

JAIPUR SPECIAL ECONOMIC ZONE

Minutes of meeting of the Approval Committee of Sitapura SEZ, Jaipur held under the Chairmanship of Dr. L.B. Singhal, Development Commissioner, NSEZ on 23/11/2017 at 11.30 AM, in RIICO Board Room, Udyog Bhawan, Jaipur.

The following members of UAC were present during the meeting: -

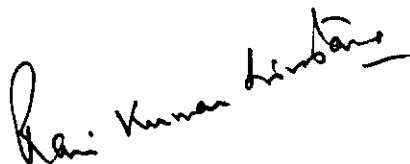
1. Shri Virendra Singh, Jt. DGFT, Udyog Bhawan, Jaipur
2. Shri Sampat Rai Asstt. Commissioner, Central Excise GST, Jaipur-I
3. Shri P.R. Sharma, Jt. Director Industries, Jaipur.
4. Shri Dinesh Pahadia, Additional General Manager, RIICO Ltd. Jaipur
5. Representative of SEZ Developer (RIICO) / Units

II. Besides, during the meeting i) Shri Prakash Chand Upadhyay, ADC, Noida, ii) Shri J.C. Gupta, Specified Officer (Customs), iii) Shri H.K. Meena and iv) Shri G.K. Sharma, Regional Manager, RIICO were also present to assist the Approval Committee.

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

(1). Ratification of Minutes of last meeting of the Approval Committee: -

It was informed that no reference against the decisions of the Approval Committee held on 22/09/2017 was received from any of the members of the Approval Committee or Trade and therefore, Minutes of the meetings of Approval Committee held on 22/09/2017 were ratified.


Ravi Kumar

(2) **Item -wise decisions on proposals included in agenda are as under:**

(2) (i) **Application of M/s MMTC Limited, for setting up a SEZ unit at CFC Building, SEZ-I, Sitapura, Jaipur (Rajasthan) on rental premises.**

It was brought to the notice of Approval Committee that M/s MMTC Limited, a PSU under the Government of India has submitted a proposal for setting up a unit over an area of 1130 Sqft. at CFC Building , SEZ-I, Sitapura, Jaipur, which has been taken on rental basis from RIICO (Developer), for service & export of following items:-

Item (s) description
Supply of Silver 10 M. Tons and Supply of Gold 300 Kgs.

It was informed that the applicant has shown projected exports of Rs. 45282.00 Lakhs and cumulative NFE of Rs.252.00 Lakhs over a period of five years. It was further informed that the applicant has proposed indigenous investment of Rs. 2.50 Lakhs towards plant and machinery as well as requirement of imported raw material of Rs. 4500.02 Lakhs.

It was further informed that the applicant has submitted NOC from developer i.e RIICO for use of proposed premises i.e. 1130 Sqft. at, CFC Building, SEZ-I, Sitapura, Jaipur .

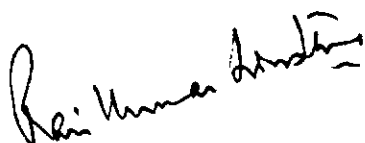
Shri Vikram S Meena, Addl. GM, appeared before UAC on behalf of M/s MMTC Limited and explained the proposal.

After due deliberations, the Approval Committee deferred the proposal for next Approval Committee meeting with the advice to RIICO to examine & inform whether an area of 1130 Sqft. at CFC Building , SEZ-I, Sitapura, Jaipur, for service & export for MMTC is covered under Rules 11 of the SEZ Rules, 2006 i.e whether this area is part of processing area or not. In Rule 11 of SEZ Rules, 2006, it is mentioned that SEZ units can be set up in Processing Area only. M/s MMTC Ltd as service unit will be bringing duty free imported gold and silver and will be subjected for monitoring of NFE after completion of five Years period. In the light of this provision, M/s MMTC Limited was advised that it should discuss the matter with the Developer i.e. RIICO and resubmit the proposal accordingly.

Approval Committee also advised the representative of RIICO present in the meeting that they should re-examine this issue in detail according to Rule 11 of SEZ Rules, 2006 and submit the detail report.

(2) (ii) **Proposal of M/s RMC Gems India Limited, for monitoring of performance and extension of validity of LOA No. 1-2/2003-SEZ-I (J) Proj. 1997 dated 15.10.2003 for remaining period of five years.**

It was informed to the Approval Committee that M/s. RMC Gems India Limited, Plot No. G1-18 & 19, SEZ-I has been granted LOA No. 1-2/2003-SEZ-I(J)Proj./1997 dated 15.10.2003 for Manufacture of Precious and Semi Precious Stones, Synthetic or Reconstructed & Semi Precious Stone, Corals, Pearls Natural or Cultured, Diamond (Cut & Polished), Silver Jewellery (Plain and Studded) including Silver Plated With Gold or Platinum, Gold Jewellery (Plain and Studded), Imitation Jewellery of Base Metal Whether or not Plated With Precious Metals & Glass Beads, Cut & Polished. They have submitted a request for extension of validity of LOA



for further period of five years. The unit has started export production on 13.10.2007. Accordingly, ten years of operation of the unit has been completed on 12.10.2017. Development Commissioner, NSEZ has extended the validity period of LOA for a period of two months i.e. upto 12.12.2017, subject to condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance.

