

मुरादाबाद विशेष आर्थिक क्षेत्र

(10/06/2021 को आयोजित मुरादाबाद विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त)

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श्री अ० बिपिन मैनन, क्षेत्रीय विकास आयुक्त, नाँएडा विशेष आर्थिक क्षेत्र की अध्यक्षता में दिनांक 10/06/2021 को शाम 03:30 बजे वीडियो कॉन्फ्रेंसिंग द्वारा आयोजित मुरादाबाद विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त

The following members of the Approval Committee participated in the meeting through Video Conferencing :-

- 1) Shri Jayant Mishra, Principal Commissioner, Income Tax, Moradabad.
- 2) Shri Nitin Gupta, Dy. Development Commissioner, NSEZ, Noida (Nominee of Deptt. Of Commerce in terms of letter dated 23/09/2008).
- 3) Shri Manoj Prabhakar, Dy. Commissioner, ICD Moradabad.
- 4) Shri Shobhit Sinha, Dy. Commissioner, CGST Moradabad.
- 5) Shri Dhananjay Singh, Asstt. Commissioner, O/o Jt. C. I. Moradabad.
- 6) Shri Rakesh Kumar Singh, FTDO, DGFT, New Delhi.
- 7) Shri Sanjeev Kumar Bedi, Area Manager, UPSIDA, Moradabad SEZ.

Besides, during the meeting (i) Shri Tapan Bhattacharyya, Specified Officer, Moradabad SEZ and (ii) Dr. V. P. Sharma, Asstt. Development Commissioner, Moradabad SEZ also participated in the meeting through Video Conferencing to assist the Approval Committee. It was informed that the Quorum is complete and the meeting can be convened.

At the outset, the chairman welcomed the participants. After brief introduction, each items included in the agenda were taken up for deliberation one by one. After detailed deliberations among the members of the Approval Committee as well as interaction with the applicants/ representatives of the units, the following decisions were taken :-

1	Ratification of Minutes of last meeting of the Approval Committee held on 27/05/2021 As no reference in respect of the decisions of the Approval Committee held on 27.05.2021 was received from any of the members of the Approval Committee or Trade, Minutes of the meeting held on 27/05/2021 were unanimously ratified.
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2 Setting up of new unit in MSEZ

2.1 Proposal of M/s Ahmad Brass Inc. :-

i) It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ for manufacturing & export of handicrafts items made of Aluminium, Copper, Brass, Tin, Iron, Steel, Glass, Stone, Home Décor & Home Furnishing, Textile and Wooden & MDF Board Artwares with projected exports of Rs. 2143.76 Lakhs and the NFE of Rs. 1823.50 Lakhs over a period of five years.

ii) It was also informed to the Approval Committee that the unit was previously granted LOA No. NSEZ/4-343/2003-MBD/7583 dated 17.10.2013 for Manufacturing & export of Handicrafts made of Stainless Steel, Copper, Iron, Aluminium, Brass, Glass and Wood but the unit failed to start production. The unit did not apply for extension of LOA for 3rd year beyond its expiry i.e. 16.10.2015, therefore initial LOA of the unit stands lapsed on 16.10.2015. Now M/s Ahmad Brass Inc. has submitted fresh proposal for setting up a new unit in Moradabad SEZ for manufacturing & export of handicrafts items.

iii) Approval Committee enquired about the offer of allotment of space by the developer i.e. UPSIDA. Shri Sanjeev Kumar Bedi, Area Manager, UPSIDA informed that the unit is already in possession of Plot No. M-68, M-69 & M-70, Pocket-'B' which is valid till 27.07.2021. Representative of UPSIDA also informed that the unit has pending time extension and lease rent dues of approximately Rs. 1.47 Crores which unit should clear immediately.

iv) Shri Tasleem Ahmad, partner appeared before the Approval committee to explain the project. He informed that he is already in handicrafts export business since 1983 and is having 02 DTA units namely M/s Ahmad Brass Corporation and M/s Progetto Inc. having cumulative export turnover of Rs. 63.50 Crores and Rs. 22.68 Crores respectively in last 03 financial years (2017-18 to 2019-20). He further informed that the proposed SEZ unit is a partnership firm having Shri Tasleem Ahmad and Shri Junaid Ahmad as partners. He further informed that their estimated project cost of Rs. 598.00 Lakhs would be financed through partners own funds. He further informed that they already have some of the construction work (boundary wall and Hall of approx. 5000.00 sq. ft.) done at the SEZ premises and will commence in production soon. He also informed that the initial employment will be 40 persons. On being asked Shri Tasleem further informed that they have tie-ups with retail chains in USA, Europe, Germany and Italy and are

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mainly exporting metal & glass combination products to these markets. At initial stage they will export metal and glass combination products to their existing buyers from SEZ premises and will diversify their product range in future as per demand. Shri Tasleem also informed the committee that they have already prepared bank DD for the pending dues of UPSIDA and will clear all dues of developer in 1-2 days.

v) The Approval Committee, after due deliberations, approved the proposal of M/s Ahmad Brass Inc. for setting up a new unit in Moradabad SEZ for Manufacturing & Export of Handicrafts items made Aluminium, Copper, Brass, Iron & Steel, Glass and Home Décor & Home Furnishing as per ITC(HS) code mentioned below subject to the following conditions:

- a. Payment of dues of developer i.e. UPSIDA amounting to Rs 1.47 Crores towards time extension and Rs. 1.37 Lakhs towards maintenance.
- b. No restricted / prohibited items shall be allowed to import/ export.

