



भारत सरकार
वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग
विकास आयुक्त का कार्यालय
नौएडा विशेष आर्थिक क्षेत्र
नौएडा दादरी रोड, फेज-II, नौएडा - 201305

टेलीफोन: 0120-2567268/69/70

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दिनांक:...../07/2024

सेवा में,

1. मुख्य कार्यपालक अधिकारी, न्यू ओखला औद्योगिक विकास प्राधिकरण, मुख्य प्रशासनिक भवन, सेक्टर - 6, नौएडा।
2. अतिरिक्त महानिदेशक विदेश व्यापार, वाणिज्य एवं उद्योग मंत्रालय, 'ए' विंग, इंद्रप्रस्थ भवन, आई पी एस्टेट, नई दिल्ली।
3. प्रधान आयकर आयुक्त, आयकर भवन, प्लॉट 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 उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली -110001
6. उप सचिव (आई एफ-1), बैंकिंग प्रभाग, आर्थिक मामलों का विभाग, वित्त मंत्रालय, भारत सरकार, तृतीय तल, जीवन दीप बिल्डिंग संसद मार्ग, नई दिल्ली।
7. महाप्रबंधक, जिला उद्योग केंद्र, कलेक्ट्रेट के पास, सूरजपुर, ग्रेटर नौएडा।

विषय: दिनांक 16/07/2024 को पूर्वाह्न 10:30 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 में दिनांक 16/07/2024 को पूर्वाह्न 10:30 बजे आयोजित नौएडा विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है।

भवदीय,

संलग्नक: उपरोक्त

(किरण मोहन मोहाडीकर)

उप विकास आयुक्त

प्रतिलिपि:

1. विशेष कार्याधिकारी - विकास आयुक्त, नौएडा विशेष आर्थिक क्षेत्र के सूचनार्थ।
2. वैयक्तिक सहायक - संयुक्त विकास आयुक्त, नौएडा विशेष आर्थिक क्षेत्र के सूचनार्थ
3. विनिर्दिष्ट 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. कार्यपालक अभियंता, उत्तर प्रदेश पॉवर कारपोरेशन लिमिटेड, इ.यु.डी.डी.-II, सेक्टर - 18, नौएडा।
6. उप आयुक्त, व्यापार कर, खण्ड-14, सेक्टर -18, नौएडा।
7. क्षेत्रीय अधिकारी, उत्तर प्रदेश प्रदूषण नियंत्रण बोर्ड, इ-12/1, सेक्टर -1, नौएडा।

: सूचनार्थ

उप विकास आयुक्त

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 16/07/2024 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 10.30AM on 16/07/2024 through hybrid mode.

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

- (1) Shri Surender Malik, Joint Development Commissioner, NSEZ (Nominee of Deptt. of Commerce in terms of letter dated 23/09/2008).
- (2) Shri Navin Karnwal, Assistant Commissioner, Customs, Noida Commissionerate.
- (3) Shri Jagdish Chander, Assistant DGFT, O/o Additional DGFT, CLA, New Delhi.
- (4) Shri K.C. Taneja, Income Tax Officer, Income Tax Department, Noida.
- (5) Shri Vinay Kumar, Representative of New Okhla Industrial Development Authority, Noida.

B. Besides, during the meeting S/Shri (i) Kiran Mohan Mohadikar, Dy. Development Commissioner, NSEZ, (ii) Amit Gupta, Specified Officer, NSEZ, (iii) Pramod Kumar, Asstt. Development Commissioner, NSEZ, and (iv) Bharat Bhushan, Assistant, Project Section, NSEZ were also present to assist the Approval Committee. It was informed that the stipulated quorum for holding the meeting was available and the meeting could proceed.

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

D. Item wise decisions on proposals included in agenda:

(1) Ratification of Minutes of last meeting of the Approval Committee held on 24/06/2024.



It was informed to the Approval Committee that there were neither any references nor objections against the decisions of the Approval Committee held on 24/06/2024. Hence, the Approval Committee took note of the same and accordingly, the Minutes of the meeting held on 24/06/2024 were unanimously ratified by the Approval Committee.

(2) Mandap International Private Limited- Setting up a unit in NSEZ.

