



GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
OFFICE OF THE DEVELOPMENT COMMISSIONER
NOIDA SPECIAL ECONOMIC ZONE
NOIDA DADRI ROAD, PHASE-II, NOIDA - 201305
DISTT. GAUTAM BUDH NAGAR (UTTAR PRADESH)

फ. स.10/191/2008-सेज/

दिनांक: 09/10/2018

1. निदेशक, वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली-110001।
2. संयुक्त महानिदेशक विदेश व्यापार, उद्योग भवन, तिलक मार्ग, जयपुर (राजस्थान)।
3. आयुक्त आयुक्त, (सीआईटी-तृतीय-जयपुर), न्यू सेंट्रल रेवेन्यू बिल्डिंग, स्टैचू सर्किल, सी-स्कीम, जयपुर (राजस्थान)।
4. आयुक्त केन्द्रीय उत्पाद शुल्क, जयपुर-I, न्यू सेंट्रल रेवेन्यू बिल्डिंग, स्टैचू सर्किल, सी-स्कीम, जयपुर (राजस्थान)
5. प्रबंध निदेशक, रीको लिमिटेड, उद्योग भवन तिलक मार्ग, जयपुर (राजस्थान)
6. उपसचिव (आई एफ - 1), बैंकिंग प्रभाग, आर्थिक मामलों का विभाग, वित्त मंत्रालय, भारत सरकार, तृतीय तल, जीवन दीप बिल्डिंग संसद मार्ग, नई दिल्ली।
7. आयुक्त, उद्योग विभाग, उद्योग भवन, तिलक मार्ग, जयपुर (राजस्थान)।
8. महाप्रबंधक, रीको लिमिटेड, उद्योग भवन तिलक मार्ग, जयपुर (राजस्थान)।
9. महिंद्रा वर्ल्ड सिटी (जयपुर) लिमिटेड (विकासकर्ता), 411, नीलकंठ टावर, भवानी सिंह मार्ग, सी स्कीम, जयपुर-302001 (राजस्थान).

विषय: दिनांक 24/09/2018 को पूर्वाह्न 11.00 बजे सम्मेलन हॉल, प्रशासनिक भवन, सीतापुरा विशेष आर्थिक क्षेत्र, जयपुर में आयोजित होने वाली महिंद्रा वर्ल्ड सिटी (जयपुर) लिमिटेड एस ई जेड के अनुमोदन समिति की बैठक के सम्बन्ध में।

महोदय,

उपरोक्त विषय के सन्दर्भ में डा० एल बी सिंघल, विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता में दिनांक 24/09/2018 को पूर्वाह्न 11.00 बजे सम्मेलन हॉल, प्रशासनिक भवन, सीतापुरा विशेष आर्थिक क्षेत्र, जयपुर में आयोजित महिंद्रा वर्ल्ड सिटी (जयपुर) लिमिटेड मल्टी प्रोडक्ट विशेष आर्थिक क्षेत्र की अनुमोदन समिति की बैठक का कार्यवृत्त संलग्न है।

इसे विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र, नोएडा का अनुमोदन प्राप्त है।

संलग्नक : उपरोक्त

भवदीय,

(रवि कुमार श्रीवास्तव)
उप विकास आयुक्त

Minutes of the meeting of Approval Committee of Multi-Product SEZ of M/s. Mahindra World City (Jaipur) Ltd. held under the Chairmanship of Dr.L.B. Singhal, Development Commissioner, Noida SEZ at 11.00AM on 24.09.2018 at Conference Hall, Administrative Building, Sitapura SEZ, Jaipur (Rajasthan).

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

1. Shri S.S. Shukla, Jt. Development Commissioner, NSEZ
2. ShriVirendra Singh, Joint DGFT, Jaipur.
3. ShriDinesh Pahadia, Addl. G.M., RIICO, Jaipur.
4. ShriVimal Mishra, Dy. General Manager, Mahindra World City (Jaipur) Ltd. – Representative of Developer, Special Invitee.

Besides, during the meeting i)ShriManoj Kumar Saily, Specified Officer& ii) Shri R.K.S. Ruhela, Sr. Regional Manager RIICO, Sitapura, Jaipur were also present to assist the Approval Committee.