It was further informed that as per APR's the unit has made total exports of Rs. 67182.13 Lakhs during its first five years of operation and NFE of the unit has remained positive, as would be evident from the following table: -

							(Rs in Lacs)
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (up to 31.10.17)	Total
FOB Value of Export	9822.88	12373.20	12633.19	12905.61	12811.12	6636.13	67182.13
Foreign Exchange out go	5746.25	8081.64	6997.51	8410.89	7484.19	2202.10	38922.58
NFE earnings for last five years (1)- (2)	4076.63	4291.56	5635.68	4494.72	5326.93	4434.03	28259.55

It was further informed that the unit has submitted projected foreign exchange balance sheet for next five years, as under:

						(Rs. in Lacs)
Year	2017-18	2018-19	2019-20	2020-21	2021-22	Total
FOB Value of Export	1400.00	15000.00	16500.00	18500.00	20000.00	84000.00
Foreign Exchange out go	8500.00	9000.00	9500.00	10500.00	11000.00	48500.00
NFE Exchange earnings for next five year (1)- (2)	5500.00	6000.00	7000.00	8000.00	9000.00	35500.00

Shri Kamal Gupta, Manager appeared before the Approval Committee on behalf of the unit and explained the proposal.

After due deliberations, Approval Committee took note of the performance of the unit for last five year operations and extended the validity period of LOA for remaining period of next five years i.e. upto 12.10.2022.

(2) (iii) Proposal of M/s AAA's Jewels for monitoring of performance and extension of validity of LOA No. 1-5/2003-SEZ-I (J) Proj. 2021 dated 16.10.2003 for remaining period of five years.

It was informed to the Approval Committee that M/s. AAA's Jewels, Plot No. G1-29, SEZ-I, has been granted LOA No. 1-5/2003-SEZ-I(J)Proj./2021 dated 16.10.2003 for Manufacture of Gold Jewellery Plain / Studded with Precious, Semi Precious Stones, Platinum Jewellery Plain / Studded with Precious Semi Precious Stones, Silver Jewellery Plain / Studded with Precious Semi Precious Stones, Manufacturing of all Precious and Semi Precious Stones form rough, Pearls, Natural and Synthetic, Imitation Jewellery, Manufacturing of Diamonds from rough i.e. Cut and Polished Diamonds, Manufacturing of Steel Jewellery Plain and Studded with Precious and Semi Precious Synthetic Coloured Stones and Pearls. They have submitted a request for extension of validity of LOA for further period of five years. The unit has started export production on 12.10.2007. Accordingly, ten years of operation of the unit has been completed on 11.10.2017. Development Commissioner, NSEZ has extended the validity period of LOA for a period of two months i.e. upto 11.12.2017, subject to condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance.

Reishana Jindani

It was further informed that as per APR's the unit has made total exports of Rs. 4928.44 Lakhs during its first five years of operation and NFE of the unit has remained positive, as would be evident from the following table: -

							(Rs in Lacs)
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (up to 31.10.17)	Total
FOB Value of Export	1062.22	961.70	681.89	922.32	892.03	408.28	4928.44
Foreign Exchange out go	728.56	675.01	448.45	610.99	557.73	99.90	3120.64
NFE earnings for last five years (1)-(2)	333.66	286.69	233.44	311.33	334.30	308.38	1807.80

It was further informed that the unit has submitted projected foreign exchange balance sheet for next five years, as under:

						(Rs. in Lacs)
Year	2017-18	2018-19	2019-20	2020-21	2021-22	Total
FOB Value of Export	950.00	1055.00	1140.00	1254.00	1380.00	5779.00
Foreign Exchange out go	590.00	660.00	728.00	778.00	870.00	3626.00
NFE Exchange earnings for next five year (1)-(2)	360.00	395.00	412.00	476.00	510.00	2153.00

Shri Atul Sethi, Partner appeared before the Approval Committee on behalf of the unit and explained the proposal.

After due deliberations, Approval Committee took note of the performance of the unit for last five year operations and extended the validity period of LOA for remaining period of next five years i.e. upto 11.10.2022.

(2) (iv) Proposal of M/s Yash Exports for monitoring of performance and extension of validity of LOA No. 1-34/2003-SEZ-I (J) Proj. 2235 dated 04.11.2003 for remaining period of five years.

It was informed to the Approval Committee that M/s. Yash Exports, Plot No. H1-41, SEZ-I, has been granted LOA No. 1-34/2003-SEZ-I(J)Proj./2235 dated 04.11.2003 for Manufacture of Gold & Silver Jewellery Plain & Studded, Gem Stones, Copper beads and articles and Jewellery, Gold mounting Jewellery and artificial Jewellery, Trading of Gold & Silver Jewellery, Abrasives, Brushes, Cloths Buff, Arlink, Burs, Casting, Cloth Buff, Felt Buff, Cutters, Emery Papers, Files (India), Gravers, Hammer, Imported Files, Finger Coats, Handies, Measuring, Mandrels, Magnifiers & Assorting, Machinery, Polishing Compound, Plating, Pinton & Pilers, Alloys, Saw Blades, Tweezers, Wax items, Thodium, Gold & Silver Alloys, Casting Alloys & Others, Plating Solution (White), Gold & Silver bullion, Zircon Stones (within the same SEZ). They have submitted a request for extension of validity of LOA for further period of five years. The unit has started export production on 01.11.2007. Accordingly, ten years of operation of the unit has been completed on 29.10.2017. Development Commissioner, NSEZ has extended the validity period of LOA for a period of two months i.e. upto 29.12.2017, subject to condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance.

