It was informed that M/s. Onnsynex Ventures Pvt. Ltd. has been issued an LOA dated 11/08/2017 for "Warehousing Service (excluding liquor under chapter heading 2203, 2204, 2205, 2206, 2207 & 2208, precious/ semi-precious metals under chapter 71 and articles of precious/semi-precious metals under other ITC (HS) Headings) against free foreign exchange". Now, the unit has submitted a proposal for inclusion of Warehousing of Liquors

and Precious/Semi precious Metals in its authorized operations.

3.2 Shri Sivasankaran E. and Shri Harshpaul Singh Takkar, directors and Shri Arun Shanker, authorized representative of the company appeared before the Approval Committee through video conferencing. Shri Sivasankaran informed that they have found interests of their clients for warehousing of Liquor and Precious/Semi-precious metals. He further stated that these clients want to import foreign liquors in bulk and then from their warehousing unit they will fulfil the FSSAI norms, respective state requirements of affixing bar codes/ labels etc. and thereafter these foreign liquors will be removed to Custom bonded area/ Duty free shops.

3.3 Shri Takkar informed that similarly, they have found interest of some international traders of Bullion who want to setup a base in India for stocking their product (Bullion) and do Quality and purity check before further supplies/exhibiting to their international & Indian buyers as per prescribed import/export policy, this shall also offer them better control over their product and comfort for both buyers and suppliers. He stated that they are currently loosing such business opportunities and subsequent forex to other countries, since they have not been accorded with the permission to warehouse "Liquor" and "Precious/Semi precious Metals".

3.4 It was informed that the proposal of M/s. Onnsynex Ventures Pvt. Ltd. for setting up a unit in NSEZ was initially rejected by the Approval Committee held on 03/05/2017. The unit then filed an appeal before the Board of Approval. The BOA in its meeting held on 03/07/2017 after hearing the appellant allowed the appeal excluding warehousing of liquor and precious/semi-precious metals. The Board also directed that the entrepreneur shall set up separate units for trading and warehousing. Accordingly, the Approval Committee in its meeting held on 02/08/2017 approved the proposal of M/s. Onnsynex Ventures Pvt. Ltd. for Warehousing services (excluding warehousing of liquor and precious/semi-precious metals) against free foreign exchange. The Approval Committee further decided that

	the activities of the warehouse would be only in accordance with scope and extent of Rule 18(5) of SEZ Rules, 2006 and Instruction No. 49. The Approval Committee further directed that the applicant shall submit quarterly report and Approval Committee will observe the performance of the unit at the end of each quarter. 3.5 It was informed that as per directions of Approval Committee, unit has been filing Quarterly reports to this office. 3.6 The Approval Committee observed that the Board of Approval (BOA) had not accorded permission for warehousing of liquor and precious/semi-precious metals while allowing the appeal of unit. The Approval Committee was of the view that while precious /semi-precious metals may be sensitive, liquor could be considered provided it was for exports or sales to duty free shops. 3.7 The Approval Committee, after due deliberations, unanimously decided to forward the request of unit for consideration of inclusion of liquor in its LOA to the Board of Approval.
4.	**Lakshman Overseas – Withdrawal of proposal for inclusion of additional authorized operations in LOA.** 4.1 It was informed to the Approval Committee that M/s. Lakshman Overseas had earlier submitted a request for inclusion of list of 207 items along with their complete ITC HS Code for warehousing in its authorized operations which was considered by the Approval Committee in its meeting held on 05/01/2021. The Approval Committee had deferred the matter for inclusion of additional authorized operations in LOA with the direction to obtain comments from APEDA, AEPC, ATMA, TEXPROCIL, CLE and ACMA on the proposed list and place the matter before it in its next meeting with the comments of these organizations. 4.2 It was also informed that M/s. Lakshman Overseas vide its letter dated 12/01/2021 had submitted a request for withdrawal of list of 207 items