2.1 It was informed that M/s Mandap International Private Limited had submitted an application for setting up a new unit in NSEZ for “**Manufacturing of:** (i) Channels (Rail) (72169100) (1,00,000 Nos./annum); (ii) Sheet Metal Components (73089090) (60,00,000 Nos./annum); (iii) Channels (Head Tray) (87089900) (80,000 Nos./annum); (iv) Wheels Rims (87149290) (9,00,000 Nos./annum)”

2.2 Mr. Ashvani Madan, Director appeared before the Approval Committee and explained the proposal. He informed that they were in the business of manufacturing rims for motorcycles and mopeds. Since 2004, they were exporting rims with the current export turnover being around Rs. 2.50 Crores . He further stated that 45% of the company's revenue were from exports to UK and EU.

2.3 The Approval Committee discussed the agenda in detail and after due deliberations, approved the proposal of M/s. Mandap International Private Limited for setting up of a unit in NSEZ.

(3) Kriti Metform Limited - Renewal of LOA, inclusion of additional authorized operations and monitoring of performance.

3.1 It was informed that M/s. Kriti Metform Limited had applied for renewal of LOA for the remaining period of 4th block of five years i.e. upto 04/10/2027. They proposed to include additional authorized operations as per the following details:

Existing authorized operations	:	Proposed
(1) Manufacturing of Cold Forging Dies, Powder Pressing Dies, Draw & Extrusion Dies, Press Tools Carbide Cutters, Punches, Jigs & Fixtures, Sheet Metal & Machined Parts (8207, 8467);		(1) Manufacturing Of:
(2) Trading in Power Presses, Process Monitored Systems, Strip Feeders, Springs (8462, 8466, 8537, 8538, 9017,		(i) Cold Forging Dies, Powder Pressing Dies, Draw & Extrusion Dies, Press Tools Punches (82073000) (5000sets/ annum)
		(ii) Carbide Cutters (84671190) (15000 sets/annum)
		(iii) Jigs & Fixtures (84663020) (15000 sets/annum)

<p>9400);</p> <p>(3) Undertaking Following Services:</p> <p>(A) Engineering and Design Services: Designing of Tools, Jigs and Fixtures, Precision Machinery Parts for Machine Manufacturers and Machinery End Users.</p> <p>(B) Professional Services: Technical Consultancy for Process Improvements to Engineering Industries, Tool Try Out, New Process Development and Other Engineering Services (CPC 8676)</p> <p>(subject to condition that no DTA sale of trading goods shall be allowed and other usual conditions for trading)</p>	<p>(iv) Sheet Metal Parts (73269099) (20000 sets/annum)</p> <p>(v) Machined Parts (87089900) (25000 sets/annum)</p> <p>Additional items:</p> <p>(vi) Swaging Machines (84622930) (10000 sets/annum)</p> <p>(vii) Refurbishing and Repairing Customisation, Automation and develop Electrical and electronics machinery (84629000) (2000 sets/annum);</p> <p>(viii) Machine Tools for working on metals, welding machine and Instruments (85152900) (20000 sets/annum)</p> <p>(2) Trading of:</p> <p>(i) Power Presses (84629190)</p> <p>(ii) Process Monitored Systems (90179000)</p> <p>(iii) Strip Feeders (84663090)</p> <p>(iv) Springs (84669310);</p> <p>(3) Undertaking Following Services:</p> <p>(A) Engineering and Design Services: Designing Of Tools, Jigs and Fixtures, Precision Machinery Parts for Machine Manufacturers and Machinery End Users.</p> <p>(B) Professional Services: Technical Consultancy for Process Improvements to Engineering Industries, Tool Try Out, New Process Development and Other Engineering Services (CPC 8676)</p>
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3.2 The Approval Committee observed that the proposed authorized operations namely *"Refurbishing and Repairing, customization, automation and develop Electrical and Electronic Machinery"* fell under Rule 18(4)(d) of SEZ Rules, 2006. Further, ITC(HS) Codes 84622930 (*manufacturing of Swaging Machines*) and 84629190 (*Trading of Power Presses*) were not part of the new nomenclature. Hence, the unit needed to provide the correct HS codes.

3.3 The Approval Committee monitored the performance of the unit in terms of Rule 54 of SEZ Rules, 2006 and noted the achievement of positive NFE Earnings by the unit during the third block of five years i.e. from 2017-18 to 2022-23. The Approval Committee however observed that the unit only submitted a bank realization certificate (BRC) for pending forex of Rs. 59.40 Lakhs for the period 2021-22, whereas this office had asked for BRCs for the years 2017-18 to 2020-21.