It was further informed that as per APR's the unit has made total exports of Rs. 8102.35 Lakhs during its first five years of operation and NFE of the unit has remained positive, as would be evident from the following table: -

(Rs in Lacs)

Ravi Kumar Dindoria

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (up to 31.10.17)	Total
FOB Value of Export	2332.58	1381.46	790.38	1312.47	1270.90	1014.56	8102.35
Foreign Exchange out go	2228.28	1365.70	792.60	1288.22	1239.43	946.29	7860.32
NFE earnings for last five years (1)– (2)	104.30	15.76	-2.22	24.25	31.47	68.27	241.83

It was further informed that the unit has submitted projected foreign exchange balance sheet for next five years, as under:

Year	(Rs. in Lacs)					Total
	2017-18	2018-19	2019-20	2020-21	2021-22	
FOB Value of Export	1550.00	1627.50	1708.88	1794.32	1884.03	8564.73
Foreign Exchange out go	1505.00	1580.25	1659.26	1742.23	1829.34	8316.08
NFE Exchange earnings for next five year (1)– (2)	45.00	47.25	49.62	52.09	54.69	248.65

However, no one appeared before the Approval Committee on behalf of the unit.

After due deliberations, Approval Committee took note of the performance of the unit for last five year operations and extended the validity period of LOA for remaining period of next five years i.e. upto 31.10.2022.

(2) (v) Proposal of M/s International Jewels Source, for monitoring of performance and for extension of validity of LOA No. 1-11/2003-SEZ-I (J) Proj.2168 dated 01.11.2003 for remaining period of five years.

It was informed to the Approval Committee that M/s. International Jewels Source, Plot No. G1-16, SEZ-I, has been granted LOA No. 1-11/2003-SEZ-I(J)Proj./2168 dated 01.11.2003, for Manufacture of Gems Stones, Gold Jewellery Plain & Studded, Silver Jewellery Plain & Studded, Copper, Brass, German Silver, Wood and Aluminium Jewellery. They have submitted a request for extension of validity of LOA for further period of five years. The unit has started export production on 23.10.2007. Accordingly, ten years of operation of the unit has been completed on 21.10.2017. Development Commissioner, Noida has extended the validity period of LOA for a period two month i.e. upto 21.12.2017, Subject to condition that further extension of LOA will be considered in next UAC after monitoring the export / value addition performance.

It was informed to the Approval Committee that the Performance of the unit was reviewed in terms of Rule 54 of SEZ Rules, 2006, and UAC in its meeting held on 19.10.2015, 17.06.2016 & 19.05.2017 review their export performance and UAC noted that unit has not made any export during 2012-13 to 2014-15. The unit has made export of Rs. 3.22 Lakhs for the year 2015-16 & Rs. 4.32 Lakhs for the year 2016-17, but during the current F.Y. unit export performance is NIL (up to 31.10.2017). Now the unit has requested to renew of LOA for next five years i.e. upto 22.10.2022 as they have received some export order from M/s Fine Gems (NY) INC. New YORK, NY 10036. M/s. International Jewels Source has submitted proposal for renewal of LOA dated 01.11.2003 for next five years beyond 21.10.2017.

It was further informed that as per APR's the unit has made total exports of Rs. 7.54 Lakhs during its first five years of operation and NFE of the unit has remained positive, as would be evident from the following table:-

Ravi Kumar

							(Rs. in Lacs)	
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (up to 31.10.17)	Total	
FOB Value of Export	0.00	0.00	0.00	3.22	4.32	0.00	7.54	
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
NFE earnings for last five years (1)-(2)	0.00	0.00	0.00	3.22	4.32	0.00	7.54	

It was further informed that the unit has submitted projected foreign exchange balance sheet for next five years, as under:

							(Rs. in Lacs)	
Year	2017-18	2018-19	2019-20	2020-21	2021-22	Total		
FOB Value of Export	12.00	15.00	17.00	18.00	20.00	82.00		
Foreign Exchange out go	2.00	1.50	2.00	1.00	2.00	8.50		
NFE Exchange earnings for next five year (1)-(2)	10.00	13.50	15.00	17.00	18.00	73.50		

Shri Ajay Kala, Partner appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and expect to make Export of approx. Rs. 15.00 Lakhs up to 31.03.2018.

After due deliberations, Approval Committee decided to extend the validity period of LOA for a period upto **31/03/2018** with the direction to the unit that further extension of LOA will be considered only after satisfactory performance of the unit during the extended period failing which their LOA may not be renewed further.

(2) (vi) Proposal of M/s Living Colours for monitoring of performance and extension of validity of LOA No. 1-41/2003-SEZ-I (J) Proj. 526 dated 24.02.2005 for remaining period of five years.