	submitted by them citing reasons that it does not fulfil their current business requirements. The unit has also stated that they are also trying to start manufacturing activity along with warehousing business as desired. 4.3 It was further informed that the intimation of unit regarding withdrawal of inclusion of 207 items in LOA has been taken on records on file. 4.4 The Approval Committee, after due deliberations, unanimously took note of withdrawal of proposal for inclusion of additional authorized operations in LOA by M/s. Lakshman Overseas. The Committee also cautioned the firm to stick to the list of products listed in their LOA.
5.	**Apothecaries Clinical research LLP – Enhancement in Capital Goods and ratification of one time permission.** 5.1 It was informed to the Approval Committee that M/s. Apothecaries Clinical Research LLP has submitted a proposal for enhancement in imported & indigenous Capital Goods. It was also informed that the unit vide its email dated 28/01/2021 & subsequent email dated 29/01/2021 had requested for urgent approval for import of Capital Goods (3 Laptop with accessories) worth Rs. 3.5 Lakhs for their Clinical Trials Business operations purposes. Unit had stated that their shipment is expected by February 5 and requested to approve their import request. Keeping in view of urgency shown by the unit, vide this office letter dated 04/02/2021, one time permission was granted to the unit for import of Capital Goods (3 Laptop with accessories) worth Rs. 3.5 Lakhs subject to ratification by the Approval Committee. 5.2 Shri Deepak Khanna, authorized representative of the unit appeared before the Approval Committee through video conferencing. Shri Khanna informed that during time of previous renewal of LOA, they did not mention about imported capital goods. They have submitted revised projections so that they can file Bond-cum-LUT for duty free import of capital goods. 5.3 Shri Khanna also informed that meanwhile, they have got one time permission for import of 3 laptops from this office hence, now they do not

	require any further capital goods enhancement. He further stated that their LOA is going to expire on 24/03/2021 they have applied for renewal of LOA for period beyond 24/03/2021 incorporating the capital goods value required for next block. 5.4 The Approval Committee, after due deliberations, unanimously ratified the one time permission dated 04/02/2021 granted for import of Capital Goods (3 Laptop with accessories) worth Rs. 3.5 Lakhs by the unit. The Approval Committee also took note of submission of unit that they do not require any further capital goods enhancement and decided to treat the application for enhancement in capital goods as withdrawn.
6.	**AIR IT – Monitoring of performance and review of LOA.** No one from the unit appeared for the meeting. The Approval Committee decided to defer the proposal for its next meeting.
7.	**Devine Meditech Pvt. Ltd. – Inclusion of additional items in authorized operations; (ii) Ratification of one time permission for procurement of goods (Hospital bed & trolleys) from DTA and thereafter export of the same and (iii) Change of Entrepreneur/ transfer of business to "Devine Meditech".** 7.1 It was informed that M/s. Devine Meditech Pvt. Ltd. has submitted a proposal for Change of Entrepreneur/ transfer of business to "Devine Meditech"; (ii) Inclusion of following trading items in authorized operations: (i) Medical, Surgical, Dental or Veterinary Furniture (9402) (ii) Spectacles, Glasses and Frames (9004) (iii) Laboratory equipment such as Autoclave & Sterilizer (8419) (iv) Personal Protection items like mask, coverall etc. (6210) (v) Surgical rubber gloves or medical examination rubber gloves (4015) (vi) All diagnostic kits and reagents (3822) (vii) Gauze, Bandages, Dressings, Adhesive Plaster etc. (3005) (viii) Sutures and other products (3006) (ix) Testing Kits, Gauze, Bandage and Dressing (3005) (x) Splints & other fracture appliances, hearing aids etc. (9021)

7.2 It was further informed to the Approval Committee that Unit vide its letter dated 20/01/2021 had requested for one time approval for procurement of supplies (Hospital bed & trolleys) covered under HS Code 94029090 & 94029010 for COVID Hospital from UNOPS from DTA and Dispatch of supplies for export. Keeping in view of request of unit, a one-time permission was granted vide this office letter dated 20-21/01/2021 to the unit for procurement of (Hospital bed & trolleys) covered under HS Code 94029090 & 94029010 and thereafter export of the same for completion of the project supplies subject to ratification of the said permission by the Approval Committee.

7.3 Shri Vipin Aggarwal, CEO of the company appeared before the Approval Committee through video conferencing. He informed that with increasing business and adding more products to their portfolio, they wish to add some more medical products which are covered under different ITC HS Code. He requested to amend their LOA to include additional trading items accordingly.