List of specific handicraft items for manufacturing with their ITC(HS) codes

	ITC(HS) Codes	Description	Specific Name Of Products
1	74199930	Handicrafts of Brass Artware	Kitchenware, Tray, Fruit bowl, Face mask, Rabbit, Planter, Flower wase, Handcrafted brass table with glass top.
2	76151030	Handicrafts of Aluminium Artware	Kitchenware, Tray, Fruit bowl, Face mask, Rabbit, Planter, Flower wase, Handcrafted Aluminium table with glass top.
3	73239420	Handicrafts of Iron & Steel Artware	Kitchenware, Tray, Fruit bowl, Face mask, Rabbit, Planter, Flower wase, Tool box, Beer tub, Egg stand.
4	74199940	Handicrafts of Copper Artware	Cocktail shaker, Party tub, Jug, Glass, Cup, Plate, Spoon, Tray, Bowl, Tea pot.
5	70200090	Handicrafts of Glass Artware	Table & kitchenware, Tray, Fruit bowl, Horse, Rabbit, Planter, Flower wase.
6	67029090, 74181024, 76151090	Handcrafted Home Décor & Furnishing items	-

2.2 Proposal of M/s Roots Agro Inc. :-

i) It was informed to the Approval Committee that the applicant has proposed to set up a new unit in Moradabad SEZ for manufacturing & export of Walnut Oil & Almond Oil with projected exports of Rs. 1727.76 Lakhs and the NFE of Rs. 502.23 Lakhs over a period of five



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years.

ii) It was also informed to the Approval Committee that Shri Sumit Garg is already partner in 02 units in Moradabad SEZ namely M/s Goldmine Overseas and M/s Shree Bankey Bihari International having cumulative export turnover of Rs. 16.02 Crores and Rs. 59.16 Crores in last 03 financial years (2017-18 to 2019-20).

iii) Approval Committee enquired about the offer of allotment of space by the developer i.e. UPSIDA. Shri Sanjeev Kumar Bedi, Area Manager, UPSIDA informed that the unit is allotted plot no H-01, Pocket-'A', Moradabad SEZ.

iv) Shri Ankush Kaushal & Shri Sumit Garg, partners appeared before the Approval committee to explain the project. Shri Sumit informed that he is already in handicrafts export business in SEZ. He further informed that the proposed SEZ unit is a partnership firm of Shri Sumit Garg and Shri Ankush Kaushal. They further informed that their estimated project cost of Rs. 59.00 Lakhs would be financed through partners own funds. They also informed that if additional funds are needed in future during implementation of their SEZ project then they will arrange for the same from their family members. The partners of the unit informed the Committee that they will be able to get a yield of approx. 185.00 Litres of Walnut Oil from 1000.00 Kg of Shelled Walnuts and a yield of approx. 400.00 Litres Almond Oil from 1000.00 kg of Shelled Almonds. Shri Sumit further informed that in last 03 years he has exported to the tune of Rs. 75.18 Crores from his SEZ units and does not have any Forex pending for realization.

v) The Approval Committee, deliberated the proposal in detail and observed as under :

- a. Fund flow to be provided as per format and subsequently forwarded to Shri Jayant Mishra, Pr. Commissioner, Income Tax (member of Approval Committee).
- b. Check if it is on DEL list of DGFT & adverse list of DRI.
- c. APEDA be approached for verifying the Walnut/ Almond Oil yield projections submitted by the unit.

vi) The Approval Committee, unanimously decided to defer the case and directed that the case be placed again before Approval Committee only on receipt of full facts as observed above.

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3 Review of deferred proposal for setting up of new unit in Moradabad SEZ

3.1 Proposal of M/s East Elm :-

i) Approval Committee was informed that the proposal of M/s East Elm was again placed before Approval Committee in its meeting held on 27.05.2021 wherein the Approval Committee, deliberated the proposal and observed the following:

- a) Unit must obtain time extension from developer i.e., UPSIDA for plot no H-26 allotted to them and submit the same to ADC, Moradabad SEZ.
- b) Verification of DTA unit of Shri Shailendra Pal Singh namely M/s The Eastelm to be done by ADC, Moradabad SEZ.
- c) Recent bank statements of all the individuals (Partners of unit and friends/family members who have agreed to provide unsecured loan to unit) be submitted by the unit.
- d) An affidavit to the effect that what manufacturing processes to be done in SEZ premises and value addition in the final product by the processes involved.
- e) Detailed manufacturing process flow charts for all the items proposed to be manufactured and exported (as per format already provided to unit through email).

