

Agenda Notes for discussion in the 156th Meeting (3rd Meeting of the 2023 Series) of the Unit Approval Committee for SEZs through Video Conferencing, to be held on the 17th February 2023 at 1.00 P.M. in the chamber of Development Commissioner, Falta Special Economic Zone at 4th Floor of 2nd MSO Building, Nizam Palace, 234/4, AJC Bose Road, Kolkata-700020.

| | | |
|----------|---|--------------------|
| A | Action taken report for 154 th Meeting of the Unit Approval Committee held on 25 th January, 2023 | Page No.2 |
| B | Minutes of 154 th Meeting of the Unit Approval Committee held on 25 th January, 2023 | Page No.3-5 |

Name of the SEZ: FALTA SPECIAL ECONOMIC ZONE

| | | |
|--------------------------|---|------------------|
| Agenda Item No. 1 | Permission for re-export of raw materials to their international custodian in Kandla FTWZ by M/s. Esscom Trade INC, a Manufacturing unit in Falta SEZ - regarding | Page No.6 |
|--------------------------|---|------------------|

Monitoring of Annual Performance of SEZ Units

| Sl. No. | Name of the Unit | Name of the Zone | Period of Monitoring | Page No. |
|----------------|--------------------------|-------------------------|-----------------------------|---------------------|
| 1. | M/s. United Sales Agency | Falta SEZ | 2021-22 | Page No. 7-9 |

Action taken report of 154th Meeting of the Unit Approval Committee held on 25th January, 2023 at 12.00 P.M. through Hybrid Mode under the Chairmanship of Development Commissioner, Falta Special Economic Zone at 4th Floor, 2nd MSO Building, Nizam Palace, 234/4, AJC Bose Road, Kolkata-700 020.

Name of the SEZ: FALTA SPECIAL ECONOMIC ZONE

| | | |
|--------------------------|--|---------------------|
| Agenda Item No. 1 | Request for extension of LOA No. FSEZ/LIC/M-43/2009/541 dated 01.05.2009 of M/s. Modern Solar Pvt. Ltd. specifically for De-bonding purpose -regarding | Action taken |
| Agenda Item No.2 | Request for inclusion of items in LOA No. FSEZ/LIC/M-37/2004/388 dated 25.04.2005 by M/s. Midas DFS Pvt. Ltd. a unit in Falta SEZ - regarding | Action taken |
| Agenda Item No.3 | Cancellation of LOP No. FSEZ/LIC/-A-70/2018/3582 dated 12.02.2018 issued to M/s. Adityathrav Textile Pvt. Ltd., a unit in Falta SEZ | Action taken |

Name of the SEZ: MANIKANCHAN SPECIAL ECONOMIC ZONE

| | | |
|-------------------------|---|---------------------|
| Agenda Item No.4 | Request for approval for default authorized services by M/s. Evique Jewels Pvt. Ltd., a unit in Manikanchan SEZ | Action taken |
|-------------------------|---|---------------------|

Name of the SEZ: CANDOR KOLKATA ONE HI-TECH STRUCTURES LTD. IT/ ITES SEZ

| | | |
|-------------------------|---|---------------------|
| Agenda Item No.5 | Request for renewal of LOP of M/s. ADA Software Re-Engineering Services Pvt. Ltd. beyond 01.04.2023 | Action taken |
|-------------------------|---|---------------------|

Name of the SEZ: DLF PVT. LTD. IT/ ITES SEZ

| | | |
|-------------------------|---|---------------------|
| Agenda Item No.6 | Request for approval for default authorized services by M/s. AML Rightsource India Private Limited. an unit in Candor Kolkata One Hi-Tech Structures Pvt. Ltd. IT/ ITES SEZ | Action taken |
|-------------------------|---|---------------------|

Monitoring of Annual Performance of SEZ Units

| Sl. No. | Name of the Unit | Name of the Zone | Period of Monitoring | Page No. |
|---------|------------------|------------------|----------------------|--|
| 1. | M/s. Midas DFS | Falta SEZ | 2020-21 & 2021-22 | Deferred to the next UAC. The APRs to be examined by the CA along with the Customs data. Still being examined by CA. |

File No.1(62)/154thUAC/2023-FSEZ

No. 1(62)/154thUAC/2023
 Government of India
Falta Special Economic Zone
 Ministry of Commerce & Industry
 Department of Commerce