7.4 The Approval Committee observed that applicant has given only four digit ITC HS Code of additional products proposed to be included in LOA. The Approval Committee further observed that the ITC(HS) Codes given have a wide range of products which unit has not proposed for inclusion. Further, one item i.e. All diagnostic kits and reagents (3822) is restricted for export. Hence, in case the unit is procuring these items from DTA, prior approval of BOA is required in terms of proviso to Rule 27(1) of SEZ Rules, 2006. The Approval Committee directed the unit to submit revised list of existing as well as proposed authorized operations along with their specific complete ITC(HS) Codes.

7.5 Shri Vipin Aggarwal assured to submit the revised list at the earliest & requested to approve their proposal for inclusion. Shri Aggarwal further informed that they wish to withdraw the proposal for change of entrepreneur/transfer of business to "M/s. Devine Meditech (a partnership firm)".

7.6 The Approval Committee, after due deliberations, unanimously decided to approve the request of unit for inclusion of additional trading items in LOA subject to submission of revised list of existing as well as proposed authorized operations along with their specific complete 8 digit ITC(HS) Codes and no DTA Sale of trading items shall be allowed. The Approval Committee also ratified one-time permission granted vide this office letter dated 20-21/01/2021 to the unit for procurement of (Hospital bed & trolleys) covered under HS Code 94029090 & 94029010 and thereafter export of the same. The Approval Committee further took note of the request of unit for withdrawal of proposal for change of entrepreneur/transfer of business to "M/s. Devine Meditech (a partnership firm)". The Approval Committee also directed the unit to immediately submit CA certified APRs for the period 2018-19 & 2019-20 and also ensure necessary timely compliances in future.

8. **Vision Technology – Monitoring of performance in view of final exit request by the unit.**

8.1 The Approval Committee considered proposal in respect of Vision Technology for monitoring of performance in view of exit request by the unit. The Approval Committee observed that performance of the unit are as under:

(Rupees in Lakhs)

Year	**Exports**	**Forex Outgo**	**NFE Earnings**	**DTA Sale**
2017-18 (02.07.17-31.03.18)	29.35	8.70	20.65	0.00
2018-19	9.42	7.20	2.22	0.00
2019-20	0.85	1.81	-0.96	0.00
2020-21	0.00	6.98	-6.98	45.95
Total	**39.62**	**24.69**	**14.93**	**45.95**

As per verification sheet provided by nominated CA firm has all APRs have been reported correctly.

8.2 The Approval Committee monitored the performance of unit in terms of Rule 54 of SEZ Rules, 2006 and after due deliberations, unanimously took note of achievement of positive NFE Earnings by the unit. The Approval

Committee also noted that no foreign exchange is pending for realization. The Approval Committee directed project section to process the remaining exit formalities on file.

9. **Anagram Systems - Monitoring of performance in view of final exit request by the unit.**

9.1 The Approval Committee considered proposal in respect of Anagram Systems for monitoring of performance in view of exit request by the unit. The Approval Committee observed that performance of the unit are as under:

Values in Rs. Lakhs

Year	FOB Value of Export		Forex Outgo	NFE Earning
	Physical Exports	Under Rule 53		
2013-14	0	31.70	30.20	1.50
2014-15	0	01.30	4.39	-3.09
2015-16	0	47.10	44.20	2.90
2016-17	0	74.53	68.60	5.93
2017-18	0	0.00	4.39	-4.39
2018-19	0	25.20	4.39	20.81
2019-20	0	14.10	0.00	14.10
Total	**0**	**193.93**	**156.17**	**37.76**

9.2 The Approval Committee observed that as per APR, there is no pending Forex as on 31/03/2020. However, as per CA verification report forex of Rs. 26.51 Lakhs was pending for realization during 2013-14.

9.3 Shri Amba Charan, proprietor of M/s. Anagram Systems and Shri N.K. Prusty, representative of M/s. Idemia Syscom (India) Pvt. Ltd. appeared before the Approval Committee through video conferencing. On specific query regarding pending forex realization, Shri Amba Charan informed that the said forex of Rs. 26.51 Lakhs is still pending and now they will have to write-off the said forex as it is not recoverable from their customer.

