File No.12/01/2019-Proj/ 6505

भारत सरकार

Government of India

वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग

Ministry of Commerce & Industry, Deptt. Of Commerce

विकास आयुक्त का कार्यालय

Office of Development Commissioner

नौएडा विशेष आर्थिक क्षेत्र

Noida Special Economic Zone

नौएडा दादरी रोड, फेज-||, नौएडा - 201305

Noida Dadri Road, Phase-II, Noida-201305

Telephone: 0120-2567268/69/70 Email: dc@nsez.gov.in Website: www.nsez.gov.in

दिनांक: .11./08/2021

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-2 डी, 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 03/08/2021 को पूर्वाह्न 11:30 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 मे दिनांक **03/08/2021** को **पूर्वाह्न 11:30 बजे** विडियो कॉन्फ्रेंसिंग द्वारा आयोजित नौएडा विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है।

भवदीय,

नितिन

(नितिन गुप्ता)
उप विकास आयुक्त

संलग्नक: उपरोक्त

प्रतिलिपि:

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1. विशेष कार्याधिकारी - विकास आयुक्त के सूचनार्थ।
2. निर्दिष्ट अधिकारी, नौएडा विशेष आर्थिक क्षेत्र - सूचनार्थ एवं आवश्यक कार्यवाही के लिए।
3. सचिव, नौएडा विशेष आर्थिक क्षेत्र प्राधिकरण- सूचनार्थ एवं आवश्यक कार्यवाही के लिए।
4. उप विकास आयुक्त (एडमिन) - सूचनार्थ एवं कार्यवृत के हिंदी अनुवाद के लिए|
5. कार्यपालक अभियंता, उत्तर प्रदेश पॉवर कारपोरेशन लिमिटेड, इ.यु.डी.डी.-II, सेक्टर - 18, नौएडा ।
6. उप आयुक्त, व्यापर कर, खण्ड-14, सेक्टर -18, नौएडा ।
7. क्षेत्रीय अधिकारी, उत्तर प्रदेश प्रदुषण नियंत्रण बोर्ड, इ-12/1, सेक्टर -1, नौएडा ।

नितिन

उप विकास आयुक्त

Email-ID: ddc1@nsez.gov.in

Tel.: 0120-2567268/69/70 (Extn: 20)

नौएडा विशेष आर्थिक क्षेत्र

(दिनांक 03/08/2021 को आयोजित अनुमोदन समिति की बैठक का कार्यवृत्त)

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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 11:30 AM on 03/08/2021 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 Rakesh Kumar Tomar, Customs, Noida Commissionerate.
3. Shri Rakesh Kumar, FTDO, O/o Addl. DGFT, CLA, New Delhi.
4. Shri Dhanesh Kamal, Income Tax Officer, Income Tax Deptt., Noida.
5. Shri Garima Mishra, Asstt. Manager, DIC, Noida (Rep. of Principal Secretary, Industry, Govt. of UP.).

2. Besides, during the meeting S/Shri (i) Amit Gupta, Specified Officer, NSEZ, (ii) Pramod Kumar, Asstt. Development Commissioner, NSEZ, (iii) Arun Singh Parihar, Stenographer, Project Section, NSEZ, (iv) Satya Vijay Verma, AEE, UPPCB, Noida and (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 06/07/2021.**

It was informed that M/s. Cooper Pharma Ltd. has submitted a representation against the decision of Approval Committee held on 06/07/2021 which has been included as a separate agenda for discussion. No other reference against the decisions of the Approval Committee held on 06/07/2021 was received. The Approval Committee took note of the same and accordingly, Minutes of the meeting held on 06/07/2021 were unanimously ratified by the Approval Committee.

ii. **Item wise decisions on proposals included in agenda:**

1.	**Shree Namo Alloys – (i) Renewal of LOA; (ii) Adjudication of SCN Dated 03/02/2014 and (iii) Monitoring of performance.** 1.1 It was informed that M/s. Shree Namo Alloys has been issued an LOA dated 18/11/2003 for "*Hardware of Metal, Engineering Products and Casting, Solder Wire and Anods (85049010)[440 Tonnes/annum]; (2) Trading Activities (85049010); (3) Lamination of Transformers (CRGO) Iron(85049010)[500 Tonnes/annum]*". The unit commenced its export production w.e.f. 02/01/2005 and its LOA is currently valid till 31/12/2021. 1.2 It was also informed that unit was issued a Show Cause Notice (SCN) dated 03/02/2014 for negative NFE achievement (*to the tune of Rs.12.43 Lakhs*) during first block of five years i.e. from 02/01/2005 to 01/01/2010. The said SCN was considered earlier by the Approval Committee for adjudication. Approval Committee in its meeting held on 12/03/2015 had 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. The said SCN dated 03/02/2014 is yet to be adjudicated. The unit had submitted revised APRs claiming that their NFE earnings as positive. 1.3 Shri Sanjeev Jain, Proprietor appeared before the Approval Committee through video conferencing and explained the proposal. Shri Jain informed that they have also submitted a proposal for inclusion of some other products in LOA.

	1.4 The Approval Committee observed that the ITC(HS) Code 85049010 of authorized operations of unit is for parts of transformer. Shree Jain informed that they want to revise the ITC(HS) Code of the items under authorized operations as many of ITC(HS) code in which they are dealing with are not mentioned in their LOA. 1.5 The representative of nominated CA firm of NSEZ informed that in the old APR for the year 2009-10, forex outgo was shown as Rs. 134.71 Lakhs. Whereas the same in revised APR was shown as Rs. 120.80 Lakhs due to which the NFE earnings for the block period 2004-05 to 2009-10 changes from negative to positive. However, unit needs to submit revised APR duly certified by Chartered Accountant for examination of same. Shri Jain assured to submit revised APR along with details of export, import etc. during 2009-10 duly certified by Chartered Accountant, at the earliest. 1.6 With regard to the Customs case, Shri Jain informed that their appeal is pending before the CESTAT. 1.7 The Approval Committee, after due deliberations, unanimously decided to defer the proposal with a direction to the unit to submit following: 1. Revised list of existing authorized operations along with their correct ITC(HS) Codes. 2. Revised APR for the period 2009-10 duly certified by Chartered Accountant. 3. Revised Form-F1 for renewal of LOA giving therein proposed authorized operations incorporating additional items & ITC(HS) Codes which unit wants to include in its LOA. The Approval Committee also directed to examine the performance of unit in details and then place the complete proposal before it for consideration.
2.	**Vini Exports – Change of constitution of firm.** 2.1 It was informed that M/s. Vini Exports has been issued an

