

भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग  
विकास आयुक्त का कार्यालय  
नौएडा विशेष आर्थिक क्षेत्र  
नौएडा दादरी रोड, फेस-II, नौएडा.201305, जिला - गौतमबुद्ध नगर  
Government of India, Min. of Commerce & Industry, Deptt. of Commerce,  
Office of the Development Commissioner  
NOIDA SPECIAL ECONOMIC ZONE  
Noida Dadri Road, Phase-II, NOIDA-201305, Distt. Gautam Budh Nagar (UP)

फा. सं.10/13/2006 -प्रोज/

दिनांक: 08/08/2016

सेवा मे,

1. मुख्य कार्यपालक अधिकारी, न्यू ओखला औद्योगिक विकास प्राधिकरण, मुख्य प्रशासनिक भवन, सेक्टर - 6, नोएडा।
2. अतिरिक्त महानिदेशक विदेश व्यापार, वाणिज्य एवं उद्योग मंत्रालय, 'ए' विंग, इंद्रप्रस्थ भवन, आई पी एस्टेट, नई दिल्ली ।
3. आयुक्त, आयकर, ए 2 डी, आयकर भवन, सेक्टर 24, नोएडा ।
4. आयुक्त, सीमा शुल्क, नोएडा सीमा शुल्क आयुक्तालय, इनलैंड कंटेनर डिपो, तिलपता, दादरी, गौतम बुद्ध नगर, उत्तर प्रदेश - २०१३०६.
5. निदेशक, वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली -110001।
6. उप सचिव (आई एफ-1), बैंकिंग प्रभाग, आर्थिक मामलों का विभाग, वित्त मंत्रालय, भारत सरकार, तृतीय तल, जीवन दीप बिल्डिंग संसद मार्ग, नई दिल्ली।
7. महाप्रबंधक, जिला उद्योग केंद्र, कलेक्ट्रेट के पास, सूरजपुर, ग्रेटर, नोएडा।

विषय: दिनांक 03/08/2016 को पूर्वाह्न 11:30 बजे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त - एतद संबंधी ।

महोदय,

मुझे उपरोक्त विषय का सन्दर्भ लेने और डॉ. एल बी सिंघल, विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता मे दिनांक 03/08/2016 को पूर्वाह्न 11:30 बजे सम्मेलन हॉल, प्रशासनिक भवन, नोएडा विशेष आर्थिक क्षेत्र, नोएडा मे आयोजित नोएडा विशेष आर्थिक क्षेत्र की यूनिट अनुमोदन समिति की बैठक का कार्यवृत्त अग्रेषित करने का निर्देश हुआ है ।

संलग्नक : उपरोक्त

भवदीय,



(राकेश कुमार)

उप विकास आयुक्त

प्रतिलिपि:

1. संयुक्त सचिव (एस.ई.जेड.), वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली - सूचनार्थ।
2. विशेष कार्याधिकारी - विकास आयुक्त के सूचनार्थ।
3. वैयक्तिक सहायक - संयुक्त विकास आयुक्त के सूचनार्थ।
4. निर्दिष्ट अधिकारी, नोएडा विशेष आर्थिक क्षेत्र - सूचनार्थ एवं आवश्यक कार्यवाही के लिए.
5. सहायक विकास आयुक्त, सम्पदा अनुभाग, नोएडा विशेष आर्थिक क्षेत्र, सूचनार्थ एवं आवश्यक कार्यवाही के लिए.

उप विकास आयुक्त

## Noida Special Economic Zone

(Minutes of Meeting of Approval Committee of Noida SEZ held on 03/08/2016)

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### Minutes of the meeting of the Approval Committee of Noida SEZ held under the chairmanship of Dr. L.B. Singhal, Development Commissioner (DC), Noida SEZ at 11:30 AM on 03/08/2016 in the Conference Hall of NSEZ.

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

- 1) Shri Rakesh Gupta, Addl. Commissioner, Customs, Noida Commissionerate.
- 2) Shri S.S. Shukla, Jt. Development Commissioner, NSEZ.
- 3) Shri Mahabir, Dy. Commissioner, Customs, Noida Commissionerate.
- 4) Shri Sukhbir Singh Badhal, Asstt. DGFT, CLA, New Delhi.
- 5) Ms. Sandhya Maurya, Income Tax Officer, Income Tax Deptt., Noida.
- 6) Dr. B. B. Awasthi, Regional Officer, UPPCB, Noida.
- 7) Mukesh Goyal, Associate Architect, (Rep. of Noida Authority).

2. Besides, during the meeting S/Shri (i) Rakesh Kumar, Dy. Development Commissioner, NSEZ, (ii) A.K. Srivastava, Specified Officer, NSEZ, (iii) R.P. Verma, Asstt. Development Commissioner, NSEZ, (iv) Rajendra Mohan Kashyap, PA to JDC, NSEZ, (v) G.P. Singh, SDO, UPPCL and, (vi) Kapil Muni, JE, UPPCL, Noida were also present to assist the Approval Committee.