9.4 Shri Charan also informed they have filed an appeal in one case related to his DTA unit with Trade Tax Deptt. which is still pending. He further stated that after exit from SEZ Scheme they will continue their operations from DTA.

9.5 The Approval Committee, after due deliberations, unanimously decided to defer the proposal with a direction to M/s. Anagram Systems to submit Status of realization/write-off of pending foreign exchange of Rs. 26.51 Lakhs along with copy of application/appeal submitted to Trade Tax Deptt. for further consideration in the matter. The Approval Committee also decided to extend the validity of LOA upto 15/03/2021 exclusively to submit above documents and complete exit formalities.

10. **eShakti.com Pvt. Ltd. – Inclusion of additional items/ITC(HS) Codes in authorized operations allowed under LOA.**

10.1 It was informed to the Approval Committee that M/s. eShakti.com Pvt. Ltd. has submitted a request for inclusion of Manufacturing of (i) Wool Knits Scarves (61171020), (ii) Wool Woven Scarves (62142029), (iii) Polyester Woven Scarves (62149060), (iv) N95 Face Mask (63079090), (v) Skirts, Blouse, Pants and Jackets. Further, the unit vide its email dated 03/02/2021 has also submitted revised ITC(HS) Codes for (i) Trousers (Pants) made of woven cotton (ii) Woven woolen jackets (iii) Blouses made of woven cotton (iv) Woven woolen scarves. Accordingly, the ITC(HS) codes of products are as under:

S.No.	Authorized operations (Manufacturing)	Corresponding ITC(HS) Code given by unit
1.	Cotton Woven Dress	62044220
2.	Cotton Woven Skirts	62045200
3.	Cotton Woven Blouse	62063090
4.	Cotton Knits Dress	61044200
5.	Cotton Knits Jackets	61043200
6.	Cotton Knits Skirts	61045200
7.	Cotton Knits Pants	61046200
8.	Cotton Knits Blouse	61061000
9.	Polyester Woven Dress	62044390
10.	Polyester Woven Jackets	62043300
11.	Polyester Woven Skirts	62045300
12.	Polyester Woven Blouse	62064000
13.	Other Woven Jacket	62043990
14.	Other Woven Blouse	62069000
15.	Polyester Knits Jackets	61043300
16.	Polyester Knits Skirts	61045300

17.	Polyester Knits Pants	61046300
18.	Polyester Knits Blouse	61062010
19.	Jackets made of other knitted fabrics	61043990
20.	Other Knits Skirts	61045990
21.	Other Knits Pants	61046990
22.	Other Knits Blouse	61069090
23.	Wool Woven Pants	62046190
24.	Cotton Woven Pants	62046290
25.	Polyester Woven Pants	62046300
26.	Wool Woven Jackets	62043190
27.	Wool Woven Dress	62044190
28.	Silk Woven Dress	62044919
29.	Wool Woven Skirts	62045100
30.	Silk Woven Blouse	62061010
31.	Wool Woven Blouse	62062000
32.	Wool Knits Jackets	61043100
33.	Wool Knits Skirts	61045100
34.	Wool Knits Pants	61046100
35.	Wool Knits Blouse	61069020
36.	Polyester Knits Scarves	61171040

10.2 The Approval Committee, after due deliberations, unanimously decided to approve the proposal of M/s. eShakti.com Pvt. Ltd. for inclusion of above manufacturing items in authorized operations in LOA.