LOA dated 17/01/2005 for manufacturing of: *(1) Silk Fabric & Blends thereof, 5007; (2) Cotton Fabric & Blends thereof, 5208, 5209, 5210, 5211 & 5212; (3) Wool Fabrics & Blends thereof, 5111 & 5112; (4) Woven Fabric Man made/Synthetic Yarns, 5407, 5408, 5512, 5513, 5514,5515 & 5516; (5) Carpets/ Rugs/ Dhurries/ Floor Covering , 5702, 5703, 5704 & 5705; (6) Special Woven Fabric/Laces & trims, 5801, 5802, 5803, 5804, 5805 5806, 5807, 5808, 5809, 5810 & 5811; (7) Flax Fabrics & their blends thereof, 5303; (8) Fabrics of jute bast of vegetable fibres, 5310 & 5311; (9) Blankets & throws, 6301; (10) Bed Linen/Table Linen/Toilet Linen/ Kitchen linen , 6302; (11) Curtains/ Blinds/ Valances/ Drapes, 6303; (12) Bed Spreads, 6404; (13) Sacks & Bags, 6305; (14) Other Made ups & Articles, 6307; (15) Night Suits & pajamas, 6207 & 6208; (16) Gloves, Mittens & Mitts, 6216; (17) Quilts/Cushions/Pillows etc. 9404*. The unit commenced its export production w.e.f 28/09/2006 and its LOA is valid till 27/09/2021.

2.2 It was further informed that unit has informed that there has been a change in constitution of M/s Vini Exports from "sole proprietorship of Mrs. Nalini Agrawal" to a partnership firm of "Mrs. Nalini Agrawal-80%, Mr. Vineet Agrawal-10% & Ms. Ruchi Agrawal-10%".

2.3 It was also informed that unit has submitted new partnership deed registered from Sub-Registrar however such Deed of Partnership needs to be registered with Registrar of Firms. Besides, unit vide this office letter dated 22/07/2021 has also been asked to submit some other documents related to change in constitution of firm, which are awaited.

2.4 It was also informed that the DOC vide Instruction No. 89 dated 17/05/2018 has issued guidelines regarding change in shareholding pattern, name change of SEZ Developer and SEZ Units which inter alia states as under:

"5(ii) *Re-organisation including Change of name, <u>change in shareholding pattern</u>, business transfer arrangements, court approved mergers and demergers, <u>change in constitution of Units located in SEZs may be undertaken with the prior approval of Approval Committee</u> in respect of Units subject to the condition that the unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern. All liabilities of the unit will remain unchanged on such reorganization.*

6. Such reorganization shall be subject to the following safeguards:

i. *Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered entity;*
ii. *Fulfilment of all eligibility criteria applicable, including security clearances etc., by the altered entity and its constituents;*
iii. *Applicability of and compliance with all Revenue / Company Affairs / SEBI etc. Acts/ Rules which regulate issues like capital gains, equity change, transfer, taxability etc.*
iv. *Full financial details relating to change in equity/ merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.*
v. *The Assessing Officer shall have the right to assess the taxability of the gain/ loss arising out of the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.*
vi. *The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.*
vii. *The unit shall furnish details of PAN and jurisdictional assessing officer of the unit to CBDT."*

2.5 It was also informed that DOC vide Instruction No. 90 dated 03/08/2018 has also clarified that "*it may not be interpreted that prior approval of BOA/ UAC is to be taken before approaching the Registrar of Companies or the National Company Law Tribunal as is being done in some cases came to the notice of this department*".

2.6 The Approval Committee, after due deliberations, unanimously took note of the change of constitution of firm from 'proprietorship' to 'partnership' in terms of Instruction No. 89 dated 17/05/2018 read with Instruction No. 90 dated 03/08/2018 subject to submission of documents as asked vide this office letter dated 22/07/2021.

3. **NMTronics (India) Pvt. Ltd. - Renewal of LOA; amendment in**

authorized operations and Monitoring of performance.

3.1 It was informed that M/s. NMTronics (India) Pvt. Ltd. has been issued an LOA dated 21/10/2004 for following authorized operations:

1. *Import/ Procurement of Surface Mounting Technology Machines and Re-Export after making Calibration, Overhauling, Refurbishing, Re-Conditioning, Repair and Testing & Programming (30 Nos./annum). (subject to condition that no DTA sale will be permitted in respect of these items)*
2. *Engineering services.*
3. *Trading of ESD Tables, ESD Chairs, ESD Consumables, Die Attach Machines, Wire Bonder Machines, Pressure Swing Absorption Nitrogen Generator Machines and Spare Parts and Accessories of SMT Machines.*
4. *Software Application and Related Engineering Services.*

The unit commenced its export production w.e.f. 07/11/2005 and its LOA is valid upto 31/12/2021.

3.2 As per submitted APRs, performance of the unit during previous block of five years are as under:

Values in Rs. Lakhs

Year	Export		Forex Outgo	NFE Earning	DTA Sale
	Physical	Under Rule 53A			
2015-16 (07/11/2015-31/03/2016)	142.74	527.87	469.26	201.35	303.39
2016-17	305.99	1636.58	1148.22	794.35	0.00
2017-18	513.42	3477.60	3107.31	883.71	2357.86
2018-19	407.59	3656.09	3015.57	1048.11	2945.60
2019-20	280.96	686.46	826.85	140.57	756.15
Total	**1650.70**	**9984.60**	**8567.21**	**3068.09**	**6363.00**

3.3 It was further informed that the Approval Committee in its meeting held on 06/04/2021 had deferred the above proposal with a direction to the unit to submit reply to this office letter dated 23/03/2021 including separate 8 digit ITC(HS) Code of each proposed authorized operations of manufacturing & trading; CPC Code of service activities and also give a detailed presentation before the Approval Committee regarding their proposal.

Gupta

	3.4 It was also informed that as per revised Form-F1 and other documents submitted by unit, the proposed authorized operations for next block are as under: *"1. Manufacturing of all machines under Surface Mount Technology (SMT) equipment (total 34 items)* *2. Trading of machines and apparatus of a kind used solely or principally for the manufacture of semiconductor boules or wafers, semiconductor devices, electronic integrated circuits or flat panel displays, Renewable energy devices and other machines and apparatus (total 25 items)* *3. Engineering Services activities related to machines under Surface Mount Technology (SMT) equipment."* 3.5 Shri Naveen Khurana and Shri Rakesh Nagpal, authorized representatives of the unit appeared before the Approval Committee through video conferencing. Shri Khurana informed that they import machines in CKD Form and then the machines are assembled and software is installed in it before export. Shri Khurana further informed that they have not done any DTA sales. The sales if any done in DTA area is towards deemed export under the FTP clause 8.2(f) and in terms of Customs Notifications issued from time to time. He also stated that payments against all the sales have been received in foreign exchange. 3.6 It was informed to the representatives that operations under SEZ area are governed by SEZ Rules, 2006 and not by FTP. The Approval Committee also observed that the some of the ITC(HS) Codes given for manufacturing & trading items are either not correct or do not exist. Further, services activities have not been