2nd MSO Building, 4th Floor, Nizam Palace
 234/4, AJC Bose Road, Kolkata-700 020

Dated: 01.02.2023

Subject: Minutes of 154th meeting (1st Meeting of the 2023 Series) of the Unit Approval Committee, Falta SEZ held on 25.01.2023- regarding

Minutes of 154th meeting (1st Meeting of the 2023 Series) of the Unit Approval Committee constituted in terms of Section 13 of Sub Section 1 of the Special Economic Zone Act, 2005 held on 25.01.2023 at 12.00 P.M. in the chamber of Development Commissioner, Falta Special Economic Zone, 4th floor, 2nd MSO Building, Nizam Palace, 234/4, AJC Bose Road, Kolkata-700020 through Video Conferencing regarding Falta SEZ, Manikanchan SEZ, Candor Kolkata One Hi-tech Structures Ltd. IT/ITES SEZ, Wipro Ltd. IT/ ITES SEZ and DLF Ltd. IT/ITES SEZs. List of participants is enclosed at Annexure-I.

2. ShriSatish Kumar, Chairman & CEO welcomed all the Members present in the meeting and requested Shri Lakshmi KantaHalder, Dy. Development Commissioner, Falta SEZ to place the agenda before the Committee for discussion.

3. Item wise discussed and decisions taken were as under:

Agenda Item No.A&B:Ratification of the minutes of 153rd UAC meeting held on 28.12.2022.

Minutes of the 153rdUAC meeting was circulated to all the members of UAC. As no comments were received, the committee ratified the minutes and confirmed the same.

Agenda Item No.1: Request for extension of LOA NO. FSEZ/LIC/M-43/2009/541 dated 01.05.2009 of M/s. Modern Solar Pvt. Ltd specifically for De-bonding purpose-regarding

The request for extension of LOA No. FSEZ/LIC/M-43/2009/541 dated 01.05.2009 of M/s. Modern Solar Pvt. Ltd., specifically for De-bonding purpose, was discussed in detail. The Committee noted that no person on behalf of the company appeared before the Committee. The Committee observed that APAR of the Unit for the period 2019-20, 20-21 and 21-22 needs to be monitored and the concerned unit is also under DRI investigation.

After due deliberation the Committee unanimously approved the proposal for extension of LOA No. FSEZ/LIC/M-43/2009/541 dated 01.05.2009 of M/s. Modern Solar Pvt. Ltd. of one year w.e.f. 06.05.2022 exclusively for de-bonding purpose and in strict compliance of SEZ Act, 2005 and SEZ Rules, 2006 as requested by the unit.

Agenda Item No.2: Request for inclusion of additional items in LOA No. FSEZ/LIC/M-37/2004/388 dated 25.04.2005 by M/s. Midas DFS Pvt. Ltd., a Trading unit in Falta SEZ.

The request of M/s. Midas DFS Pvt. Ltd.for inclusion of items in the existing LOA No.FSEZ/ LIC/M-37/2004/388 dated 25.04.2005has been discussed in detail. ShriRaj Goenka,

File No.1(62)/154thUAC/2023-FSEZ

authorized representative was present before the Committee through video conference and requested for consideration their proposal. On being asked by the Committee regarding non-activity of unit since last two years, ShriGoenkastated that during the time of Covid-19 pandemic situation as well as Cyclone Amphan, they could not start their trading activity. Presently, they have some foreign buyers for 2(items) Hand Purse - ITC(HS) Code 42022990 and Men's Shoes - ITC(HS) Code 64029990. It was also mentioned by the Specified Officer, FSEZ, that there is some discrepancies in between the data submitted by the unit in its APRs and the Customs' data. It was decided by the Committee that the APRs of the units along with Customs data to be checked by the CA firm and the Monitoring Report to be submitted before next UAC.

After due deliberation the Committee approved the proposal for inclusion of new items Hand Purse - ITC(HS) Code 42022990 and Men's Shoes - ITC(HS) Code 64029990, in the existing LOA No. FSEZ/LIC/M-37/2004/388 dated 25.04.2005 subject to condition that the APRs should be thoroughly scrutinized by the CA firm and unit should cooperate the firm for monitoring of their APAR for the previous years.