11. **Neokraft Global Pvt. Ltd. – Inclusion of additional items in authorized operations allowed under LOA.**

11.1 It was informed to the Approval Committee that M/s. Neokraft Global Pvt. Ltd. (Unit-I) has submitted a proposal for inclusion of following additional items in authorized operations allowed under LOA:

1. Manufacturing of:

(i) Interchangeable tools for hand tools, whether or not ower operated, or for machine tools(for example, for pressing, stamping, punching, tapping, threading, drilling, boring, broaching, milling, turning or screw driving) including dies for drawing and extruding metals, and rock drilling or earth boring tools (8207)

(ii) Machines tools (including presses) for working metals by forging, hammering, or die stamping; machines tools (including presses) for working metals by bending, folding, straightening, flattering, shearing, punching or notching, resses for working metal carbides not specified above. (8462)

(iii) Molding boxes for metals foundry, mould bases, Moulding patterns, mould for metals (other than ingot mould) metal carbide, glass, minerals, materials, rubber or plastics) (8480)

2. Services: Other Professional, Technical and business services (except research, development, Legal and accounting services)(9983)

11.2 Shri Ajay Goel, authorized representative of the unit appeared before the Approval Committee through video conferencing. He informed that they have in house facility of making tools and dies and qualified teams of design & development of tools and dies. Hence, they would like to explore market for the same for local and International business. He further stated that inclusion of these items will not affect their foreign exchange balance sheet submitted at the time of LOA renewal.

11.3 It was informed to the Approval Committee that unit has also submitted a request for updation of 8 digit HSN Code of existing authorized operations allowed under LOA. However, ITC(HS) Code as per classification of the authorized operations approved has not been given. Besides, APR for the year 2019-20 is also awaited. Unit is required to submit APR for the year 2019-20 and ITC(HS) Code of existing items as per classification of the authorized operations approved along with ITC(HS) Code of each proposed item.

11.4 The Approval Committee, after due deliberations, approved the request of M/s. Neokraft Global Pvt. Ltd. for inclusion of additional authorized operations in its LOA subject to submission of APR for the year 2019-20 and ITC(HS) Code of existing items as per classification of the authorized operations approved along with ITC(HS) Code of each proposed item. The Approval Committee also approved the services provided a revised list and CPC Code is submitted in alignment with Rule 76 of SEZ Rules, 2006.

12.	**R.K. Retail Trade Pvt. Ltd. – Proposal related to change in registered office address of the company.** No one from the unit appeared for the meeting. The Approval Committee decided to defer the proposal for its next meeting.
13.	**Indo Aerospace Solutions Pvt. Ltd. - Renewal of LOA and Review of LOA condition.** 13.1 It was informed that M/s. Indo Aerospace Solutions Pvt. Ltd. has submitted a proposal for renewal of LOA along with addition of some more manufacturing & trading items in authorized operations viz (i) Other bars and rods of other alloy steel: angles, shapes and sections of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel (7228); (ii) Other bars and rods of iron or non-alloy steel (7215); (iii) Aluminium tubes and pipes (7608); (iv) Aluminium tubes and pipes (7505) and (v) Packaging cases boxes (4415). The unit has also made a representation against LOA conditions. 13.2 Shri Ajay Singh, authorized representative of the unit appeared before the Approval Committee through video conferencing. He informed that they have made exports under Rule 53A (m), (a), (n), (k) of SEZ Rules, 2006 prior to 31.03.2019. He further stated that currently they are supplying goods against Advance Authorisation as permitted in Section 53 (a) of SEZ Rules 2006 and in future they are looking at some transactions pertaining to Section 53 (c, d & f). However, the new LOA does not seem to allow them the provision of the same. 13.3 Shri Singh further stated that although they are supplying services under Rule 53(A), some of the DTA Customers also approach them for services and they want to cater them also for growth of their business. There is a certain component of their business in which they are required to do DTA transactions, against foreign exchange and they would like to continue to do the same. There has been no untoward incident reported for their company in the last 10 years and removing the same from their LOA seems unjustified.