	given in accordance with Rule 76 of SEZ Rules, 2006. 3.7 The Approval Committee directed the unit to submit following: A. Revised ITC(HS) Codes of items under manufacturing & trading activities. B. Proposed service activities in accordance with Rule 76 and Rule 5(8) of SEZ Rules, 2006 along with their CPC Codes. C. Revised Form-F1 keeping in view the changes in authorized operations & its ITC(HS) Codes/CPC Code. D. Detailed clarification on DTA sale/ deemed exports along with details of Customs Notifications and exact SEZ Rules under which Deemed export/ DTA sale have been effected. 3.8 Shri Khurana assured to submit the complete details along with revised Form-F1 at the earliest. 3.9 The Approval Committee, after due deliberations, directed to examine the proposal for renewal of LOA on receipt of revised ITC(HS) Code and service activities on file and empowered the DC, NSEZ to take a decision on file. The Approval Committee also directed to examine the matter related to DTA sale/ deemed export in detail on receipt of clarification from unit and deferred the matter for monitoring of performance.
4.	**Naimex – Inclusion of additional authorized operations, updation of ITC(HS) Code of existing authorized operations and monitoring of performance.** 4.1 It was informed that M/s. Naimex has been issued an LOA dated 22/08/2007 for following authorized operations: 1. "*Manufacturing of Geo Technical Investigation Instruments and Construction Materials testing equipments, (Compression machines, Soil and Auto Compactors, CBR, Marshall and Direct Shear Test equipments, Vibrating Wire Piezometer and Vibrating Wire Temperature Gauge, Earth Pressure Cell and Concrete Pressure Cell, Joint Meters, Bore Hole Extensometers, Strain Gauges, Los Angeles, Consolidation Apparatus and Concrete Mixers).* 2. *Manufacturing of (i) Hot plate, Rectangular, with Energy Regulator, 250x300x150mm, 1.2kw (84194020); (ii) Hot Plate, Rectangular, with Energy Regulator, 300x450x180mm, 2.0kw (84195020); (iii) Environmental Test*

Chamber "Eco Friendly" with cooling Temp. Range-10^{0}C to 60^{0}C. +_1^{0}C, Humidity-50% to 95% +_4%, Double Walled, Inner Chamber SS 304, Digital Controller cum Indicator, Size-610x610x910mm (84199090)

3. *Trading of following items:*

i. *All types of soil Testing equipments with accessories, parts and spares thereof.*

ii. *All types of Concrete Testing equipments with accessories, parts and spares thereof.*

iii. *All types of cement, lime, plaster and Mortar Testing equipments with accessories, parts and spares thereof.*

iv. *All types of sand, aggregate and fillers testing equipments with accessories, parts and spares thereof.*

v. *All types of asphalt quality control testing equipments with accessories, parts and spares thereof.*

vi. *All types of laboratory hardware with accessories, parts and spares thereof.*

4. *Trading of 23 items (as per list in file)*

5. *Manufacturing and Trading of 10 items (as per list in file)"*

4.2 The unit commenced it's export production w.e.f. 17/12/2008 and its LOA is valid till 16/12/2023. Performance of unit during the current & previous block are as under:

Values in Rs. Lakhs

Year	FOB Value of Export	Forex Outgo	NFE Earning	DTA Sale*
Previous Block of five years				
2013-14	1298.84	54.76	1244.08	31.03
2014-15	1609.47	13.22	1596.25	85.42
2015-16	1192.37	52.51	1139.86	147.14
2016-17	776.67	107.79	668.88	122.11
2017-18	956.15	51.94	904.21	143.29
2018-19 (01/04/18-16/12/18)	618.43	67.78	550.65	179.48
Total	**6451.93**	**348.00**	**6103.93**	**708.47**
Current Block of five years				
2018-19 (17/12/18- 31/03/18)	544.17	51.42	492.75	49.92
2019-20	957.48	53.80	903.68	86.89
Total	**1501.65**	**105.22**	**1396.43**	**136.81**

4.3 It was further informed that unit has submitted applications for (i) Inclusion of manufacturing of Parts and Accessories of Machines of Heading 9024 (90249000) and (ii) Updation of ITC(HS) Codes of Existing authorized operations as under:

Existing Authorized Operations	Corresponding ITC (HS) Codes mentioned by Unit	Description as per CBIC
(1) ***Manufacturing*** *of Geo Technical*	90248099	Machines and appliances

Investigation Instruments and Construction Materials testing equipments, (Compression machines, Soil and Auto Compactors, CBR, Marshall and Direct Shear Test equipments, Vibrating Wire Piezometer and Vibrating Wire Temperature Gauge, Earth Pressure Cell and Concrete Pressure Cell, Joint Meters, Bore Hole Extensometers, Strain Gauges, Los Angeles, Consolidation Apparatus and Concrete Mixers)		for testing the hardness, strength, compressibility, elasticity or other mechanical properties of materials (for example, metals, wood, textiles, paper, plastics): Other
(3) Trading of		
(i) All types of soil Testing equipments with accessories, parts and spares thereof	90248099	Machines and appliances for testing the hardness, strength, compressibility, elasticity or other mechanical properties of materials (for example, metals, wood, textiles, paper, plastics): Other
(ii) All types of Concrete Testing equipments with accessories, parts and spares thereof		
(iii) All types of cement, lime, plaster and Mortar Testing equipments with accessories, parts and spares thereof		Parts & accessories
(iv) All types of sand, aggregate and fillers testing equipments with accessories, parts and spares thereof	90249000	
(v) All types of asphalt quality control testing equipments with accessories, parts and spares thereof		
(vi) All types of laboratory hardware with accessories, parts and spares thereof		

4.4 The Approval Committee, after due deliberations, unanimously approved the proposal of M/s. Naimex for inclusion of additional authorized operations and updation of ITC(HS) of existing authorized operations. The Approval Committee also monitored the performance and noted achievement of positive NFE earnings by the unit during previous block of five years.