ii) It was informed to the Approval Committee that after due deliberations, Committee in its meeting held on 27.05.2021 unanimously decided to defer the case and directed that the case be placed again before Approval Committee with full facts after submission of requisite documents by the unit. Accordingly, ADC, Moradabad SEZ vide this office letter dated 01.06.2021, communicated the observations of Approval Committee.

iii) Approval Committee was informed that ADC, Moradabad SEZ was taken to his DTA unit (M/s The Eastelm) premises by Shri Shailendra Pal Singh (Partner of M/s East Elm) on 02.06.2021 for verification purpose which was situated behind Mahi Lal Public School, Preet Vihar, Khushalpur road, Moradabad. On the gate of said premises there was no board or signage in the name of M/s The Eastelm, on being asked Shri Shailendra Pal Singh said that the signage is removed since the area is residential and commercial activities are not allowed here. It was observed that operations were going on at that time in the premises. There was raw material, semi-finished goods, finished products available as well as multiple machines were installed which are used in production of handicrafts/ metal products. Workers were engaged in different work, Smt. Renu Singh w/o Shri Shailendra Pal Singh (partner in M/s East Elm) was also present



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in the office and looking after the work going on in the premises. Further, response of unit including all the information/ documents sought vide this office letter dated 01.06.2021 is still awaited.

iv) Shri Sanjeev Kumar Bedi, Area Manager, UPSIDA informed the Approval Committee that the unit has not sought time extension from the developer yet and they have pending dues of approximately Rs. 1.10 Lakhs payable on the plot.

v) Shri Shailendra Pal Singh, Partner appeared before the Approval Committee in its meeting held on 10.06.2021. He stated that he will submit all the information/ documents sought vide letter dated 01.06.2021 including time extension from developer in the meantime. Shri Shailendra also informed that since his DTA unit is in residential area, he is seeking LOA so that he can shift to industrial area SEZ.

vi) The Approval Committee, deliberated the proposal and showed its displeasure on the fact that unit has not submitted requisite documents even after being directed by the Committee to submit the same multiple times. Further, Approval Committee observed as under:

- a) Unit must obtain time extension from developer i.e., UPSIDA for plot no H-26 allotted to them and submit the same to ADC, Moradabad SEZ.
- b) Recent bank statements of all the individuals (Partners of unit and friends/family members who have agreed to provide unsecured loan to unit) be submitted by the unit.
- c) Unit must submit Financial fund flow as per format.
- d) Detailed manufacturing process flow charts for all the items proposed to be manufactured and exported (as per format already provided to unit through email). Value addition would be mentioned and attested by unit.

vii) The Approval Committee, unanimously decided to defer the case and directed that the case be placed again before Approval Committee with full facts only after submission of requisite documents by the unit.

3.2 Proposal of M/s Adprint Product Ind. :-

i) Approval Committee was informed that the proposal of M/s Adprint Product Ind. was again placed before Approval Committee in its meeting held on 12.03.2021 wherein the

Approval Committee, deliberated the proposal and observed the following:

- a) The unit must submit NOC from UPSIDA with respect to the plot related issues reported by Regional Manager, UPSIDA.
- b) Recent bank statements of all individuals (Partners of unit and friends/family members who have agreed to provide unsecured loan to unit) be submitted by the unit.
- c) Detailed manufacturing process flow charts for all the items proposed to be manufactured and exported (as per format shared through email).
- d) Revised Form-F as per revised Project report submitted.

ii) It was informed to the Approval Committee that after due deliberations, Committee in its meeting held on 12.03.2021 unanimously decided to defer the case and directed that the case be placed again before Approval Committee with full facts after submission of requisite documents by the unit. Accordingly, ADC, Moradabad SEZ vide this office letter dated 26.03.2021, communicated the observations of Approval Committee.

iii) Approval Committee was informed that recently the unit vide its email dated 02.06.2021 submitted response w.r.t. above observations of Approval Committee. On scrutiny it was found that the response dated 02.06.2021 received from the unit does not include all the information/ documents sought vide this office letter dated 26.03.2021. It was further informed that this office vide email dated 08.06.2021 asked the unit to submit the following information which is still awaited from the unit:

- a. Unit has submitted a letter dated 27.10.2020 issued by UPSIDA which is for reconstitution of plot i.e. change from proprietorship to partnership and hence is not relevant to the observation of UAC. Unit must submit NOC from UPSIDA regarding issues with building plan/ amalgamation of plots raised by RM, UPSIDA in UAC dated 12.03.2021.
- b. Unit has submitted an Affidavit to the effect that Shri Muti-ur-Rehman has a property in Lajpat Nagar, Moradabad measuring 16.71 sq. metres which he will sell to fund the project which is claimed to be valued at Rs. 80.00 Lakhs. It may be mentioned here that in the project report unit has mentioned Unsecured loans from Family members amounting to Rs. 18.60 Lakhs for which unit must submit recent bank statements for all those individuals willing to provide unsecured loans to fund their project.