It was informed to the Approval Committee that M/s. Living Colours, Plot No. HI-41, SEZ-I, has been granted LOA No. 1-41/2003-SEZ-I(J)Proj./526 dated 24.02.2005 for Manufacture of Semi Precious Cut Stones, Gold / Silver Jewellery, Cut / Polished / unpolished Precious Stones, Cut / polished / unpolished Semi Precious Stones, Cut / Polished / Unpolished Synthetic Stones, Plain and Studded Gold, Silver, Platinum, Brass, Steel Jewellery. They have submitted a request for extension of validity of LOA for further period of five years. The unit has started export production on 25.10.2007. Accordingly, ten years of operation of the unit has been completed on 24.10.2017. Development Commissioner, NSEZ has extended the validity period of LOA for a period of two months i.e. upto 24.12.2017 subject to condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance.

It was further informed that as per APR's the unit has made total exports of Rs. 1854.72 Lakhs during its first five years of operation and NFE of the unit has remained positive, as would be evident from the following table: -

Ravi Kumar Bhandari

(Rs in Lacs)

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (up to 31.10.17)	Total
FOB Value of Export	378.94	368.94	391.14	293.32	267.92	154.46	1854.72
Foreign Exchange out go	133.66	129.29	110.45	122.47	114.11	62.78	672.76
NFE earnings for last five years (1)-(2)	245.28	239.65	280.69	170.85	153.81	91.68	1181.96

It was further informed that the unit has submitted projected foreign exchange balance sheet for next five years, as under:

(Rs. in Lacs)

Year	2017-18	2018-19	2019-20	2020-21	2021-22	Total
FOB Value of Export	600.00	700.00	750.00	800.00	900.00	3750.00
Foreign Exchange out go	207.00	259.00	286.00	313.00	365.00	1430.00
NFE Exchange earnings for next five year (1)-(2)	393.00	441.00	464.00	487.00	535.00	2320.00

Shri Atul Sethi, Partner appeared before the Approval Committee on behalf of the unit and explained the proposal.

After due deliberations, Approval Committee took note of the performance of the unit for last five year operations and extended the validity period of LOA for remaining period of next five years i.e. upto 24.10.2022.

(2) (vii) Proposal of M/s Paniharin Jewels, for monitoring of performance and for extension of validity of LOA No. 1-36/2003-SEZ-I (J) Proj.2242 dated 04.11.2003 for remaining period of five years.

It was informed to the Approval Committee that M/s. Paniharin Jewels. Plot No. H-47, SEZ-I, has been granted LOA No. 1-36/2003-SEZ-I(J)Proj./2242 dated 04.11.2003, for Manufacture of Silver Jewellery, Gold Jewellery, & Gems Stones. They have submitted a request for extension of validity of LOA for further period of five years. The unit has started export production on 01.11.2007. Accordingly, ten years of operation of the unit has been completed on 30.10.2017. Development Commissioner, Noida have extended the validity period of LOA for a period Two month i.e. upto 30.12.2017, Subject to condition that further extension of LOA will be consider in next UAC after monitoring the export / value addition performance.

It was informed to the Approval Committee that the Performance of the unit was reviewed in terms of Rule 54 of SEZ Rules, 2006, and UAC in its meeting held on 21.08.2015, 22.04.2016, 21.10.2016 & 20.07.2017 reviewed the export performance and noted that unit has not made any export during 2012-13 to 2015-16. However, the unit has made export of Rs. 7.60 Lakhs for the year 2016-17 & Rs. 6.68 Lakhs for the year 2017-18 (upto 25.10.2017). Now the unit has requested to renew the LOA for next five years i.e. upto 30.10.2022.

It was further informed that as per APR's the unit has made total exports of Rs. 14.28 Lakhs during its first five years of operation and NFE of the unit has remained positive, as would be evident from the following table:-

Ravi Kumar Dinsar

(Rs in Lacs)

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (up to 31.10.17)	Total
FOB Value of Export	0.00	0.00	0.00	0.00	7.60	6.68	14.28
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)-(2)	0.00	0.00	0.00	0.00	7.60	6.68	14.28

It was further informed that the unit has submitted projected foreign exchange balance sheet for next five years, as under:

(Rs. in Lacs)

Year	2017-18	2018-19	2019-20	2020-21	2021-22	Total
FOB Value of Export	100.00	105.00	110.00	115.00	120.00	550.00
Foreign Exchange out go	60.00	63.00	66.00	69.00	72.00	330.00
NFE Exchange earnings for next five year (1)-(2)	40.00	42.00	44.00	46.00	48.00	220.00

Shri Vipin Gupta, Partner appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and expect to make Export of approx. USD 3700 up to 31.03.2018.

After due deliberations, Approval Committee decided to extend the validity period of LOA for a period upto **31/12/2018** with the direction to the unit that further extension of LOA will be considered only after satisfactory performance of the unit during the extended period failing which their LOA may not be renewed further.

(2) (viii) Proposal of M/s DJMC Exports, for monitoring of performance and for extension of validity LOA No. 1-32/2003-SEZ-I (J) Proj.2234 dated 04.11.2003 for remaining period of five years.

It was informed to the Approval Committee that /s. DJMC Exports, Plot No. F-23, 24, G1-25,26, SEZ-I, has been granted LOA No.1-32/2003-SEZ-I(J)Proj./2234 dated 04.11.2003, for manufacture of Silver & Gold Jewellery. The unit has started export production on 04.08.2004. Accordingly, five years of operation of the unit has been completed on 03.08.2014 and Approval Committee in its meeting held on 11.12.2014, 21.09.2015 and 22.04.2016 have extended the validity period of LOA for a period of six months (upto 31.03.2015 & 31.03.2016 and further Approval Committee in its meeting held on 22.04.2016 has extended the validity period of LOA for a period up to 30.03.2017, subject to condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance.