3.4 Mr. Sadees Premanath, Director appeared before the Approval Committee and explained the proposal. He informed that all the export proceeds had been realized.

3.5 The Approval Committee discussed the agenda in detail and after due deliberations, approved the proposal of unit for renewal of LOA for remaining period of 4th block of five years i.e. upto 04/10/2027 and inclusion of additional products for authorized operation. However, the latter was subject to submission of correct HS Code. The unit was also directed to provide BRCs of export proceeds for the previous block. The Approval Committee further decided that *"Refurbishing and Repairing, customization, automation and development of Electrical and Electronic Machinery"* would be in terms of Rule 18(4)(d) of SEZ Rules, 2006.

(4) Amiga Informatics Private Limited - Amendment in authorized operations and change in directors & shareholding pattern of the company.

4.1 It was informed that M/s Amiga Informatics Private Limited had applied for extension in validity of LOA beyond 19/02/2021 with amendment in authorized operations and change in field of business. Moreover, they has also applied for for change in Directors / Shareholding pattern of the Company. The proposal for extension in validity was sent to DoC for consideration of BOA. BOA in its meeting held on 18/06/2024 considered the proposal of unit and regularised the LOA for three years (from 20.02.2021 to 19.02.2024) and approved further extension in the validity of LOA for one year i.e. upto 19th February, 2025.

4.2 The Approval Committee discussed the agenda in detail and after due deliberations, approved the proposal of unit for revision in authorized operations as under:

"IT Enabled Services and BPO viz.

- (i) Consultancy services related to the installation of computer hardware (8410)*
- (ii) Systems and software consulting service (8421)*
- (iii) Programming services (8424)*
- (iv) Systems maintenance services, (8425)*



(v) *Other computer services n.e.c. (8499)*

(vi) *Management consulting services. (8650)*"

4.3 The Approval Committee also took note of the change in directors & shareholding pattern of the unit in terms of Instruction No. 109 dated 18/10/2021.

(5) Jayshree General Trading Co. - Inclusion of additional trading activities in authorized operations.

5.1 Shri B.P. Sharma, authorized representative appeared before the Approval Committee and explained the proposal.

5.2 The Approval Committee discussed the agenda in detail and after due deliberations, deferred the proposal with the directions to examine the matter internally in detail, in line with clarification received from Deptt. of Commerce, w.r.t. required safeguards and conditions, along with other aspects associated with proposed activities. Further it was noted that GIFT SEZ will be able to provide precious metals to Noida SEZ upon implementation of ICEGATE and as units in Noida SEZ have not raised any such issue in procurement of precious metals.

(6) Knitpro International (Unit-I) - Inclusion of additional authorised operations, amendment in details of existing authorised operations, updation of production capacity of existing item and monitoring of performance.

6.1 Shri Shirish Jain, Partner, appeared before the Approval Committee and explained the proposal.

6.2 The Approval Committee discussed the agenda in detail and after due deliberations, approved the proposal of unit for inclusion of additional authorised operations, amendment in details of existing authorised operations, updation of production capacity of existing item along with revision in projections. This approval is subject to submission of valewise list of proposed imported input services of Rs. 6200 Lakhs. The revised authorized operations would be as under:

"Manufacturing of

(1) Knitting Yarn and Crochet Yarn (ITC HS 51071020, 51071090, 51072090, 52062200, 55095200, 61149090, 51091090, 51099000, 52079000, 51082000) (50000 Kgs/annum each)



- (2) Hand Knitted & Hand Crocheted items (61149090, 61101120, 61109000, 61130000) (50000 Kgs/annum);
- (3) All types of Knitting Needles & Crochet Hooks & all types of Knitting Tools, its accessories, Bags, Kits and all Hobby related products (under ITC HS 39269099, 40169990, 42050090, 44170000, 44219190, 48229090, 63059000, 63079090, 68159990, 69141000, 72230091, 73199000, 73269099, 73259999, 74199990, 76169990, 82130000, 82055990, 85051190, 90178010) (Capacity: 1000000 Nos./annum);
- (4) All type of Stainless Steel Tubes, Rods & Bars (73064000, 73069090, 73041110)(Capacity: 200 tons/annum)
- (5) Rug Making Tools & Kits, Punch Needles, Quilting Tools, Embroidery Tools, Threads, Wooden Frames, Bags & Cases, Gripper Strips, Appliances & Accessories related to Rug Making & Punch Needlecraft (44170000, 44219990, 39269099, 73199000, 73129000, 52042030, 63059000, 42050090, 83130000, 52091119, 53091990, 52112030, 44149000, 84483100, 85098000, 94051900) (1000000 Pcs/annum)
- (6) Backing Fabric for Rug Making (52091119, 53091990) (40000 mtrs/annum)"

6.3 The Approval Committee also monitored the performance of unit and noted the achievement of positive NFE earnings by the unit during the previous block of five years i.e. from 2018-19 to 2022-23. The Approval Committee also noted that no export proceeds had been shown to pending for realization as on 31.03.2023.