5. **Lingo Impex – Monitoring of performance.**

5.1 It was informed the M/s. Lingo Impex was issued an LOA dated 10/03/2000 for following authorized operations:

S.No.	Authorized Operations	ITC(HS) Code
1..	Manufacturing of Mother Board and other Add on Cards, Person l Computer and its peripherals e.g. CD, DVD Duplicator, Server, Key Board, Cabinets, HDD, FDD, ODD, Digital cameras	84011000 to 84879000, 85011000 to 85489000, 90011000 to

		90330000, 92011000 to 92099900, 91011100 to 91149092
2. .	Reconditioning/Repair/Reengineering and up-gradation of technology of Computer Peripherals. (Subject to condition that exports shall have one-to-one correlation with imports and all the reconditioned or repaired or reengineered products and scrap or remnants or waste shall be exported and none of these goods shall be allowed to be sold in DTA or destroyed).	84011000 to 84879000, 85011000 to 85489000, 90011000 to 90330000
3. .	Manufacturing of Add on Cards, Controller Cards, SMPS and other LED Devices of Electronic & Electric segment.	84011000 to 84879000, 85011000 to 85489000, 90011000 to 90330000
4. .	Trading Activities of Main Devices, parts and accessories of Electronic & Computer items, Electric, ITA-1 & Mobile items, Consumer and Consumable items, Photographic &Information Technologies items, Automotive items, Audio-Video &LED items and Networking items. (Subject to condition that 100% physical export shall be undertaken and no DTA sale shall be allowed)	37011000 to 37079090, 39011000 to 39269099, 42010000 to 42060090, 61010000 to 61179000, 62010000 to 62179090, 63010000 to 63109090, 64011000 to 64069090, 71010000 to 71189000, 82011000 to 82159900, 84011000 to 84879000, 85011000 to 85489000, 90011000 to 90330000, 92011000 to 92099900 91011100 to 91149092
5. .	Trading activities for Shredding and recycling of Computer peripherals/Components only for 100% physical exports.	84011000 to 84879000 85011000 to 85489000, 90011000 to 90330000, 92011000 to 92099900 91011100 to 91149092

5.2 The unit commenced its export production w.e.f. 28/03/2000 and its LOA is valid till 31/03/2025. Performance of the unit during previous block was as under:

Values in Rs. Lakhs

Year	FOB Value of Export	Forex Outgo	NFE Earning	DTA Sale
2015-16	272.20	234.07	38.13	36.98
2016-17	213.84	178.37	35.47	138.14
2017-18	91.48	74.87	16.61	75.70
2018-19	61.07	48.63	12.44	253.50
2019-20	166.64	126.10	40.54	2.45
Total	**805.23**	**662.04**	**143.19**	**506.77**

5.3 It was also informed that no foreign exchange has been shown pending as on 31/03/2020. Besides, unit has informed that no trading activities have been done during previous five years.

5.4 It was further informed that there was some mismatch in unit's APR data vis-à-vis NSDL data for the year 2015-16. It has been informed by the unit that mismatch was due to error in NSDL portal as few export entries, which were pending at Customs end, were deleted from NSDL portal which caused the mismatch. Now, NSDL has retrieved the deleted data and accordingly verified their shipping bills.

5.5 The Approval Committee observed that all the ITC(HS) Codes under some chapter viz 84, 85, 90, 91, 92, 37.. etc. have been mentioned in the authorized operations. The Approval Committee directed to ask the unit to submit revised ITC(HS) Codes as per the description of the authorized operations and review the same on file.

5.6 The Approval Committee monitored the performance on the basis of submitted APRs and after due deliberations, noted achievement of positive NFE Earnings by the unit during previous block of five years i.e. (01/04/2015-31/03/2020). The Approval

Committee also noted that no export proceeds are pending for realization as on 31/03/2020.

6. **Interactivity Broadband Telecommunications Ltd. - Reconsideration of proposal for LOA Renewal and change of name in view of BOA decision.**

6.1 It was informed that the Approval Committee in its meeting held on 06/07/2021 observed that commitments made by Sh. Satish Mehta, Director before the Approval Committee viz. clearance of outstanding lease rent and submission of pending documents have not been fulfilled even after repeated reminders and availing various opportunities. The Approval Committee, after due deliberations, directed the unit to clear entire outstanding lease rent immediately and submit the following:

i. Detailed report on source (s) of funds/ financial agreement(s).
ii. Copies of KYC documents of both equity firm i.e. "Digital India Funds" and "Make in India Funds" as claimed by the Unit's representative during the meeting in connection with funding of the project in Noida SEZ.
iii. Separate list of imported and indigenous plant & machinery and raw materials with complete ITC (HS) Code proposed to be procured for the project in NSEZ.
iv. Step-by-step timeline schedule for implementation of project in NSEZ.

The Approval Committee further directed to place the matter with inputs of unit on above points in its next meeting.

6.2 It was further informed that the decision of Approval Committee was conveyed to the unit vide this office letter dated 19/07/2021 (copy also sent through email) with a request to comply with directions of Approval Committee within 10 days. However, reply of unit is still awaited. It was also informed that currently lease rent amounting to Rs. 66,46,964/- (upto Sep' 2021)

	is outstanding against the unit. 6.3 Shri Satish Mehta, directors appeared before the Approval Committee through video conferencing and stated that he did not receive the communication and due to which he could not submit the reply. He further assured to submit the said details within this week. 6.4 The Approval Committee, after due deliberations, unanimously decided to grant one last opportunity and directed the unit to clear entire outstanding lease rent in respect of Plot No. 8, NSEZ and submit copies of their business plan, Cash Flow statement for NSEZ unit, technical/manufacturing process flow chart/ITC(HS) Codes of products & copy of lease deed in respect of Plot No.8, NSEZ along with reply to this office letter dated 19/07/2021 within a week.
7.	**Uniperm International Pvt. Ltd. – Review of LOA in view of non-payment of lease rent by the unit (Estate Division matter).** 7.1 It was informed that M/s. Uniperm International Pvt. Ltd. has been issued an LOA Dated 17/12/2018 for trading of all kind of healthcare products. The unit commenced its export activities w.e.f. 22/07/2019 and its LOA is valid till 21/07/2024. The unit has been allotted SDF No. C-08(D), NSEZ to carry out its authorized operations. 7.2 It was further informed that unit has not been paying lease rent and currently lease rent amounting to Rs. 2,25,952/- (approx. five quarters upto September' 2021) is outstanding against the unit in respect of SDF No. C-08(D), NSEZ. Order under Section 7 of P.P. Act, 1971 has been issued on 01/03/2021. Besides, unit has also not submitted any APRs till date. 7.3 Ms. Bhavna appeared on behalf of the unit through video conferencing. It was informed to her that the promoters are required