	13.4 Shri Singh also stated that the LOA renewal letter specifically states that the Trading of Goods is allowed in case of Export and Sale to SEZ or EOU. This statement is as per the Rule 53(j) of SEZ Rules 2006. He stated stated that there are Eleven (a to k) points in Section 53 with which a Unit can generate Foreign Exchange which will benefit on the Unit's NFE. He also stated that Section 53 of SEZ Rules 2006 gets amended by the Ministry as and when required. In case the committee decides to repeat certain rules from the rule book in the LOA, they would need to have the LOA amended every time the rules are changed. 13.5 The Approval Committee observed that one of the proposed item for inclusion i.e. Aluminium tubes and pipes has been mentioned twice with ITC(HS) Code 7608 & 7505. However, 7505 is not correct ITC HS Code of Aluminium. 13.6 The Approval Committee, after due deliberations, decided to renew the LOA of the unit for remaining period of current block of five years subject to condition that DTA Sale of trading goods outside Rule 53(A) of SEZ Rule, 2006 shall not be allowed. The Approval Committee also approved the proposal for inclusion of addition manufacturing & trading activities except ITC(HS) Code 7505 placed in the supplementary agenda. The Approval Committee further directed that the matter of DTA Sale of trading goods may be referred to Deptt. of Commerce for necessary guidance.
14.	**Interactivity Broadband Telecommunications Pvt. Ltd. – Review of LOA in view of BOA decision.** 14.1 It was informed to the Approval Committee that the Approval Committee in its meeting held on 21/09/2020 had decided to treat the LOA of the unit ceased to exist w.e.f. its date of expiry i.e. 24.03.2018 and directed the unit to complete Exit formalities. The Approval Committee also directed Estate Management Division to initiate action for recovery of lease rent and taking over the possession of Plot No. 8, NSEZ in terms of provisions of SEZ Rules, 2006/ P.P. Act, 1971. The decision of the Approval Committee held on

21/09/2020 was conveyed to the unit vide this office letter dated 19/10/2020.

14.2 It was further informed that the unit filed an appeal against the said decision of Approval Committee which was considered by the BOA in its meeting held on 27/11/2020. The minutes of the said BOA meeting (as downloaded from SEZindia website) is reproduced as under:

> *"The Board heard the appellant. The appellant informed the Board that a significant investment has been made by the unit including land and machinery amounting to approx. Rs.100 crore. The unit has undertaken a major change in their business plan in December, 2018 after RBI had found their earlier business plan as not permissible. Further, they have also undertaken to pay the outstanding lease rental dues in a time bound manner.*
>
> *The Board, after deliberations, decided to remand the case back to UAC for re-consideration after examining the credibility of the new business plan of the unit."*

14.3 Shri Satish Mehta, director appeared before the Approval Committee through video conferencing. He informed that the unit has undertaken a major change in the business plan in December, 2018 after RBI had found their earlier business plan as not permissible. He further informed that subsequently the focus of company was shifted from movie merchandising to "the development of non-polluting, fuel cell powered systems for the media industry". He further stated that they will procure the vans from other manufacturers and assemble all the parts like fuel cells, solid state batteries into the van and then will export the same.

14.4 The Approval Committee observed that currently lease rent amounting to Rs. 58,62,655/- against Plot No. 8, NSEZ is outstanding against the unit. Shri Satish Mehta could not give any firm plan on deposit of lease rent.

14.5 The Approval Committee observed that the unit was initially granted

LOA for (i) Data Processing and Management and other IT Enabled Services and (ii) Movie Merchandising. Further, as per unit's business plan the Approval Committee in the meeting dated 05/12/2018 had revised the authorized operations as under:

a) Data Broadcast.
b) Movie merchandising
c) Assembly of Speciality vehicles having fuel cells and solid state batteries.

14.6 It was also observed that the Approval Committee in its meeting held on 05/12/2018 had also granted in-principle approval for renewal of LOA for one year subject to deposition of entire lease rent by 31/03/2019 subject to condition that formal LOA renewal letter will be issued only after payment of entire lease rent. However, as unit failed to deposit the lease rent, their LOA could not be renewed.

14.7 The Approval Committee expressed its serious concern that unit did not do anything since 2013-14 and thus kept the large area of SEZ unutilized. The Approval Committee also observed that name of unit has also been changed from M/s. Interactivity Broadband Telecommunications Ltd. to "M/s. Ionique Research Ltd." w.e.f. 01/04/2019.

14.8 The Approval Committee, after due deliberations, unanimously decided to defer the matter for its next meeting with a direction to the unit to submit following:

(i) Firm plan of unit for deposition of outstanding lease rent amounting to Rs. 58,62,655/- against Plot No. 8, NSEZ.

(ii) Details of investment made in the zone till date along with list of plant & machinery/capital goods installed in the unit's premises at Plot No. 8, NSEZ along with documentary proof in support of procurement of the said goods.