Agenda Item No.3: Cancellation of LOP NO. FSEZ/LIC/A-70/2018/3582 dated 12.02.2018 issued to Ms/ Adityathrav Textile Pvt Ltd., a unit in Falta SEZ – regarding

The proposal is for cancellation of LOP NO. FSEZ/LIC/A-70/2018/3582 dated 12.02.2018 issued to M/s.Adityathrav Textile Pvt. Ltd., a unit in Falta SEZ was discussed and thoroughly examined by the committee. No one on behalf of the unit had come for discussion.The Committee noted that that unit has not intimated the date of commencement of production till date for which Show-Cause-Notice was also issued by this office vide dated 12.02.2018 and till date no reply has been received by this office from the concerned unit as well as Directors. The LOP of the unit have also expired long time back. The Committee also noted that no space or module has been acquired by the unit.

After due deliberation, the Committee, unanimously approved for cancellation of LOP NO. FSEZ/LIC/A-70/2018/3582 dated 12.02.2018 issued to Ms/ Adityathrav Textile Pvt. Ltd., a unit in Falta SEZ in terms of Rule 19(4) & 19(5) of SEZ Rules, 2006.

Agenda Item No.4: Request for approval for default authorized services by M/s. Evique Jewels Pvt. Ltd., a unit in Manikanchan SEZ

The Committee, after due deliberations, approved the request of M/s. Evique Jewels Pvt. Ltd., a unit in Manikanchan SEZ for approval of default list of 26 services as requested by the Unit for their SEZ unit in terms of DOC's Letter No. D.12/19/2013-SEZ dated 02.01.2018 as issued by the Ministry of Commerce and Industry.The Committee noted that the unit has given proper justification and the services requested are covered under default list of services issued by DOC. This approval is subject to the condition that concerned Specified Officer will examine and properly scrutinize each of the Invoices submitted by the unit and any service not connected to their authorized operations shall not be allowed.

Agenda Item No.5: Request for renewal of LOP of M/s. ADA Software Re-Engineering Services Pvt. Ltd. beyond 01.04.2023.

The request for renewal of LOA No.SEZ/LIC/A-1/2017/2031 dated 19.12.2017 for IT/ITES beyond 01.04.2023 in respect of M/s. ADA Software Re-Engineering Services Pvt. Ltd. at Candor Kolkata One Hi-Tech Structures Pvt. Ltd. IT/ITES SEZ, Tower A1, Ground Floor,

File No.1(62)/154thUAC/2023-FSEZ

Candor Tech Space IT/ITES SEZ, Action Area 1D, Block-DH, Plot No. DH-1 & D-3, New Town Kolkata 700158, West Bengal, was discussed and examined in detail by the Committee. Mr.Amit Basu represented on behalf of the unit through Video Conferencing during the course of discussion in the UAC and requested their proposal for consideration. The Committee noted that the APR of the unit has been monitored from 2018-19 to 2021-22 and has achieved (+NFE) and no realization is pending. The Unit also stated that they are expecting a FOB value of Exports of Rs.3550.00(Rs. in lakh) for next five years. The Committee also noted that the employment is very meager and advised to the unit that employment generation should be enhanced.

After due deliberation, the committee decided to renew the LoA No. SEZ/LIC/A-1/2017/2031 dated 19.12.2017 beyond 01.04.2023 w.e.f. 02.04.2023 to 01.04.2028 for another period of 05 (five) years as applied by the unit subject to condition of strict compliance of SEZ Rules & Act, 2005 and other relevant Acts & Rules.

Agenda Item No.5: Request for approval for default authorized services by M/s. AML Rightsource India Private Limited. an unit in Candor Kolkata One Hi-Tech Structures Pvt. Ltd. IT/ ITES SEZ

The Committee, after deliberations, approved the request of M/s AML Rightsource India Private Limited, a unit in Candor SEZ for approval of default list of 61 Services as requested by the Unit for their SEZ unit in terms of DOC's Letter No. D.12/19/2013-SEZ dated 02.01.2018 as issued by the Ministry of Commerce and Industry. This approval is subject to the condition that concerned Specified Officer will examine and properly scrutinize each of the Invoices submitted by the unit and any service not connected to their authorized operations shall not be allowed.

Monitoring of Annual Performance of SEZ Units

The following Units have been monitored by the Committee-

| Sl. No. | Name of the Unit | Name of the Zone | Period of Monitoring | Remarks |
|---------|------------------|------------------|----------------------|--|
| 1. | M/s. Midas DFS | Falta SEZ | 2020-21 &2021-22 | Deferred to the next UAC. The APRs to be examined by the CA along with the Customs data. |

This issues with the approval of Development Commissioner.