	to appear before the Approval Committee and in case any other person appears, he/she should be duly authorized by the director by way of authorization letter in this regard. Ms. Bhavna apologized and assured to comply with the same in future. 7.4 Ms. Bhavna informed that they have not received the Demand Notices for lease rent. Further, as their NSEZ unit was closed for some time due to Covid-19 pandemic, they could not contact this office for lease rental dues. She requested to send the demand notice through email and assured to deposit all the outstanding lease rent within a week. 7.5 The Approval Committee, after due deliberations, directed Estate Management Division, NSEZ to send the Demand Notice to the unit through email and directed the unit to clear entire outstanding lease rent in respect of SDF No. C-08(D), NSEZ immediately and also directed the unit to submit APR for the period 2019-20, within a week. The Approval Committee also directed to place the case in the next meeting of the Committee.
8.	**Futronics World – Review of LOA in view of non-payment of lease rent by the unit (Estate Division matter).** 8.1 It was informed that M/s. Futronics World has been issued an LOA Dated 27/01/2014 for *(1) Manufacturing of Voltage Stabilizer, UPS, Inverters; (2) Manufacturing of LED Electronics, Electrical product, Telecommunication product, Electronic Toys, Games & Sports requisite parts & accessories, medical or surgical apparatus and Smart Digital Electronic Systems*. The unit commenced its export activities w.e.f. 09/08/2016 and its LOA is valid till 08/08/2021. The unit has been allotted SDF No. 4, Trading Block, NSEZ to carry out its authorized operations. 8.2 It was further informed that unit has not been paying lease rent and currently lease rent amounting to Rs. 8,22,016/- (approx. 15

	quarters upto September' 2021) is outstanding against the unit in respect of SDF No. 4, Trading Block, NSEZ. Recovery Certificate under P.P. Act, 1971 was issued on 07/06/2017, 11/08/2020 and reminder issued on 15/02/2021. 8.3 It was also informed that as per submitted APRs performance of unit during block of five years are as under:

(Rupees in Lakhs)

Year	Exports	Forex Outgo	NFE Earnings	DTA Sale
2016-17	0.77	0.59	0.18	0.00
2017-18	0.00	0.00	0.00	0.00
2018-19	0.00	0.00	0.00	0.00
Total	**0.77**	**0.59**	**0.18**	**0.00**

- APR for the period 2019-20 onwards has not been given.
- As per NSDL Data, unit has not made any export since 2017-18.

8.4 No one from the unit appeared for the meeting. The Approval Committee observed that LOA of the unit is valid till 08/08/2021 only and unit has not submitted any application for renewal of LOA. Besides, unit has also not made any export since 2017-18.

8.5 The Approval Committee, after due deliberations, directed Estate Management Division, NSEZ to initiate action under P.P. Act, 1971 in respect of SDF No. 4, Trading Block, NSEZ in case unit does not deposit the outstanding lease rent and directed the unit to submit APR for the year 2019-20 immediately.

9.	**Educomp Learning Pvt. Ltd. - Review of LOA in view of non-payment of lease rent by the unit (Estate Division matter).** 9.1 It was informed that M/s. Educomp Learning Pvt. Ltd. has been issued an LOA dated 17/11/2004 for E-Tutoring, E-Learning and Software Development. The unit commenced its export activities w.e.f. 01/02/2007 and its LOA is valid till 31/01/2022. The unit has been allotted Plot No. 85, NSEZ to carry out its authorized operations.

	9.2 It was further informed that unit has not been working since 2017-18 and APRs for the period 2017-18 has also not been submitted. 9.3 It was further informed that unit has not been paying lease rent and currently lease rent amounting to Rs. 18,85,779/- (approx. 15 quarters upto September' 2021) is outstanding against the unit in respect of Plot No. 85, NSEZ. Recovery Certificate under P.P. Act, 1971 was issued on 19/02/2019 and facility of online filing at SEZonline system has been suspended on 24/02/2020. 9.4 The Approval Committee, after due deliberations, decided to suspend the LOA and directed the Estate Management Division, NSEZ to initiate action under P.P. Act, 1971 against the unit.
10.	**ANG Industries Ltd. – Monitoring of performance.** 10.1 It was informed that M/s. ANG Industries Ltd. were issued two LOAs dated 03/05/2005 (Unit-I) and 11/08/2005 (Unit-II) for manufacturing and trading activities. The units were allotted Plot No. 150A, NSEZ and SDF No. I-11, NSEZ respectively. 10.2 It was also informed that the Approval Committee in its meeting held on 04/10/2018 had reviewed the LOA and monitored the performance of both unit and observed that there is no merit in giving further extension to the unit keeping in view that LOA has already been expired; no request for extension has been made and there is outstanding lease rent against the unit. It was also observed that as per the APRs submitted upto 2014-15, both units have achieved positive NFE earnings. 10.3 It was also informed that the Approval Committee in its meeting held on 04/10/2018 had decided that both LOA of M/s. ANG Industries Ltd. i.e. Unit-I & Unit-II stands cancelled as already lapsed w.e.f. expiry of its LOA and unit may be directed to complete the exit formalities. The Approval Committee further directed NSEZ

Customs to re-examine the performance of unit and in case trading has been made in DTA against payment in INR or there is negative NFE, then the matter may be placed again before the Approval Committee. The Approval Committee further directed Estate Division, NSEZ to inform NCLT about dues of this office on M/s. ANG Industries Ltd. for recovery.

10.4 Accordingly, as per decision of Approval Committee, unit was requested to comply with decision of Approval Committee and complete exit formalities. However, no compliance has been made by the unit till date.

10.5 Information received from Estate Management Division, NSEZ in respect of Plot No. 150A, NSEZ and SDF No. I-11, NSEZ are as under::

i. Hon'ble NCLT, New Delhi vide its order dated 01.10.2019 initiated liquidation proceedings against M/s. ANG Industries Ltd. under the provisions of Insolvency and Bankruptcy Code, 2016.
ii. The status of M/s. ANG Industries Ltd. and lease rent dues were conveyed to the liquidator vide this office letter dated 02.12.2019 and the claim for lease rent amounting to Rs. 83,69,574/- (Rs. 27,20,516/- in respect of Plot No. 150A, NSEZ and Rs. 56,49,058/- in respect of SDF No. I-11, NSEZ) outstanding upto 31.12.2019 was also filed in the prescribed format i.e. Form C.
iii. The liquidator admitted the claim of Rs.10,08,730/- in respect of Plot No. 150A, NSEZ and Rs.23,33,343/- in respect of SDF No. I-11, NSEZ pertaining to CIRP period i.e. from 01.09.2017 to 30.09.2019. The liquidator has released the admitted claim amount of Plot No. 150A, NSEZ but no payment in respect of SDF No. I-11, NSEZ has been received till date. A letter dated 12.07.2021 has been issued to the liquidator to deposit the