It was informed to the Approval Committee that as per records, the performance of the unit during the extended period (i.e. from 26.04.2016 to 30.03.2017) is Rs. 19.39 Lakhs, against projected export figures of Rs. 430.92 Lakhs. Now, the unit has again requested to consider their request for extension of LOA for remaining period of five years (i.e. upto 01.08.2019). It has also been informed by the unit that concerned person was not available, hence they could not submitted their request for renewal of LOA in time and that the unit has also requested to condone the delay for late submission of application for renewal of validity of LOA.

Ravi Kumar Singh

Shri. Vikas Saxena, Manager, appeared before the Approval Committee on behalf of the unit. He stated that due to recession in the market and the fact that the concerned person was not available, they were not able to submit their request for renewal of LOA in time. He also accepted lapse on the part of unit for not applying for renewal of LOA in time and assured to be punctual in future. He further stated that they are interested in re-starting their operations in JSEZ at the earliest.

After due deliberations, Approval Committee decided to extend the validity period of LOA for a period upto 31.05.2018 with the direction that this is the last opportunity given to them to restart their export activity and further extension of LOA will be considered only after satisfactory performance of the unit during the extended period failing which their LOA may not be renewed further.

(2) (ix) Proposal of M/s A-One Jewellery, for monitoring of performance and for extension of validity of LOA No. 1-21/2003-SEZ-I (J) Proj.2175 dated 01.11.2003 for remaining period of five years.

It was informed to the Approval Committee that M/s. A-One Jewellery Plot No. H1-10-11, SEZ-I, has been granted LOA No. 1-21/2003-SEZ-I(J)Proj./2175 dated 01.11.2003, for Manufacture of Gems Stones, Silver Jewellery Plain & Studded, Gold Jewellery Plain & Studded. They have submitted a request for extension of validity of LOA for further period of five years. The unit has started export production on 29.10.2007. Accordingly, ten years of operation of the unit has been completed on 28.10.2017. Development Commissioner, Noida have extended the validity period of LOA for a period of two months i.e. upto 28.12.2017, Subject to condition that further extension of LOA will be considered in next UAC after monitoring the export / value addition performance.

It was informed to the Approval Committee that the Performance of the unit was reviewed in terms of Rule 54 of SEZ Rules, 2006, and UAC in its meeting held on 17.06.2016 & 19.05.2017 reviewed the export performance and noted that unit has not made any export during 2013-14 to 2014-15. However, the unit has made export of Rs. 46.38 Lakhs for the year 2015-16 & Rs. 68.74 Lakhs for the year 2017-18 (upto 28.10.2017). Now the unit has requested to renew of LOA for next five years i.e. upto 28.10.2022.

It was further informed that as per APR's the unit has made total exports of Rs. 137.74 Lakhs during its first five years of operation and NFE of the unit has remained positive, as would be evident from the following table:-

(Rs in Lacs)							
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (up to 31.10.17)	Total
FOB Value of Export	22.62	0.00	0.00	46.38	0.00	68.74	137.74
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)-(2)	22.62	0.00	0.00	46.38	0.00	68.74	137.74

It was further informed that the unit has submitted projected foreign exchange balance sheet for next five years, as under:

(Rs. in Lacs)						
Year	2017-18	2018-19	2019-20	2020-21	2021-22	Total
FOB Value of Export	100.0	105.00	110.00	115.00	120.00	550.00
Foreign Exchange out go	60.00	63.00	66.00	69.00	72.00	330.00
NFE Exchange earnings for next five year (1)-(2)	40.00	42.00	44.00	46.00	48.00	220.00

Ravi Kumar Saxena

Shri Kamal Kothari, Partner appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and they expect to make Export of approx. Rs. 25.00 Lakhs up to 31.03.2018.

After due deliberations, Approval Committee decided to extend the validity of LOA for a period upto 31/03/2019 with the direction to the unit that further extension of LOA will be considered only after satisfactory performance of the unit during the extended period failing which their LOA may not be renewed further.

(2) (x) Proposal of M/s J.M. Exports, for monitoring of performance and for extension of validity of LOA No. 2-66-SEZ-II (J) Proj.876 dated 22.11.2011 for next five years.

It was informed to the Approval Committee that M/s. J.M. Exports Plot No. H-62, SEZ-II, has been granted LOA No. 2-66-SEZ-II(J)Proj./876 dated 22.11.2011, for Manufacture of Diamond, precious semi, Precious Stones, Synthetic Stones, Qubic, Zircona, Gold Jewellery Plain & Studded, Silver Jewellery Plain & Studded. They have submitted a request for extension of validity of LOA for further period of five years. The unit has started export production on 23.05.2012. Accordingly, five years of operation of the unit has been completed on 22.05.2017.

The Performance of the unit was reviewed in terms of Rule 54 of SEZ Rules, 2006, and UAC in its meeting held on 19.10.2015, 17.06.2016 & 15.07.2017 review their export performance and UAC noted that unit has not made any export during 2013-14 to 2016-17. However, the unit has made export of Rs. 0.25 Lakhs for the year 2017-18 (up to 30.10.2017). Now the unit has requested to renew of LOA for next five years i.e. upto 22.05.2022.