(7) Diligent Logistics Solutions Private Limited - Inclusion of additional warehousing goods in authorized operations.

7.1 It was informed that the unit had applied for inclusion of 36 additional items for warehousing under ITC(HS) Chapters/Codes 08, 12, 2501, 3215, 3920, 3926, 4016, 4810, 7306, 7318, 7320, 7326, 7610, 8302, 8466, 8532, 8536, 8541, 8542, 9031, 9403, 9504 in authorized operations.

7.2 Shri Rakesh Trikha, Director, appeared before the Approval Committee through video conferencing and explained the proposal. The Committee observed that some of the HS Codes which were previously included as well as those rejected earlier were also proposed. Shri Trikha stated that he did not check the HS Codes of products as they had given the list as per requirement of their clients. He requested to remove those products which have earlier been rejected.



7.3 The Approval Committee discussed the agenda in detail and after due deliberations, decided to approve the proposal of unit for inclusion of additional list of goods under HS chapter 3920, 3926, 4016, 7306, 7318, 7320, 7326, 7610, 8302, 8466, 8536, 8541, 8542, 9031, 9403, 9504 for warehousing in authorized operations.

(8) Divya Creations - Ratification of permission granted for change in description of authorized operations/ Production capacity and Monitoring of performance.

8.1 The Committee noted that while the proposed authorized operations were similar to existing approved items, there was a change in description/ production capacity. As per approval on file, LOA of the unit was renewed for 5th block of five years i.e. upto 05/06/2028 for proposed authorized operations and production capacity. This was however subject to ratification by Approval Committee vide this office letter dated 27/06/2024.

8.2 The Approval Committee discussed the agenda in detail and after due deliberations, ratified the permission dated 27/06/2024 granted for change in description of authorized operations/ production capacity.

8.3 The Approval Committee also monitored the performance of the unit and noted achievement of positive NFE Earnings as well as prescribed value addition during previous block i.e. from 2018-19 (06.06.18-31.03.19) to 2022-23. The Approval Committee also observed that the export proceeds worth Rs. 121.15 lakhs were pending for realization as on 31.03.2023. The Approval Committee directed the unit to submit the current status of pending foreign exchange of Rs. 121.15 Lakhs for the year 2022-23 along with bank realization certificate (BRC) duly authenticated by the bank of the unit. Moreover, if the said forex had not been realized within prescribed time limit, a permission from the Bank/RBI for extension of time for realisation was sought.

(9) Vijayshree Food Products Private Limited. - (ii) change in shareholding pattern; (ii) request for allowing third party export and (iii) monitoring of performance.

9.1 Shri Hari Mohan Gupta, authorized representative of the company appeared before the Approval Committee and explained the proposal. The representative informed that in case of third party exports, they



bought the raw material from the DTA supplier and after manufacturing exported the goods from NSEZ on behalf of the said DTA supplier. He further stated that in such transactions the third party (i.e. DTA unit) gets remittance in Dollar and they get their charges from the DTA unit in INR.

9.2 The Approval Committee further observed that there appeared to be a lack of clarity on the changes in shareholding pattern including dates thereof.

9.3 The Approval Committee discussed the agenda in detail and after due deliberations, directed to internally examine the matter regarding third party exports including whether these exports should be counted towards the NFE earnings. The Approval Committee further decided to defer its decision on third party export and directed that no third party exports shall be allowed till further clarity in the matter. The Committee further directed that, the unit may provide documentary evidence of these exports including the shipping bills and those for procurement of raw materials.

9.4 Besides, the Approval Committee directed the unit to provide details of changes in shareholding pattern of company since issuance of LOA, along with date of such changes.

(10) Indus Valley partners India Private Limited - Merger of two LOAs in terms of Proviso 4 to Rule 19(2) of SEZ Rules, 2006.