	admitted claim amount in respect of SDF No. I-11, NSEZ. iv. The liquidator has sold the property at Plot No. 150A, NSEZ to M/s. Taurus Englobe. A letter dated 12.07.2021 has been issued to M/s. Taurus Englobe to clear the remaining lease rent dues amounting to Rs.29,58,999/- in respect of Plot No. 150A, NSEZ and to pay transfer charges and security deposits etc. in this office for taking over the possession of Plot No. 150A, NSEZ. 10.6 The Approval Committee, after due deliberations, directed to inform the Liquidator about the exit formalities pending on the unit side. The Approval Committee also directed the Estate Management Division, NSEZ to send a reminder to Liquidator to deposit the admitted claim amount in respect of SDF No. I-11, NSEZ.
11.	**SWG Nutraceuticals – Setting up a new unit in NSEZ.** 11.1 It was informed to the Approval Committee that M/s. SWG Nutraceuticals has proposed to set up a new unit in NSEZ for "*Manufacturing of (i) Protein Concentrates and textured protein substances (21061000) (362.54 M.Tons/ annum); and (ii) BCAA, Glutamine, Nutrients, Supplements (21069099) (170.61 M.Tons/annum)*" with projected exports of Rs. 9157.65 Lakhs and NFE earnings worth Rs.1187.60 Lakhs and proposed investment of Rs. 32 Lakhs in indigenous plant & machinery/capital goods and employment of 30 persons, over a period of five years. 11.2 Shri Rattandeep Singh, proprietor of the firm appeared before the Approval Committee in the said meeting through video conferencing and explained the proposal. Shri Singh informed that they are a manufacturing cum trading concern engaged in business of various Nutraceutical or nutritional supplement products such as whey protein, BCAA, Glutamine, Amino Acids and other such products used for sport nutrition. He also stated that they have a DTA unit in Delhi and from there they are selling products in

various DTA markets.

11.3 The Approval Committee observed that the firm is formed only in September 2020 only. Further, as per given ITRs, the source of funding also needs to be elaborated keeping in view the gross income for last three years and initial funding requirement of the project.

11.4 Shri Singh further stated that they will import raw materials and do processes like blending, processing, packing, labelling before export of the final products to International Markets like UK, Middle East and African Countries. Shri Singh further stated that ITC(HS) Codes of some of the raw materials are similar to finished goods. The Approval Committee could not ascertain whether the proposal is for trading or manufacturing as the ITC(HS) Code of imported material and products to be exported are same.

11.5 It was informed to the Approval Committee few shortcomings have been observed in the application which are required to be rectified by the applicant as under:

i. Production capacity of 533 MT/annum appears to be on higher side keeping in view the submission of applicant to be a new set up and mainly engaged in trading of such products. Hence, a clarification regarding the same needs to be given.
ii. Complete details of DTA unit along with copy of proof of sale/supply/ export of goods needs to be given to substantiate his claim of the firm already being operational.
iii. Source of funding also needs to be elaborated keeping in view the gross income for last three years and initial funding requirement of the project.
iv. Applicant needs to provide information in "yes" or "No" in para XII of Form F.

12.4 The Approval Committee, after due deliberations, deferred the proposal of M/s. SWG Nutraceuticals for setting up a unit in NSEZ with a direction to the applicant to submit the information in the prescribed format as mentioned above along with copy of GST return filed by the DTA unit. The Approval Committee also directed to visit the DTA unit of M/s. SWG Nutraceuticals for site inspection

	and place the proposal before the next meeting along with site inspection report.
12.	**Embee Software Private Limited – Setting up a new unit in NSEZ.** 12.1 It was informed to the Approval Committee that M/s. Embee Software Pvt. Ltd. has proposed to set up a new unit in NSEZ for "*IT & IT Enabled Services i.e. (i) Services, Technology Consulting, Licensing and Software Delivery etc. (ii) IT Solutions & Services including cloud solutions, Modern Workplace, Data Centre Transformations, Security Services, Managed Services, Business Applications & its solutions, IT Infrastructure, Network Design, AV Integration & its solutions, Multivendor Software Licensing, Cloud Software etc.*" with projected exports of Rs. 2520 Lakhs and NFE earnings worth Rs.2489 Lakhs and proposed investment of Rs. 13.00 Lakhs and Rs. 35.50 Lakhs in imported and indigenous plant & machinery/capital goods respectively and employment of 30 persons, over a period of five years. 12.2 Shri Sanjay Kuchroo, authorized representative of the company appeared before the Approval Committee in the said meeting through video conferencing and explained the proposal. Shri Kuchroo informed that although one of the director i.e. Mr. Rajesh Dubey is also a director in other NSEZ unit namely M/s. Softline Services India Pvt. Ltd., both are complete separate companies and are in . He further stated that currently they are based in Kolkata and now they are planning to expand business by locating in Delhi NCR. Their main export target countries are USA and UK. 12.3 It was informed to the Approval Committee few shortcomings were observed in the application which are required to be rectified by the applicant as under: i. Affidavit has been given. However, the same is not notarized. Hence, the applicant needs to submit duly notarized affidavit.

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	ii. CPC codes for the proposed services have been given 73311 and 83141 which do not appear to be matching. iii. Copy of INC 22 in support of registered office needs to be given. iv. Copy of address proof of foreign director also needs to be given. 12.4 The Approval Committee, after due deliberations, unanimously decided to approve the proposal of M/s. Embee Software Pvt. Ltd. for setting up a new unit in NSEZ for the proposed activities subject to rectification of deficiencies & submission of documents as mentioned above.
13.	**Onnsynex Ventures Pvt. Ltd. – Inclusion of additional authorized operations in LOA.** 13.1 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". The unit commenced its service activities w.e.f. 10/01/2018 and its LOA is valid till 09/01/2023. 13.2 It was further informed that the unit had submitted a proposal for inclusion of Liquors and Precious/Semi precious Metals in their LOA. The said proposal was considered by the Approval Committee in its meeting held on 04/02/2021. 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. The Approval Committee, after due deliberations, decided to forward the request of unit for consideration of inclusion of liquor in its LOA to the Board of Approval.

13.3 Accordingly, vide this office letter dated 05/03/2021, the proposal was sent to DOC for consideration of BOA. The BOA in its meeting held in 18/03/2021 had deferred the matter with the direction to review the request in light of the concerns raised by DoR. DOC vide letter dated 20/05/2021 has stated that the comments of DoR on the agenda point in respect of M/s. Onnsynex were as follows:

"Both liquor and precious and semi-precious metal are sensitive commodities prone to misuse/diversion with high revenue implication. Therefore, BoA dated 03.07.2017 had not allowed warehousing/ trading of these sensitive commodities and directed the appellant that they shall set up separate units for trading and warehousing. Also there is no change in factual matrix, therefore, the request of the party is not feasible and DoR do not concur to the proposal."

13.4 NSEZ Customs has inter alia provided its comments as under:

"(A) The proposed commodities i.e. liquor and precious /semi precious metals are prone to misuse/diversion with high revenue implication, therefore this office has proposed not to include precious /semi precious metals in the authorized operations. However, inclusion of liquor is proposed the condition that it is meant for exports or sales to duty free shops only. Following steps may also be considered to stop misuse/diversion of goods-

(1) Only direct import of liquor from abroad may be allowed for warehousing and trading.

(2) No goods (i.e. liquor) may be allowed from Customs Bonded Warehouse to SEZ for warehousing.