(Lakshmi KantaHalder)
Deputy Development Commissioner

Signed by Lakshmi Kanta
Halder
Date: 02-02-2023 17:20:18
Reason: Approved

FALTA SPECIAL ECONOMIC ZONE

156th UAC meeting to be held on 17th February, 2023

Agenda No.1

Subject: Permission for re-export of raw materials to their international custodian in Kandla FTWZ by M/s. Esscom Trade INC, a Manufacturing unit in Falta SEZ - regarding

M/s. Esscom Trade INC is an SEZ unit(Manufacturing) at Falta Special Economic Zone, holding LOP No. FSEZ/LIC/E-41/2022/43 dated 04.04.2022 for manufacture & export of Areca Powder, Cinnamon Powder, Clove Powder, Nutmeg Powder.

Now the unit has requested for permission for re-export of raw materials to their international custodian in Kandla FTWZ located in the following address :

Custodian : LMP Overseas, Plot No. 287-293, Sector-IV, Phase-I, KASEZ, Gandhidham – 370230, Gujarat, India

Client : PT. Mahan Indo Global, Jl. Sultan Inskandar Muda 18, Kebayoran Lama Selatan, Jakarta 12240 Indonesia.

Considering the perishable nature of the raw materials, approval of the same was given under Rule 27(9) of SEZ Rules, 2006, subject to compliance all the Customs formalities vide this office letter No. FSEZ/LIC/E-41/2022 dated 09.02.2023.

Rule Provision : Rule 38 of SEZ Rules, 2006 : Transfer of ownership and removal of goods:

The goods or services admitted into SEZ without payment of duty or manufactured or produced or partly processed or semi finished goods may be transferred or given on loan to a unit or Developer with the same SEZ or in another SEZ or to an EOU or to a unit in Electronics Hardware Technology Park or to a unit in Software Technology Park, Bio-Technology park unit without payment of duty, subject to the following conditions, namely :

- (i) The transferee or loanee Unit or Developer is entitled for duty free procurement of the goods for its authorized operations ;
- (ii) The supplying and receiving unit or Developer, as the case may be, shall maintain proper account of goods transferred or of goods given or taken on loan;
- (iii) The goods transferred or given on loan basis shall not be counted for the purpose of Net Foreign Exchange Earning by the unit;
- (iv) The transferred goods (other than the raw materials procured from Domestic Tariff Area) shall be accounted, as import by the receiving unit while the value of the same shall be deducted from the import of the transferring unit;
- (v) Transfer or loan of goods to units or developers in other Special Economic Zone or to Export Oriented Unit or Electronics Hardware Technology Park or Software Technology Park or Bio-Technology park unit shall be allowed with the prior written permission of the Specified Officer and subject to such conditions as may be imposed.

Hence the matter is placed before the UAC for ratification or otherwise as deemed fit.

MONITORING OF SEZ UNITS (1)

NAME OF THE Govt. SEZ / Private SEZ: FALTA SEZ

15-02-2023

Annual Performance Monitoring Report for the F.Y. 2021-22

| | | |
|----|--|--|
| 1 | Name of Unit | United Sales Agency |
| 2 | Registered Office Address | 1/A, Grant Lane, Kolkata - 700012 |
| 3 | Name of the Director/Partners/Proprietor | 1. Suresh Ghosh 2. Subir Ghosh |
| 4 | LOP No. & Date | FSEZ/LIC/U-14/2006/3282 & dt. 31/08/2006 |
| 5 | Items of trading | Trading Unit Bicycle, E Bike, Glass Mosaic, Auto Radiator |
| 6 | DCP | 28.12.2006 |
| 7 | Area Alloted | Industrial Shed (NEW)- 400 sqm |
| 8 | LOP Validity | 26-12-2026 |
| 9 | Monitoring Done Up to | 2020-21 |
| 10 | Block to be Monitored | 2021-22 (1st year of 4th block) |
| 11 | Realization Pending, If any | NIL |
| 12 | Country of Export | Argentina. |

Block - since inception

| | | | | | |
|-------|----------------|----------------|----------------|----------------|----------------|
| - 1st | <u>2006-07</u> | <u>2007-08</u> | <u>2008-09</u> | <u>2009-10</u> | <u>2010-11</u> |
| - 2nd | <u>2011-12</u> | <u>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> |
| - 3rd | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> |
| - 4th | <u>2021-22</u> | | | | |