❖ At the outset, the Chairman welcomed the participants and desired to know the reason for non-participation of members of Approval committee from CGST and Income Tax Departments. It was informed that though notice was issued to these departments but no one has come as in CGST the concerned officer is busy in other work and in Income Tax Deptt., the officer who had been attending Approval Committee meetings has since been transferred for almost 3 months back. DC directed that a letter under signature of JDC be issued to concerned CGST / IT Department explaining on the need for participation of their representative in the meeting of Approval Committee. After brief introduction, each 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 developers / units, the following decisions were taken:-

01. Ratification of Minutes of last meeting of the Approval Committee held on 21.08.2018:-

The Approval Committee was informed that no reference against the decisions of the Approval Committee held on 21/08/2018 was received from any of the members of the Approval Committee or Trade and therefore, Minutes of the Meeting held on 21/08/2018 were ratified.

02. Proposal of M/s. Mahindra World City (Jaipur) Ltd., developer for approval of list of materials to carry on authorized operations in SEZ.

It was brought to the notice of Approval Committee that M/s. Mahindra World City (Jaipur) Ltd., developer had submitted proposal for approval of list of materials to carry on following authorized operations in SEZ:-

S. No.	Authorized Operation	Sl. No. at default auth. Opr. as per Inst. No. 50 & 54	Estimated Cost (Rs in Lakhs)
1.	Roads with Street lighting, Signals and Signage.	01	289.33



2.	Water treatment plant, water supply lines (dedicated lines up to source), sewage lines, storm water drains and water channels of appropriate capacity.	02	12.85
3.	Electrical, Gas and Petroleum Natural Gas Distribution Network including necessary sub-stations of appropriate capacity, pipeline network etc.	04	43.43
4.	Security offices, police posts, etc. at entry, exit and other points within and along the periphery of the site.	11	151.22
		Total :	496.83

Shri Vimal Mishra, DGM appeared before the Approval Committee on behalf of the developer and explained the requirement of proposed materials. On being asked by the Approval Committee, Shri Mishra informed that Transformers (2 Nos) mentioned in the list of items are not required for power generation.

After due deliberations, the Approval Committee approved the proposed list of materials.

03. Proposal of M/s. Mahindra World City (Jaipur) Ltd., Developer for allotment of built-up space to M/s. Metro Event Management for operation of 'Gym, Snooker & Table Tennis Room' in the processing area of SEZ.

It was brought to the notice of Approval Committee that the Developer, M/s. Mahindra World City (Jaipur) Ltd. had submitted a proposal for allotment of built-up space 3000 Sqft. built-up space within Evolve as part of A1/A2/B1/B2 Buildings in the processing area its Multi-Product SEZ at Village Kalwara, Jhai, Bhambhoriya, Bagru Khurd & Newta, Tehsil- Sanganer, Distt- Jaipur (Rajasthan) on lease basis to M/s. Metro Event Management for operation of 'Gym, Snooker & Table Tennis Room', for use by the employees of SEZ & units located therein.

Shri Vimal Mishra, DGM appeared before the Approval Committee on behalf of the developer and explained the proposal. On being asked by the Approval Committee, the representative of the developer informed that they have installed gym equipment & other indoor games in aforesaid mentioned locations and M/s. Metro Event Management have been proposed to be engaged to operate such facility.

The Approval Committee observed that setting up of recreational facilities such as Indoor/Outdoor games, gymnasium etc. is a part of default authorized operations of developer as per Instruction No. 50 dated 15.03.2010 issued by DOC. Hence, the Approval Committee decided that the developer itself has to create such facility in SEZ.



04. Proposal of M/s. Metlife Global Operations Support Center Pvt. Ltd. for approval of additional services.

It was informed that recently the Recently the respective Approval Committees in its meeting held on 21.08.2018 had approved 09 nos. additional services proposed by M/s. Metlife Global Operations Support Center Pvt. Ltd. which had been conveyed to the unit vide this office letter dated 05.09.2018. It was informed that M/s. Metlife Global Operations Support Center Pvt. Ltd., a unit in Mahindra World City (Jaipur) Ltd., Multi-Product SEZ, Jaipur vide its letter dated 04.09.2018 had submitted a request for approval of additional Services namely 'Services by hotels / inn/ clubs/ guest houses etc. for short term accommodation and organization events'. It was informed that 'Accommodation Services' is already available in uniform list of 66 nos. default services issued by this office. It was further informed that recently the Approval Committee in its meeting held on 03.08.2018 did not approve the service namely 'Hotel / Guest House Rentals / Accommodation services' proposed by M/s. Steria India Ltd., a unit in Seaview SEZ, Noida, as this is not authorized operation of the unit within the SEZ.