(3) If the Liquor imported directly at SEZ and the importers wants to transfer the same to Customs Bonded Warehouse then a triple duty bond must be filed at SEZ and after

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clearances from Customs Bonded Warehouse, the DTA supplier shall submit complete details of clearances of the goods for closing of the said bond within one year.

13.5 Accordingly, this office forwarded its inputs to the DOC on the above proposal. Now, DOC vide its letter dated 27/07/2021 has informed that the proposal has been examined in light of the inputs furnished by NSEZ and the observations of the Department of Revenue and it is concluded that:

a. *There are units engaged in either trading or warehousing of liquor (viz. M/s. Ian Macleod Distillers India Pvt. Ltd. M/s. Arshiya 3P Services Pvt. Ltd., Arshiya Logistics Services Ltd. and Srikaram Prescience Ltd.) already under the jurisdiction of DC, NSEZ.*
b. *It is understood that the steps suggested by DC, NSEZ to prevent the misuse/diversion of goods are being implemented in case of the said units also.*
c. *As per available records, the permissions for trading/warehousing of liquor to the above units appear to have been granted at the zonal level.*
d. *There shall be separate units for trading and warehousing.*

DOC has requested to examine the proposal of unit accordingly and take suitable necessary action.

13.6 Shri Harshpaul Singh Takkar, directors and Shri Arun Shanker, authorized representative of the company appeared before the Approval Committee through video conferencing. Shri Takkar 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. He further stated that the suppliers include the Liquor Brands as well as their appointed authorized distributors. 13.7 The Approval Committee, after due deliberations, decided to approve the proposal for inclusion of warehousing of liquor in the authorized operations of the unit for export and sale to duty free shops subject to submission of ITC(HS) Codes of liquor. The Approval Committee further decided that the approval is subject to following conditions: 1. . Only direct import of liquor from abroad will be allowed for warehousing. 2. . No goods (i.e. liquor) will be allowed from Customs Bonded Warehouse to SEZ for warehousing. 3. . If the Liquor imported directly at SEZ and the importers wants to transfer the same to Customs Bonded Warehouse then a triple duty bond must be filed at SEZ and after clearances from Customs Bonded Warehouse, the DTA supplier shall submit complete details of clearances of the goods for closing of the said bond within one year. 13.8 The Approval Committee, however, did not approve the proposal for inclusion of warehousing of precious/ semi-precious metals under chapter 71 and articles of precious/semi-precious metals under other ITC (HS) Headings.
14.	**PC Jeweller Ltd. (Unit-II) – Renewal of LOA and monitoring of performance.** 14.1 It was informed that M/s. PC Jeweller Ltd. (Unit-II) has been issued an LOA dated 20/12/2010 for Manufacturing of Plain & Studded Gold & Diamond Jewellery, Articles of Gold, Gold Components, mountings, findings. The unit commenced its export production w.e.f. 03/03/2011 and its LOA was valid till 02/06/2021. 14.2 It was further informed that unit has submitted request for renewal of LOA for next block of five years for "*Manufacturing of: (i) Plain Gold Jewellery (71131910) (1000 Kgs/annum); (ii) Gold*

Jewellery with Pearls (71131920)(50 Kgs/annum); (iii) Studded Diamond Gold Jewellery (71131930)(50 Kgs/annum); (iv) Gold Jewellery with other precious and semi-precious stones (71131940) (100 Kgs/annum)".

14.3 Performance of unit during previous block of five years are as under:

Values in Rs. Lakhs				
Year	**Export**	**Forex Outgo**	**NFE Earning**	**Value addition achievement**
2016-17	6015.29	5850.56	164.73	2.82%
2017-18	4622.35	4461.24	161.11	3.61%
2018-19	0.00	0.00	0.00	-
2019-20	0.00	0.00	0.00	-
2020-21	0.00	0.00	0.00	-
Total	**10637.64**	**10311.80**	**325.84**	

14.4 It was further informed that Unit has stated that they were exporting jewellery mainly to gulf countries. Two years back UAE government introduced import duty @5% on gold jewellery, and thereafter the said govt. imposed VAT in the year 2018 which impacted the jewellery business a lot. These changes have affected their business very much and from last one year due to this pandemic COVID 19, every business has been disturbed. Unit has further stated that now they have re-started its jewellery export business and exported the gold jewellery on dated 16/02/2021 vide S.B. No. 4004843 amounting Rs. 2,20,01,748.00/-.

14.5 No one from the unit appeared for the meeting. The Approval Committee observed that during 2016-17, unit had achieved value addition of 2.82% which is less than the prescribed norms of 3.5%. The Approval Committee also observed that unit has just restarted its export activities after almost 3 years.

14.6 The Approval Committee, after due deliberations, decided to renew the LOA of the unit for one year i.e. upto 02/06/2022 for

	authorized operations and production capacity as proposed by the unit. The Approval Committee also deferred the matter for monitoring of performance and directed to place the same on receipt of APR for the year 2020-21 and details of value addition.
15.	**Proposals related to ratification of permission granted for 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 Earnings 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

1.	Dynamic Components Pvt. Ltd.
2.	Vini Exports
3.	Ian Macleod Distillers India Pvt. Ltd.
4.	United Drilling Tools Pvt. Ltd.
5.	Sage Exports

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

16. **Cooper Pharma Limited - Request for permission to export 10 shipping bills which are pending for assessment since 26.03.2021.**

16.1 It was informed that M/s. Cooper Pharma Limited has been issued an LOA dated 25/09/2017 for manufacturing of Pharmaceuticals products like Tablets, Capsules, Syrup, Ointment, Liquid Injectable and Dry Injections. The unit has commenced its export production w.e.f. 02/11/2018 and its LOA is valid till 01/11/2023.

16.2 It was informed that the proposal in respect of M/s. Cooper Pharma Limited for permission to export 10 shipping bills which are pending for assessment since 26/03/2021 was considered by the Approval Committee in its earlier meeting held on 06/07/2021. The Approval Committee observed that no production process has been carried out by the unit in its NSEZ premises and only packaging was done in NSEZ.

16.3 It was further informed that the Approval Committee in the meeting held on 06/07/2021 decided that unit may clear these products lying in the unit as Third Party Export on payment of duty foregone on the inputs used OR in DTA on payment of applicable duties and taxes. The Approval Committee further directed the NSEZ Customs to re-examine the previous exports made by the unit. The Approval Committee empowered DC, NSEZ to adjudicate on the issue. The Approval Committee also directed the unit to submit an undertaking that they will carry out manufacturing process in NSEZ premises.

16.4 It was also informed that now the unit vide its letter dated 28/07/2021 has submitted a representation which is reproduced:

"In this regard it is to submit that we had earlier sent the inputs for job work as per the terms and conditions of the permission for job work granted by the Specified Officer, i.e. the Dy. Commissioner of Customs, NSEZ. The goods, after job work, were brought back to our NSEZ unit. The goods were duly examined at NSEZ Gate by the Customs Officers. After satisfied with the fact that all the terms and conditions of the job work permission were complied with, the Customs officers allowed entry of the goods in our Unit.