10.1 It was informed that M/s. Indus Valley partners India Private Limited had submitted a proposal to merge two LOAs of Unit-III (LOA No. 05/05/2015-Proj/6669 dated 06/07/2015) and Unit-IV (LOA No. 05/05/2016-Proj/7181 dated 26/07/2016) with proposed authorized operation as 'Software Development (CPC: 842) and Management Consulting Services (CPC: 865)'.

10.2 Shri Deepak Batra, CFO and Shri Nikhil Agrawal, representative appeared before the Approval Committee and explained the proposal. Shri Batra informed that the main intent of the management is to consolidate their operations. This would streamline compliance, operations and administration by reducing documentation.

10.3 The Approval Committee observed that in the proposed NFE



projections, the unit has given cumulative value of imported as well as local purchases of machinery, raw material, components, spares and consumables . Hence, unit was asked to submit revised and correct projections giving therein separate values of imported and indigenous inputs.

10.4 The Approval Committee discussed the agenda in detail and after due deliberations, approved the proposal of M/s. Indus Valley Partners (India) Private Limited for merger of Unit-IV (LOA No. 05/05/2016-Proj/7181 dated 26/07/2016) into Unit-III (LOA No. 05/05/2015-Proj/6669 dated 06/07/2015) in terms of Proviso 4 to Rule 19(2) of SEZ Rules, 2006. This approval is subject to the condition that after merger, the block period for calculation of Net Foreign Exchange shall be from the date of commencement of production of Unit-III (LOA No. 05/05/2015-Proj/6669 dated 06/07/2015) and the income tax exemption period shall be considered from the date of start of operation of this unit, subject to provisions of the Income Tax Act, 1961. Accordingly the current block period after merger shall be from 30.04.2022 to 29.04.2027. The Approval Committee also took note of revision in the authorized operations and projections after merger subject to submission of revised projections.

(11) Indus Valley partners India Private Limited - Merger of three LOAs in terms of Proviso 4 to Rule 19(2) of SEZ Rules, 2006.

11.1 It was informed that M/s. Indus Valley Partners India Private Limited had submitted a proposal to merge three LOAs i.e. Unit-I (LOA No. 10/296/2009-Proj/8577 dated 10/12/2009), Unit-II (LOA No. 05/39/2011-Proj/583 dated 18/01/2012) & Unit-VI (LOA No. 05/01/2022-Proj/6939 dated 24/08/2022) with proposed authorized operation as 'Software Development (CPC: 842) and Management Consulting Services (CPC: 865)'.

11.2 Shri Deepak Batra, CFO and Shri Nikhil Agrawal, representative appeared before the Approval Committee and explained the proposal. Shri Batra informed that the main intent of the management is to consolidate their operations to streamline compliance, operations and administration. He further stated that they have grouped the companies on the basis of the available income tax exemption period and in this



case they will not avail any income tax exemption.

11.3 The Approval Committee observed that in the proposed NFE projections, unit had given cumulative value of imported and local purchases of machinery, raw material, components, spares and consumables . Hence, unit was asked to submit revised projections with segregated values of imported and indigenous inputs.

11.4 The Approval Committee discussed the agenda in detail and after due deliberations, approved the proposal of M/s. Indus Valley Partners (India) Private Limited for merger of Unit-II (LOA No. 05/39/2011-Proj/583 dated 18/01/2012) and Unit-VI (LOA No. 05/01/2022-Proj/6939 dated 24/08/2022) into Unit-I (LOA No. 10/296/2009-Proj/8577 dated 10/12/2009). This approval would be in terms of Proviso 4 to Rule 19(2) of SEZ Rules, 2006 subject to the following conditions:

(i) after merger, the block period for calculation of Net Foreign Exchange shall be from the date of commencement of production of Unit-I (LOA No. 10/296/2009-Proj/8577 dated 10/12/2009). Accordingly the current block period after merger shall be from 01.06.2021 to 31.05.2026.

(ii) no Income tax exemption would be available under Section 10AA of the Income Tax Act, 1961 in respect of the income from existing LOA after merger .

11.5 The Approval Committee also took note of revision in the authorized operations and projections after merger. The above approval is subject to submission of revised and correct projections and undertaking (on Rs. 100 non judicial stamp paper duly notarized) to the effect that the company would not avail any income tax exemption against the existing LOA after this merger.

(12) J & S Exports - Renewal of LOA and monitoring of performance.