(iii) Step-by-step implementation schedule of project at Plot No. 8, NSEZ

	duly mentioning the time for start of activities. (iv) Details of confirm orders, if any. The Approval Committee also directed to carry out physical inspection of unit and also place performance of unit regarding FOB/NFE since inception before it.
15.	**Proposals related to updation of ITC HS Codes of the authorized operations allowed under LOA of different units.** 15.1 It was informed that as per amendment of SEZ Rules, 2006 as published in Gazette Notification dated 19/09/2018, Rule 19(2) of the SEZ Rules, 2006 have been amended as under: *"The Letter of Approval shall specify the items of manufacture [along with the corresponding Indian Trade Classification (Harmonised System) of Export and Import Items, 2017] or particulars of service activity, including trading or warehousing, projected annual export and Net Foreign Exchange Earning for the first five years of operations, limitations, if any on Domestic Tariff Area sale of finished goods, by-products and rejects and other terms and conditions, if any, stipulated by the Board or Approval Committee"* 15.2 In view of above, NSEZ units were directed to submit ITC HS Codes of each items mentioned in the approved authorized operations in their LOA, if not already mentioned. In the case of service units, units were requested to provide the CPC Code of services provided by them. 15.3 It was further informed that based on the intimation of following units, ITC(HS) codes of their authorized operations have been updated in this office records as well as at SEZonline system subject to ratification by Approval Committee:

S.No.	Unit Name	Issued letter date
1.	Smart Chip Pvt. Ltd.	28/01/2021
2.	Overdrive Electronics Pvt. Ltd.	27/01/2021
3.	Radnik Auto Export	27/01/2021
4.	Taurus Englobe Limited	28/01/2021
5.	GPL Exports Ltd.	29/01/2021
6.	SU Import Services pvt. Ltd.	29/01/2021
7.	Groz Engineering Toos pvt. Ltd	29/01/2021
8.	Megma RFID and Labels Pvt. Ltd.	01/02/2021
9.	Stable Packaging Pvt. Ltd. unit-II	29/01/2021
10.	Agra products Pvt. Ltd.	27/01/2021
11.	Indo Dan Lampshades Pvt. Ltd.	25/01/2021
12.	APK Identification	21/01/2021
13.	Associated Lighting Company	21/01/2021
14.	Idemia Syscom India Pvt. Ltd.	21/01/2021
15.	Continental Hardware Pvt. Ltd.	29/01/2021
16.	Jagdamba Impex	02/02/2021

15.4 The Approval Committee, after due deliberations, ratified the permissions as granted above.

16. **Indo Aerospace Solutions Pvt. Ltd. - Request for inclusion of additional items in LOA.**

Refer minutes at S.No. 13 above.

17. **Traction Research Labs LLP – Matter related to Date of Commencement of Commercial Activities (DCP).**

17.1 It was informed that M/s. Traction Research Labs LLP has been issued an LOA dated 13/05/2020 for IT/ITES i.e. Information Technology Services i.e. Web Design & Development, Internet marketing, Software Development, App Development, Digital Marketing & Affiliation Services, Search Engine Optimisation, Search Engine Marketing, Media buying through SSA's.

17.2 It was further informed that unit has informed this office about commencement of commercial activities w.e.f. 28/09/2020 whereas the Bond-cum-LUT was executed by the unit was accepted on 26/10/2020.

17.3 Shri Vaibhav Kakkar, partner appeared before the Approval Committee through video conferencing. He informed that they brought the capital goods first time in NSEZ on 29/09/2020 after payment of duty. He further stated that they have raised first export invoice on 28/09/2020 and paid GST on the same on the reverse charge basis.

17.4 Shri Kakkar further informed that due to outbreak of pandemic vendor of capital goods could not supply the capital goods timely due to which they had to use their personal laptop to avoid any delay in supply of service. Further, he raised the said export invoice from his laptop while working in NSEZ.