Under the circumstances, we feel that, at this stage of export of final product from our NSEZ Unit, we are not liable to pay any duty on the raw materials (inputs) which were sent to job worker premises and received back after job work satisfying all terms and conditions of the job work permission granted to us. However, since our conception of law in this matter may not be appropriate and correct, we request you to inform the specific legal provisions/ rules under which we are liable to pay duty on said the inputs used in manufacture of the present export items. We further request you to reply at the earliest so that we may able to deposit the duty at the earliest, if so required under the law as the matter is already delayed for more than four months.

We like to invite your attention para 1.23 of the FTP 2015-

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20 which provides that Consignments of items meant for exports shall not be withheld/ delayed for any reason by any agency of Central/ State Government. In case of any doubt, authorities concerned may ask for an undertaking from exporter and release such consignment.

In view of this we request you to kindly instruct the NSEZ Customs officers to allow export of the goods pending clarification from your side regarding the specific provisions of law/ rules which imposes liability on us to pay the said duty. We undertake to pay all duty forthwith which we are required to pay as per law in force once we receive clarification on the issues. Our this letter may kindly be considered as Undertaking in terms of para 1.23 of the FTP 2015-20 and allow export of the goods as it is already more than four months since we filed the Shipping Bills and the expiry of shelf-life of the items are approaching fast."

16.5 Shri Rakesh Bhargava, authorized representative of the unit appeared before the Approval Committee through video conferencing. Shri Bhargva reiterated his submission made through the representation dated 28/07/2021 and informed that they have also submitted an indemnification agreement wherein they undertook to indemnify the office of DC, NSEZ/ NSEZ Customs, any loss of lawful duty and undertake to pay all lawful duty payable on the inputs used for manufacturing of the final product covered under the said shipping bills forthwith. Shri Bhargava requested to allow them to export the finished goods.

16.6 It was informed that the permission for Job-work was granted to the unit by Specified Officer, NSEZ inter alia subject to the condition that unit shall fulfil the conditions as spelt-out in Rule 41&42 of SEZ Rules, 2006 before undertaking the goods for job-work. It was further informed that Rule 41 & 42 of SEZ Rules, 2006 inter alia provides that "*a unit may sub-contract a part of its production or any production process, to a unit(s) in the Domestic Tariff Area.*".

16.7 However, in this case, the UAC observed that M/s. Cooper Pharma has not done any manufacturing process in NSEZ unit and all the production process was carried out in its sister concern DTA unit. Only secondary packing of the finished goods was done in NSEZ premises which does not amount to manufacturing and thus it is not the part of 'Authorized Operations' as defined in SEZ Rules. Hence, this is a clear violation of Rule 41 & 42 of SEZ Rules, 2006. Further the Approval Committee observed that by not utilizing the duty/tax free goods/services procured by unit under the provisions of SEZ Act and rules, for its authorised operations as defined in Letter of Approval issued to it, the unit has violated provisions of Rule 25 and Rule 34 of the SEZ Rules, 2006 and conditions of LoA and Bond-cum-Legal Undertaking and, therefore, the unit is not eligible for any tax/duty benefits

16.8 The Approval Committee, after due deliberations, and in view of the fact that the entire manufacturing was done outside the SEZ, decided to maintain its earlier decision that unit may clear the products lying in the unit as Third Party Export on payment of duty foregone on the inputs used OR in DTA on payment of applicable duties and taxes. The Approval Committee further directed the Specified Officer NSEZ to re-examine the previous exports made by the unit. Further the Approval Committee empowered the DC, NSEZ to take further necessary action under the provisions of SEZ Act and rules made thereunder, against the unit and adjudicate on the issue. The Approval Committee also directed the unit to submit an undertaking that they will carry out manufacturing process in NSEZ premises.

17.	**Indica Industries Pvt. Ltd. – Inclusion of additional authorized operations in LOA and ratification of permission dated 30/07/2021 granted for inclusion of MRI Coil Parts (90181300).** 17.1 It was informed that M/s. Indica Industries Pvt. Ltd. has been issued an LOA dated 24/10/2011 for Manufacturing of Medical Devices (90189023) (500000Nos/annum), Medical components (90189023)(500000 Nos/ annum), Automotive Filters (84219900)(5000000Nos/annum), Composite Medical Tables (39209999)(1000000 Nos/ annum), Footrests, Headrests (39209999) (250000Nos/annum), Composite Enclosures/ Consoles (87089900) (2500000 Nos/annum), Composite Trim Parts (39173990) (5000000 Nos/annum), Seats (87089900) (500000Nos/ annum), Panels (39209999)(500000Nos/ annum), Radomes(88033000)(50000Nos/annum), Thermal, Acoustics Insulation (39209999) (1000000Nos/annum), Plastic Mouldings/ Formages (39209999) (5000000 Nos/annum), Foam Packaging (39209999) (5000000 Nos/annum), Foam Helmets/ Vests, Metal Frames/ Structure (87089900) (10000000 Nos/ annum), Automotive Parts of Foam/ Plastic (87089900) (10000000 Nos/ annum). The unit commenced its export production w.e.f. 21/10/2015 and its LOA is valid till 20/10/2025. 17.2 It was further informed that unit vide its letter/ email dated 27/07/2021 & 30/07/2021 has submitted a proposal for inclusion of manufacturing of (i) Foam Parts (39211390)(500000 Nos/annum); (ii) MRI Coil Parts (90181300)(5000Nos/annum); (iii) Medical Foam Pads (90183290) (20000Nos/annum); and (iv) Medical Parts (90183230)(100000Nos/annum). Unit has stated that there will be no change in their earlier projections. Further, they will use the same machineries/ processes & materials for the manufacturing of these products.

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	17.3 It was also informed that unit vide its email dated 29/07/2021 stated that they have an urgent dispatch to Philips at Pune which in turn is exported and requested to grant urgent permission for MRI Coil Parts (90181300) so that they can clear the same after paying all the duties. 17.4 Keeping in view the urgency shown by the unit, permission for inclusion of MRI Coil Parts (90181300) in LOA was issued to the unit on 30/07/2021 subject to ratification by the Approval Committee. 17.5 The Approval Committee, after due deliberations, unanimously decided to approve the proposal of M/s. Indica Industries Pvt. Ltd. for inclusion of additional manufacturing activities in its authorized operations. The Approval Committee also ratified the permission dated 30/07/2021 granted for inclusion of MRI Coil Parts (90181300).

Meeting ended with a vote of thanks to the Chair.

(Nitin Gupta)
Dy. Development Commissioner

(A. Bipin Menon)
Development Commissioner