12.1 No one from the unit appeared for the meeting despite the option of a virtual meeting. The Approval Committee took a serious view of the absence and deferred the proposal with a direction for the presence of its promoter in the next meeting.

(13) JP Horology - exit & transfer of its assets & liabilities including building at Plot No. 89, NSEZ to M/s. Brite LED Private Limited.

13.1 Shri Ashit Narula, representative of M/s. JP Horology and Shri Ajay Goel, Director of M/s. Brite LED Private Limited appeared before the Approval Committee and explained the proposal. Shri Narula informed that the copy of sub-lease deed is not traceable at their end.

13.2 The Approval Committee observed that in the absence of sub-lease deed, it could not be ascertained whether the transferor fulfilled the conditions of Rule 74A of SEZ Rules, 2006 .

13.3 The Approval Committee discussed the agenda in detail and after due deliberations, deferred the proposal with a direction to the unit to take due measures to trace the sub-lease deed.

(14) Agra Products Private Limited - Request for permission to re-import of the personal baggage sent under Rule 46(6)(x) / 46(9) of SEZ Rules, 2006 and Non-compliance of provisions of Rule 46(6)(x) & Rule 46(9) of SEZ Rules, 2006.

14.1 It was informed that the unit had requested to grant them permission to re-import the silver & imitation jewellery goods which was dispatched under personal baggage (Invoice No. AGRA/R/006/22-23, 3 bags under SB No. 4001322 dated 13/01/2023). These were FOC trade sample for export promotion purpose on returnable basis under Rule 46(9) of SEZ Rules, 2006.

14.2 It was further informed that Rule 46(6)(x) as well as Rule 46(9) of SEZ Rules, 2006 provides that **"the unit shall bring back the goods unsold in the exhibition or display tour within forty-five days from the completion of the exhibition or within such days as may be notified by the Central Government;"**. However, in the instant case, unit has not imported the goods within 45 days.

14.3 Shri Rohit Gupta, Director, appeared before the Approval Committee and explained the proposal. He informed that they had applied for CARNET and after completing all the formalities, CARNET IN22/2023/DE was issued for the business promotion tour/exhibitions in various countries valid for one year (validation date up to 10/01/2024)

by the competent authority (FICCI, Delhi). Shri Gupta requested to grant them approval to re-import the goods within 365 days as per CARNET instead of the period of 45 days (*as prescribed under Rule 46(9) of SEZ Rules, 2006*).

14.4 It was further informed that as per the decision of Approval Committee held on 06/02/2024, an Internal Committee was constituted to examine the matter. The Internal Committee has provided its report as under:

"It has been informed that the unit intends to bring these goods in the zone after the prescribed time period of 45 days. In this regard, the committee observed that there is no provision prescribed in the SEZ Act/Rules to allow this. However, the committee notes that the impugned goods are free of cost trade samples which are used for export promotion. Further, unit had availed the ATA Carnet, which enabled it to participate in exhibitions in multiple countries.

4. Considering these circumstances, the committee is of the opinion that the unit may be allowed to re-import the impugned goods subject to 100% examination and appraisement. However, the procedural lapse under Rule 46(6) makes it liable for suitable penal action under FTDR Act.

5. With regards to the request of the unit to grant them approval to re-import goods within 365 days as per CARNET instead of period of 45 days, it appears that the request is genuine and would further the cause of export promotion. However, in the absence of any statutory provisions with respect to scenario, a clarification from the SEZ Division, Department of Commerce may be sought."

14.5 The Approval Committee discussed the agenda in detail and after due deliberations, decided as under:

(i) The unit may be allowed to re-import the impugned goods subject to 100% examination and appraisement.

(ii) The Approval Committee decided to issue SCN under FT(D&R) Act to take penal action against the unit for violations of SEZ rule 46(6)(x) by not bringing the exported goods within prescribed timelines. The Approval Committee empowered Office of DC, NSEZ for issue of SCN and adjudication thereof.



(iii) With respect of granting permission to re-import the goods within 365 days as per CARNET instead of period of 45 days, the matter may be forwarded to Deptt. of Commerce for clarification.

(15) Royal Exports - Matter related to procurement from M/s. Global Diamonds Private Limited (GDPL) and request to release the diamonds stock.