Shri Rajeev Patodi, Manager appeared before the Approval Committee on behalf of the unit and requested to withdraw the proposal on the ground that they have already got permission as per rules and when they made this request they had not received permission letter of this office.

After due deliberations, the Approval Committee permitted request of the unit for withdrawal of the proposal.

05. Proposal of M/s. Orvi Design Studio for inclusion of additional item of manufacture in LOA.

It was brought to the notice of the Approval Committee that M/s. Orvi Design Studio, a unit in the Handicraft SEZ (now merged as Multi-Product SEZ) of Mahindra World City (Jaipur) Ltd. at Jaipur (Rajasthan) vide its letter dated 21.08.2018 had submitted a request for allowing import of following Semi-precious stones for use as value added product :-

S. No.	Name of Items	HSN Code	Annual Quantity
1.	Mother of Pearl	96019020	500 Kg.
2.	Malachite	71039990	250 Kg.
3.	Lapis Lazuli	71039990	250 Kg.
4.	Agates	71039990	250 Kg.

It was informed that since, it was not clear from the unit's proposal that in which approved items of manufacture they will use the above proposed imported semi-precious stones as value added items, unit had been requested vide this office email dated 18.09.2018 to submit following details :-



- (i) Specific name of item of manufacture in which they will use the proposed imported semi-precious stones as value added items along with process flow-chart.
- (ii) Changes in export / NFE projections, if any, in prescribed format.
- (iii) A certificate from the DC, Handicraft or EPCH that the item proposed to be manufactured with the semi-precious stone falls under the Handicraft category.
- (iv) Expedite submission of clarification regarding pending foreign exchange realization of Rs.165.97 lakhs and rectified APRs for the year 2013-14 to 2016-17 as requested vide this office email dated 22.12.2017 & subsequent reminder email dated 06.03.2018.

Further it was informed that meanwhile, unit vide its letter received on 18.09.2018 submitted proposal for inclusion of following additional item of manufacture in LOA :-

1. Handcrafted on all type of Stone (Sandstone / Slate stone/Limestone/Quartzite / Marble / Granite with Mother of Pearls and other Semi-precious stones.
2. Handcrafted wood with Mother of Pearl and other Semi-precious stones.
3. Handcrafted Glass with Mother of Pearl and other Semi-precious stones.
4. Handcrafted Vitrified Tiles with Mother of Pearl and other Semi-precious stones.

It was informed that the unit had also submitted details of manufacturing process of the proposed additional item of manufacture. However, remaining documents are awaited.

Further, it was informed that the items proposed to be imported by the unit have been checked with the ITC(HS) 2017 Schedule 1 (Import Policy) available at DGFT's website and following have been observed:-

- (i) Item proposed under ITC(HS) Code 96019020 (Mother of Pearls) is '**Restricted**' for import.
- (ii) ITC(HS) Code of 'Agate' is 71031023 & 71039930 (free), whereas the unit has mentioned 71039990.
- (iii) ITC(HS)Code 71039990 (Other) is free, however name of proposed items "Malachite" & "Lapis Lazuli" are not mentioned against this HS Code.

Shri Ghanshyam Baheli. G.M. & Shri Rajeev Mathur, Manager appeared before the Approval Committee and explained that proposal. On being asked by the Approval Committee, they informed that last year their export was Rs. 6 Crore and this year they are doing export of Rs.1 Crore (Approx.) per month.

After due deliberations, the Approval Committee deferred that proposal and directed the representatives of the unit to submit detailed write-up along with following documents to Specified Officer of Mahindra World City SEZ, Jaipur:-



- (i) Specific name of item of manufacture in which they will use the proposed imported semi-precious stones as value added items along with its correct ITC(HS) Code.
- (ii) Changes in export / NFE projections, if any, in prescribed format.
- (iii) A certificate from the DC, Handicraft or EPCH that the item proposed to be manufactured with the semi-precious stone falls under the Handicraft category.