It was further informed that as per APR's the unit has made total exports of Rs. 1.11 Lakhs during its first five years of operation and NFE of the unit has remained positive, as would be evident from the following table:-

(Rs in Lacs)

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (up to 22.05.2017)	Total
FOB Value of Export	0.86	0.00	0.00	0.00	0.00	0.25	<u>1.11</u>
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.0	0.00	0.0
NFE earnings for last five years (1)- (2)	0.86	0.00	0.00	0.00	0.00	0.25	<u>1.11</u>

It was further informed that the unit has submitted projected foreign exchange balance sheet for next five years, as under:

(Rs. in Lacs)

Year	2017-18	2018-19	2019-20	2020-21	2021-22	Total
FOB Value of Export	200.00	300.00	400.00	500.00	600.00	2000.00
Foreign Exchange out go	120.00	180.00	240.00	300.00	360.00	1200.00
NFE Exchange earnings for next five year (1)- (2)	80.00	120.00	160.00	200.00	240.00	800.00

Kamal Kothari

Shri Ritesh Agarwal, Partner appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and expect to make Export of approx. USD 75800.00 up to 31.03.2018.

After due deliberations, Approval Committee decided to extend the validity of LOA for a period upto **31/05/2018** with the direction to the unit that further extension of LOA will be considered only after satisfactory performance of the unit during the extended period failing which their LOA may not be renewed further.

(2) (xi) Proposal of M/s H.K. Exports, for monitoring of performance and review of LOA No. 1-13/2003-SEZ-I (J) Proj.302 dated 28.06.2011.

It was informed to the Approval Committee that M/s H.K. Exports, was granted LOA No. 1-13/2003-SEZ-I(J)Proj./302 Dated 28.06.2011 for manufacture of Precious Semi Precious Stone, Silver Studded Jewellery & Gold Studded Jewellery etc. The unit had started export production on 20.06.2012. Accordingly first five year of operation of the unit was completed on 19.06.2017.

It was informed to the Approval Committee that the Performance of the unit was reviewed in terms of Rule 54 of SEZ Rules, 2006, and UAC in its meeting held on 23.11.2015, 22.04.2016, 17.06.2016, 21.10.2016 & 23.01.2017 reviewed the export performance and noted that unit has not made any export during 2013-14 to till date. However, the unit has made export of Rs. 1.02 Lakhs in the year 2012-13.

It was informed to the Approval Committee that the validity period of LOA has already expired / lapsed on 19.06.2017 and even after issue of several reminders the unit has not sent any response and not applied for extension of LOA. Unit has also not submitted APR for the year 2016-17. The performance of the unit is dismal but NFE is positive during the period of five years as under:-

							(Rs. in Lacs)
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (up to 19.06.2017)	Total
FOB Value of Export	1.02	0.00	0.00	0.00	0.00	0.00	1.02
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)-(2)	1.02	0.00	0.00	0.00	0.00	0.00	1.02

In view of above Approval Committee did not find any justification for renewing the LOA. After due deliberations, Approval Committee decided not to renew the LOA which has already lapsed. Approval Committee directed the unit to complete the Exit formalities and directed Specified Officer(Customs) to recover all the duties etc. from the unit before completing de-bonding formalities.

3 (i) Proposal of M/s Shinning Beads Pvt. Ltd., for approval of Change of Name of the Company & Directors / shareholding -reg.

It was brought to the notice of the Approval Committee that M/s Shinning Beads Pvt. Ltd., Plot No. H-188-189, SEZ-II, Sitapura,Jaipur, has submitted for approval of Change of Name of Company from M/s Shinning Beads Pvt. Ltd. to M/s Jewellery Forest Pvt. Ltd. & also requested for change of Directors& revised shareholding of the unit (Sh. Pankaj Sharma, has been appointed as new director w.e.f. 15.05.2015, and Sh. Saket Agarwal & Sh. Sohaib Alvi left the unit w.e.f. 14/08/2006 & 30.06.2016).

Ravi Kumar Mishra

The details of director and shareholding are as under:-

Name of Existing directors / shareholding

Sl No.	Name of directors / Share holder	Director / Shareholding Status	Shareholding %	Date of Appointment	Date of Cessation
1	Mr. Young Tae Oh	Director	34.37%	28/04/2005	----
2	Mrs. Suk Young Hong	Director	0.06%	28/04/2005	----
3	Mr. Saket Agarwal	Only Share holder	0.07%	28/04/2005	14/08/2006
4	Mr. Sohaib Alvi	Director	0.06%	28/04/2005	----
5	Mrs. Joo Young Oh	Director	16.50%	25/03/2010	----
6	Mrs. Myung Sook Ko	Director	48.94%	04/07/2006	----

Revised directors / shareholding

Sl.No.	Name of directors / Share holder	Director /Shareholding Status	Shareholding %	Date of Appointment	Date of Cessation
1	Mr. Young Tae Oh	Director	34.34%	28/04/2005	----
2	Mrs. Suk Young Hong	Director	0.06%	28/04/2005	----
3	Mrs. Joo Young Oh	Director	16.50%	25/03/2010	----
4	Mrs. Myung Sook Ko	Director	48.94%	04/07/2006	----
5	Mr. Saket Agarwal	Share holder	0.07%	Only share holder	14/08/2006 (Retired)
6	Mr. Sohaib Alvi	Share holder	0.06%	Only share holder	30/06/2016 (Retired)
7	Mr. Pankaj Sharma	Director	0.03%	15/05/2015 (New)	----