15.1 Shri R.C. Soni, Partner in M/s. Royal Exports appeared before the Approval Committee and explained the proposal.

15.2 It was informed that as per the decision of Approval Committee held on 06/02/2024, an Internal Committee was constituted to examine the matter. The Internal Committee has provided its findings/report as under:

"A) Facts & findings i.r.o M/s Royal Exports, Plot no. 02, NSEZ, Noida :-

M/s Royal Exports had procured diamonds and other items of gold, platinum and silver amounting to Rs. 13,01,12,994/- in the month of July 2016 from M/s GDPL. At the time of procurement, platinum and silver were not covered under their LOA. However, both the items were got included in unit's LOA in the month of September 2016 after approval of the UAC.

A personal Hearing was granted to M/s Royal Exports and same was attended by Sh R.C. Soni and Sh Manoj Soni on 03.07.2024. During the P.H., they stated that they had procured the said goods from M/s GDPL and intimated the same to the Authority. In the past, their LoA was renewed for a shorter period repeatedly and they are not in position to carry on their business in this scenario. Further, they requested to take action in the matter on the basis of available records and for releasing the stock for export purpose. Also, they have submitted that they are ready to pay the applicable duty on the stock if the same was permitted for DTA removal.

After P.H. and perusal of available records, the Committee is of the opinion that at the time of procurement i.e. in the month of July 2016, silver and platinum were not covered under LoA of M/s Royal Exports. However, the unit had got included both the items in their LOA. The unit had also intimated about the transaction of procurement. There was not any inordinate delay on the part of



unit. The unit has provided the documents available with them and co-operated during the proceedings of UAC, correspondence with the authorities and Internal Committee.

After discussion and deliberations, Committee is of the view that the transaction related to procurement may be regularized by the UAC. The unit may also be allowed to use the diamonds as per their authorized operations after examination and appraisal as prescribed.

However, the procedural lapse of procuring goods without getting necessary amendments in LOA may invite imposition of penalty under provisions laid down under the Foreign Trade and Regulation Act, 1992.

B) Facts and findings related to M/s Global Diamonds Pvt. Ltd.(M/ GDPL):-

M/s GDPL had transferred/sold diamonds and other items to M/s Royal Export in July 2016. However, the LOA of GPDL, which had already expired on 31.03.2012, was subsequently cancelled on 28.09.2015 by the competent authority. The cancellation was also upheld by the BOA.

In this regard attention is invited to provisions of Section 16(3) of the SEZ Act, which holds that -"Without prejudice to the provisions of this Act, the entrepreneur whose letter of approval has been cancelled under sub-section (1), shall remit, the exemption, concession, drawback and any other benefit availed by him in respect of the capital goods, finished goods lying in stock and unutilised raw materials relatable to his Unit, in such manner as may be prescribe"

However, GDPL failed to remit the exemptions availed on the stock available with them. On the contrary they chose to sell those goods to another SEZ entity when their LOA was cancelled, thereby indicating a deliberate attempt to contravene the statutory provisions. Therefore, the committee is of the opinion that GDPL must be required to pay all the duty involved in the stock available as on the date of cancellation of their LOA. Further, necessary penal action against them under FTDR may also be initiated."

15.3 The Approval Committee, discussed the agenda and findings/recommendations of the Internal Committee, in detail and after



due deliberations, took the following decisions:

(i) The Approval Committee regularised the transaction related to procurement. The unit (M/s Royal Exports) was allowed to use the diamonds as per their authorized operations after examination and appraisalment.

(ii) However, the Approval Committee decided to initiate penal action against M/s. Royal Exports under FTDR Act for procedural lapse of procuring goods without getting necessary amendments in LOA. For this purpose, the Approval Committee empowered Office of DC, NSEZ for issuance of SCN and adjudication thereof.

(iii) The Approval Committee directed the NSEZ Customs to initiate action against M/s. Global Diamonds Private Limited for recovery of applicable duty involved on the materials in stock as on the date of cancellation of its LOA.

(iv) The Approval Committee decided to initiate penal action against M/s. Global Diamonds Private Limited under FTDR Act for failing to remit the exemptions availed on the stock available with them and selling those goods to another SEZ entity when their LOA was cancelled thereby contravening the statutory provisions. For this purpose, the Approval Committee empowered Office of DC, NSEZ for issuance of SCN and adjudication thereof.

The meeting ended with a vote of thanks to the chair.


(Kiran Mohadikar)
Deputy Development
Commissioner


(A. Bipin Menon)
Development Commissioner