17.5 It was informed that condition No. 1 of LOA dated 13/05/2020 states that "*Unit shall export services as per Provisions of the Special Economic Zones Act, 2005 and Rules made there-under for a period of five years from the date of commencement of production. For this purpose, unit shall execute the Bond-cum-Legal Undertaking as prescribed under the Special Economic Zone Rules, 2006*". Further, Rule 22 of SEZ Rules, 2006, BLUT inter alia covers achievement of NFE, authorized operations allowed to unit. However, since unit carried out authorized operations without accepted BLUT with other violations the same amounts to unauthorized operations.

17.6 The Approval Committee, after due deliberations, unanimously decided to issue a Show Cause Notice to unit as to why action should not be taken against them under FT(D&R) Act, 1992 for making export without acceptance of Bond-cum-LUT and violation of conditions of LOA. The Approval Committee empowered the Development Commissioner to issue the SCN and also adjudicate the same upon receipt of written reply/grant of personal hearing.

18.	**DIN Engineering Services LLP – Application for transfer of Solar Energy Engineering Business Division located at Noida SEZ to Enphase Solar Energy Private Limited.** 18.1 It was informed that M/s. DIN Engineering Services LLP has submitted a proposal for transfer of its Solar Energy business division to M/s. Enphase Solar Energy Pvt. Ltd. along with SDF No. A-1(B), A-6, K-6 & K-7, NSEZ under Business Transfer Agreement dated 01 February 2021. 18.2 Shri Anuj Gupta, partner of DIN Engineering Services LLP, Shri Rajaram, representative of DIN Engineering and Shri S. Thamaran, director of M/s. Enphase Solar Enrgy Pvt. Ltd. appeared before the Approval Committee through video conferencing. Shri Gupta informed that DIN LLP would transfer the solar energy engineering services business as per BTA to Enphase India on going concern basis and continue the remaining business under present approved LOA. Also, Enphase India has submitted a separate application to acquire the solar energy engineering services business and connected set-up of SEZ unit. 18.3 The Approval Committee observed that SDF No. K-6 & K-7, NSEZ have been allotted to unit. However, the unit has not yet taken possession of the said SDFs. Unit has sought extension of time upto 15/02/2021 for taking possession of the same. Further, the premises already in possession of DIN LLP and the premises allotted to the unit but yet to be taken over by the unit have been made part of BTA which is not correct as the SDFs are the assets of the NSEZ Authority. Further, the BTA was also not signed by all the partners /directors of both parties. 18.4 Shri Gupta stated that only business of solar energy will be transferred. After the approval, SDFs will be surrendered to NSEZ Authority. Further, on receipt of LOA, M/s. Enphase will be applying for the allotment said SDFs afresh. Shri Gupta assured that revised application without mentioning the properties and revised BTA duly singed by both parties shall be submitted.

	18.5 The Approval Committee, after due deliberations, unanimously decided to defer the proposal for its next meeting and directed the unit to submit revised proposal without mentioning the property and along with duly signed Business Transfer Agreement for consideration.
19.	**Enphase Solar Energy Private Limited – Setting up a new unit in NSEZ.** 19.1 It was informed that M/s. Enphase Solar Energy Pvt. Ltd. has submitted a proposal for setting up a unit in NSEZ for "Solar Energy Engineering Services" with projected exports of Rs. 41412 Lakhs and NFE earnings worth Rs.41305 Lakhs and proposed investment of Rs. 315.00 Lakhs in indigenous plant & machinery/capital goods and employment of 754 persons, over a period of five years. 19.2 It was further informed that along with setting up a new unit in NSEZ, applicant has also proposed to take over the solar engineering business division of M/s. DIN Engineering Services LLP along with some SDFs allotted to them. 19.3 It was also informed that few shortcomings have been observed in the application which needs rectification. The Approval Committee also observed that both the applicants i.e. M/s. Enphase and M/s. DIN LLP have been directed to submit revised application as per minutes at S.No. 18 above. 19.4 The Approval Committee, after due deliberations, deferred the proposal with a direction to the applicant to submit revised application for setting up a new unit in NSEZ without mentioning the NSEZ property for consideration.

Meeting ended with a vote of thanks to the Chair.

(Nitin Gupta)
Dy. Development Commissioner

(A. Bipin Menon)
Development Commissioner