These will be put up before the Approval Committee in its next meeting along with the comments of Specified Officer.

The Approval Committee further directed to the representative of the unit to expedite submission of clarification regarding pending foreign exchange realization of Rs.165.97 lakhs and rectified APRs for the year 2013-14 to 2016-17 as requested vide email dated 22.12.2017 & subsequent reminder email dated 06.03.2018. Besides, the Approval Committee clarified that import of 'Prohibited / Restricted' shall not be allowed.

06. Proposal of M/s Systweak Software, a unit in the IT/ITES SEZ (Now Multi-Product SEZ) of M/s Mahindra World City (Jaipur) Ltd. at Jaipur (Rajasthan) for renewal of LOA and monitoring of performance.

It was informed that the proposal of M/s Systweak Software for monitoring of performance and consideration of exit from the SEZ scheme was placed before the Approval Committee meeting held on 18.05.2018. It was informed that the Approval Committee had taken note of the positive NFE earnings made by the unit during its operation in SEZ and decided that the proposal for exit from SEZ scheme may be considered separately on file upon receipt of rectified APRs from the unit in terms of observations made by the CA Firm. The Approval Committee had directed the representative of the unit to submit rectified APRs as per observations of CA firm, NSEZ.

It was informed that as per direction of the Approval Committee the unit was requested to submit rectified APRs. It was informed that the NSEZ CA firm has now prepared Year wise Performance/NFE achievement status of unit as per APRs which are as under:

(Rs. In Lakhs)

Year	FOB value of export	NFE earned	DTA Sales	Pending Foreign Exchange realization
2011-12	1641.62	1640.83	0.00	0.00
2012-13	18069.14	9041.72	0.00	0.00
2013-14	39673.20	8279.44	0.00	0.00
2014-15	24319.98	10721.14	0.00	0.00
2015-16	9941.88	6482.51	0.00	0.00
2016-17	3449.78	2226.77	0.00	0.00
2017-18	0.00	0.00	0.00	0.00
Total	97095.60	38392.41	0.00	0.00

Res. Kumar Dinesh

It was informed that in respect of APR for the year 2013-14 & 2015-16 the CA firm, NSEZ had mentioned as under:

Observation in r/o year 2013-14	Observation in r/o year 2015-16
<p>One observation is brought to the notice of the competent authority that Imports: Only in F.Y 2013-14, Unit has stated the difference between the values to be on account of "Foreign Exchange Rate Difference". Since, the unit has been making all its payments in Foreign Exchange in all the years under consideration, Exchange Rate Fluctuation and consequent exchange rate difference must have arisen in each financial year, instead of just one. The amount of difference is Rs.85.68 Lakhs. <u>Our opinion is not qualified in r/o above observation</u> and as per the information, Documents and explanation furnished by the unit, the APR has been reported correctly.</p>	<p>One observation is brought to the notice of the competent authority that Export: Similarly, only in F.Y 2015-16, Unit has stated the difference between the values to be on account of "Foreign Exchange Rate Difference". Since, the unit has been receiving all its payments in Foreign Exchange in all the years under consideration, Exchange Rate Fluctuation and consequent exchange rate difference must have arisen in each financial year, instead of just one. The amount of difference is Rs.66.02 Lakhs. <u>Our opinion is not qualified in r/o above observation</u> and as per the information, Documents and explanation furnished by the unit, the APR has been reported correctly.</p>

Further, it was informed that an email dated 30.08.2018 had been received from the unit requesting for LOA extension till 31.03.2019 so that they may furnish data in Softex online.

Shri Shrishail Rana, Proprietor appeared before the Approval Committee and requested for LOA extension till 31.03.2019 so that they may furnish data in Softex online.

After due deliberations, the Approval Committee took note of the positive NFE earnings made by the unit during its operation in SEZ. The Approval Committee also decided to extend the LOA of the unit upto 31.03.2019 to complete the formalities regarding Softex. Approval Committee further directed that JDC may discuss the matter regarding observation in APR for the year 2013-14 & 2015-16 with CA firm, NSEZ.

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


(S. S. Shukla)

Joint Development Commissioner



(Dr. L.B. Singhal)

Development Commissioner