It was informed that unit has intimated about change of Name of the Company & Director / shareholding and has submitted following documents:-

1. Fresh memorandum & Articles of Associations issued from Register of Company, Rajasthan, Jaipur.
2. Copy of fresh Certificate of incorporation Consequent upon change of name of the company dated 14.02.2017.
3. Copy of NOC letter dated 11.09.2017 issued by RIICO (Developer).
4. Copy of certify list of shareholding of the company duly verified by the C.A. letter vide dated 19.07.2017.
5. Copy of PAN Card, Passport and last three year's Income Tax return of new Director namely Sh. Pankaj Sharma,
6. Amendment copy of Importer -Exporter Code (IEC),
7. List of Present Directors / Share holder in the company,
8. Copy of the Board Resolution & Copy of Form-32/DIR-12

However, Unit has intimated about change of Director / Shareholding after delay of more than 2 years which is violation of condition No. 19 of Bond-cum-LUT.

Ravi Kumar Singh

Shri Pankaj Sharma, Director appeared before the Approval Committee on behalf of the unit and explained the proposal.

It was informed to the Approval Committee that recently the BOA in its 69th meeting held on 23.02.2016 has inter alia decided that **Rule 74A shall not apply to SEZ Units that do not exit or opt out of the SEZ Scheme** by transferring its assets and liabilities to another person and the SEZ Unit continues to operate as a going concern in the situations such as change of name, court approval mergers/ de-mergers, slump sale, change of constitution from proprietorship to partnership & vice-versa, change of constitution from public limited company to private / limited liability company & vice-versa, company to partnership & vice-versa, **change in shareholding up to 50 per cent**, etc. and not opting out / exiting out of the SEZ Scheme. The UACs concerned may consider such requests under Rule 19(2) of the SEZ Rules, 2006.

Further, BOA also explained that certain acquisitions happen globally as a result of Business Transfer Agreement which result in transfer of the SEZ unit of the Indian company on a going concern basis to the acquirer and such cases resulting in change of ownership would be decided on merits by BOA on a case to case basis.

The Approval Committee observed that the change in shareholding of the company is less than 50% and major shareholding still remains with Original Promoter / Companies.

After due deliberations, the Approval Committee approved the above changes i.e Change of Name of the Company from M/s Shinning Beads Pvt. Ltd. to M/s Jewellery Forest Pvt. Ltd. & also change of Directors & revised shareholding of the Company, as per guidelines issued by the Board of Approval in its 69th meeting held on 23.02.2016, subject to execution of revised Bond-Cum-LUT by the unit.

4(i). Goods removed on sub-contracting under Rule 41(1) & 42(1) of SEZ Rules, 2006 and brought back in the unit without intimation/verification by the Customs Officers in SEZ –reg

It was informed to the Approval Committee that M/s. Derewala Jewellery Mfg. Co, Ltd. Plot No. F-24,G1-25-26, SEZ-I, total area 4620 sqm. has been granted LOA No. 1-42-SEZ-I (J) Proj/423 dated 01.06.2006 for Manufacture Silver Jewellery Plain & Studded with Precious & Semi Precious Stones Diamonds, Gold Jewellery Plain & Studded With Precious & Semi Precious Stones Diamonds, Cut & Polished of Precious, Semi Precious Stones & Diamonds, Stone Jewellery of Precious & Semi Precious, Plain & Studded Jewellery of Copper, Brass, Bronze, Tin, German Silver, Zinc, Aluminium and other base metal. The unit has started export production on 01.07.2008. LOA is valid up to 29.06.2018.

The Export performance of the unit for last five years is as under:

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (upto 31.10.17)	Total
FOB Value of Export	1563.54	868.66	1221.20	1362.21	1619.90	1167.42	7802.93
Foreign Exchange out go	133.82	97.56	518.30	559.37	337.34	194.15	1840.80
NFE earnings for last five years (1)– (2)	1429.72	771.10	702.90	802.84	1282.56	973.27	5962.13

Ravi Kumar

The Proposal was placed in Approval Committee meeting held on 22.09.2017 & 23.11.2017. UAC decided to defer the proposal and directed Specified Officer (Customs) to submit the above proposal with full facts / documents in the Approval Committee Meeting.

Specified Officer (Customs),JSEZ has informed that M/s Derewala Jewellery Mfg. Co. Ltd, has removed goods for sub- contracting and brought them back in the unit without intimation/ verification by the Customs officers Investigation in the matter was carried out by this office and after verifying the facts of the case and submission made by the unit, it was found that the goods namely Silver Bar were removed out of the SEZ for Job work in DTA on 30.04.2016. The Job works was completed and the unit authorized representative filed Challan for the processed goods for return of the same on 03.05.2016 against the sub-contracting invoice no J/03/16-17 dated 02/05/2016 and goods were dispatched from the sub-contractor premises on 05.05.2016 and received in the unit on 05.05.2016 without verification of the same by the Authorized Officer at the Gate as required in Rule 42 (i) (g) of the SEZ Rules, 2006. The summary of the above are as under:-

Item sent for Job work in DTA	Date of Removal	Date of Receipt	Delay, if any
Silver Bar 33008 Grams	30.04.2016	05.05.2016	NIL

M/s. Derewala Jewellery Mfg. Co Ltd removed goods for sub- contracting and brought back the goods in the unit without intimation/ verification by the Customs officers thereby violating Rule 41(1) and 42(1) of SEZ Rules,2006 and this fact has been admitted by the unit. However, the unit has submitted that it happened inadvertently, due to the negligence of the newly appointed person of the unit who was not well conversant with the procedure.