Block to be monitored

| | |
|----------|----------------|
| - 4th | |
| 1st Year | <u>2021-22</u> |

Annual Performance Monitoring Report

| | | | | | | | (Rs. In Crore) |
|----------|-------------------------|--|--------------------------------------|---------------------------------------|--------------------------|---------------|--------------------|
| Year (1) | FOB Value of Export (2) | Imported Raw Material Consumed during the year (3) | Amortised Value of Capital Goods (4) | Other Outflow in foreign currency (5) | Total Outflow (6) =3+4+5 | NFE (7)=(2-6) | Cumulative NFE (8) |
| 2020-21 | 3.30 | 2.97 | - | - | 2.97 | 0.33 | 6.48 |
| 2021-22 | 1.74 | 1.39 | - | - | 1.39 | 0.35 | 0.35 |

FOB Value of Export:-

| | | | | | (Rs. In Crore) |
|---------|---------------------|---------------------------------------|----------------------|---------------------------|----------------|
| Year | Physical Export (a) | Sales against EEFC A/c u/s 53A(n) (b) | Inter-unit sales (c) | Total FOB Value (d)=a+b+c | |
| 2021-22 | 1.74 | - | - | 1.74 | |

Imported Raw Material Consumption:-

| | | | | | | | (Rs. In Crore) |
|----------|-------------------------------------|---|---|--|--|-------------------------------------|----------------|
| Year (a) | Opening Balance of Raw Material (b) | Raw Material Imported during the year (c) | Raw Material received from other unit (d) | Raw Material transferred to other unit (e) | Raw Material Consumed during the year (f)= [b+c+d-(e+g)] | Closing Balance of Raw Material (g) | |
| 2021-22 | 0.67 | 1.58 | - | 0.85 | 1.39 | 0.00 | |

Imported Capital goods:-

(Rs. In Crore)

| Year (a) | Opening balance of Capital Goods for amortisation purpose (past 9 years) (b) | Capital Goods imported during the year (c) | Capital Goods received from other unit (d) | Capital Goods transferred to other unit (e) | Closing balance of Capital Goods before amortisation (f) | Amortised value of Capital Goods (g) |
|-------------|---|---|---|--|---|---|
| 2021-22 | | | | | | |

Comparison with customs data

(Rs. In Crore)

| Year | Physical Export | | |
|---------|-----------------|---|------------|
| | As per APR | As per specified officer (Zone Customs) | Difference |
| 2021-22 | 1.74 | 1.62 | 0.12 |

(Rs in Crore)

| Year | DTA Sales in EEFC A/c | | | DTA Sales in Non-EEFC A/c | | |
|---------|-----------------------|---|-----------------------|---------------------------|---|------------|
| | As per APR | As per specified officer (Zone Customs) | DTA Sales in EEFC A/c | As per APR | As per specified officer (Zone Customs) | Difference |
| 2021-22 | - | - | - | | | |

Note:-

Total Value of Physical Export + DTA (EEFC) + DTA(Non-EEFC) covered by the period monitored:

(Rs. In Crore)

| | |
|---|------|
| As per APR | 1.74 |
| As per specified officer (Zone Customs) | 1.62 |
| Overall difference | 0.12 |

7%

(Rs in Crore)

| Year | Raw Material Import | | | Capital goods import | | |
|---------|---------------------|---|------------|----------------------|---|------------|
| | As per APR | As per specified officer (Zone Customs) | Difference | As per APR | As per specified officer (Zone Customs) | Difference |
| 2021-22 | 1.58 | 1.23 | 0.35 | - | - | - |

Note:-

Total Value of RM + CG covered by the period monitored:

(Rs. In Crore)

| | |
|---|------|
| As per APR | 1.58 |
| As per specified officer (Zone Customs) | 1.23 |
| Overall difference | 0.35 |

22%

Other Informations :-

| Year | Total Production = (FOB Value) | Value Addition i.e physical export vis-à-vis total production | Investment in Zone (Cumulative) | Employment |
|------|--------------------------------|---|---------------------------------|------------|
| | | | | |

| | | | | |
|---------|------|------|---|---|
| 2021-22 | 1.74 | 100% | - | 5 |
|---------|------|------|---|---|

Cases pending for foreign exchange realization,if any:

(Amount in Rs)

| Year | Pending Realization |
|---------|------------------------|
| 2021-22 | NIL |

Remarks:-

1. Difference of 22% in raw materials imports between APR and Customs Imports are shown more in APR.