It is also informed by Specified Officer, (Customs) that the unit in the past removed the goods for exhibition, export promotion and display under SEZ Rule 50 and 51. However, the same were not brought back within stipulated time period of 120 days. In eight such instances, Unit has paid duty along with interest as per the provision of SEZ Rule 51 (5), as per directions of the Specified Officer (Customs) in compliance of the procedure laid down in the SEZ Rules. Details are as under:-

Sr. No.	No. and date of challan outward movement.	Date on which one hundred and twenty days completed	Whether goods received in the Zone or not	T.R. 6 Challan No. and date	Amount of Duty (Rs.) deposited	Interest deposited (Rs.)
1.	0003/16-17 dt. 08.01.2016	07.05.2016	No	Nil dt. 29.06.2016	2148	190
2.	0008/16-17 dt. 09.02.2016	08.06.2016	No	Nil dt. 27.06.2016	7256	619
3.	00029/16-17 dt. 28.07.2016	27.11.2016	No	35 dt. 09.01.2017	6049	499
4.	00033/16-17 dt. 02.08.2016	01.12.2016	No	36 dt. 09.01.2017	2773	222
5.	00034/16-17 dt. 03.08.2016	02.12.2016	No	37 dt. 09.01.2017	3907	310
6.	00035/16-17 dt. 03.08.2016	02.12.2016	No	38 dt. 09.01.2017	1732	137
7.	00042/16-17 dt. 11.08.2016	10.12.2016	No	39 dt. 09.01.2017	2630	197
8.	00051/16-17 dt. 27.08.2016	26.12.2016	No	40 dt. 09.01.2017	1231	83

Ravi Kumar Singh

As directed by Approval Committee in its meeting held on 22.09.2017 & 23.11.2017 facts of the case of M/s. Derewala Jewellery, as received from Specified Officer (Customs) are placed before the Approval Committee for consideration.

However, no senior person appeared before the Approval Committee on behalf of the unit.

After due deliberations, Approval Committee deferred the proposal for next approval committee meeting with the direction that Director of the company should be invited in the meeting to present their case.

5(i).Sub:-Mis-declaration of the export article declared as gold Jewellery and diversion of imported gold from Sitapura SEZ, Jaipur by M/s DSR Overseas-reg.

It was informed to the Approval Committee that M/s DSR Overseas, has been granted LOA No. 2-1/2016-SEZ-II(J)Proj./310 Dated 23.06.2016, for setting up unit at Plot No H-54, (on rental basis, part portion of M/s Gem Excel SEZ-II, Sitapura, Jaipur) for Manufacturing of Gold Jewellery (Plain & Studded) with Gem Stones and other articles, Silver Jewellery (Plain & Studded) with Gem Stones and other articles. The unit commenced its operation w.e.f. 21.09.2016 and accordingly LOA is valid up to 20.09.2021.

2. The unit had executed Bond-cum-LUT on 01.07.2016, which was jointly accepted by the Specified Officer and this office and acceptance of the same was conveyed to the unit vide this office letter dated 11.07.2016.

3. Unit has not submitted APR for the F.Y. 2016-17 till date. As per (Customs) Section record Export / Import of the unit is as under:-

(Rs in Lacs)			
Year	2016-17	2017-18 (31.10.2017)	Total
Export	509.76	0.00	509.76
Import	704.08	0.00	704.08

4. It was informed to the Approval Committee that the Approval Committee in its meeting held on 22/09/2017 had reviewed the LOA issued to M/s. DSR Overseas in the wake of report of DRI about Diversion of duty free imported gold and contravention of provisions of SEZ Act, 2005, SEZ Rules 2006, Conditions of LOA and conditions of Bond-cum-LUT. The Approval Committee observed that M/s. DSR Overseas has been issued an LOA dated 23/06/2016 for Manufacturing & export of Gold/Silver Jewellery (Plain & Studded) with Gem Stones and other articles, inter-alia, subject to the following conditions:-

“(i) Condition No. (i) of Letter of Approval dated 23/06/2016 “You shall export the goods manufactured as per Provisions of the Special Economic Zones Act, 2005 and Rules made there-under for a period of five years from the date of commencement of production. For this purpose, you shall execute the Bond-cum-Legal Undertaking as prescribed under the Special Economic Zone Rules, 2006”.

“(ii) Condition No. (x) of Letter of Approval dated 23/06/2016 “You shall abide by the provisions of Special Economic Zones Act, 2005 and the Rules and orders/Instructions made there-under.”.

“(iii) Condition No. (xiv) of Letter of Approval dated 23/06/2016 “if you fail to comply with the conditions stipulated above, this Letter of Approval shall be cancelled as per the provisions of the Special Economic Zones Act, 2005 and the rules and orders made there-under”.

5. The unit had executed Bond-cum-LUT on 01/07/2016, which was jointly accepted by the Specified Officer and the Development Commissioner, NSEZ and acceptance of the same was conveyed to the unit vide