3. 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 as well as interaction with the applicants / representatives of the units, the following decisions were taken:-

#### **(i) Ratification of Minutes of last meeting of the Approval Committee held on 08/07/2016:-**

It was informed that no reference against the decisions of the Approval Committee held on 08/07/2016 was received and therefore, Minutes of the meeting held on 08/07/2016 were ratified.

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

**1. Proposal of M/s. Shri Lal Mahal Ltd. for setting up a new Unit in NSEZ.**

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ to undertake the manufacturing & export of (i) Spices & its allied products; (ii) Ginger, Oleo Resins and its allied products, Saffron and its allied products; (iii) Pan Masala and its allied products; (iv) Betel Nuts and its allied products; and (v) Pan Masala containing Tobacco, Pan Masala containing Readymade Gutkha (Tobacco), processing of Tobacco Leaves, Cigarettes, Cigars and its allied products with projected exports of Rs. 10000 Lakhs and the NFE of Rs. 975 Lakhs over a period of five years.

No one from the company appeared for the meeting. The Approval Committee observed that the proposed activities relate to different sectors and manufacturing & export of unrelated products cannot be granted in single LOA. Hence, the Approval Committee was of the view that applicant needs to apply for separate LOA for different sectors i.e. (a) one for items indicated at (i) & (ii) of preceding para and (b) other for items indicated at (iii), (iv) & (v) of preceding para. It was informed to the Approval Committee that as per prevailing Industrial Licensing Policy notified vide Notification No.477(E) dated 25-7-1991- Cigars and Cigarettes of tobacco and manufactured tobacco substitutes falling under ITC(HS) 24.02 are under compulsory Industrial Licensing, for which the applicant is required to get approval of BOA under section 9 of SEZ Act 2005 and obtain Industrial Licence.

It was further informed to the Approval Committee that the Govt. of Uttar Pradesh vide Notification No. 6288/FSDA/FOOD/2012 dated 04/10/2012 in pursuance of Regulation 2.3.4 of the Food Safety and Standards (Prohibition and Restrictions on Sales) Regulation 2011, has prohibited, w.e.f. 1<sup>st</sup> April 2013, in the state of Uttar Pradesh, the manufacture, storage, sale or distribution of Gutkha and Pan Masala containing tobacco or nicotine as ingredients, by whatsoever name it is available in the market.

The Approval Committee further observed that the activity of manufacturing & export of Pan Masala, Gutkha, Cigarettes, Cigars and other tobacco products do not reflect in the

objective of Memorandum of Association of company, which needs to be incorporated first.

It was informed to the Approval Committee that the applicant has been requested to rectify the shortcomings observed in their application, which are still awaited.

The Approval Committee deferred the matter as no one from the company appeared for the meeting with the direction to communicate the above observations to the applicant.

**2. Proposal of M/s. Labhanshi International for setting up a new Unit in NSEZ.**

It was informed to the Approval Committee that the applicant has proposed to set up a new unit in NSEZ to undertake the manufacturing & export of Handmade/Machine made Plain Gold Jewellery with projected exports of Rs. 43217 Lakhs and the NFE of Rs. 2103.97 Lakhs over a period of five years.

Shri Nihit Pandya, proprietor of the firm appeared before the Approval Committee to explain the project. He informed that currently he is undertaking activities related to trading of Buttons & Laces, wherein they import the goods from China and sell the same in the DTA market. He further informed that he has no experience of Jewellery manufacturing business. Regarding experience of relevant business is concerned, he mentioned that he had exported one consignment of USD 4-5 thousand in the year 2010. Due to lack of response, he discontinued export business.

It was informed to the Approval Committee that jurisdictional Excise in respect of M/s. Labhanshi International in Jaipur and Delhi have been requested to verify the credentials of the said firm and send verification report. Responses are awaited.

The Approval Committee, after due deliberation, decided to defer the proposal to its next meeting. Meanwhile, Central Excise may be requested to expedite verification report. The Approval Committee further directed that a copy of letter sent to jurisdictional Excise may also be forwarded to the Shri Mahabir, Dy. Commissioner, Customs, Noida Commissionerate for getting the verification report expedited.

**3. Proposal of M/s. Dialmaz Exports for inclusion of additional authorized operations in LOA.**

It was informed to the Approval Committee that M/s. Dialmaz Exports has submitted a proposal for inclusion of additional items i.e. Repair/Remelting/Remaking of outdated jewellery/broken jewellery/old jewellery in their authorized operations.

Shri Sushil Jain, Partner appeared before the Approval Committee. He informed that they have been working in the zone since 2009 and have a good track record. He informed that their customers have approached them for repair/remaking/remelting of outdated/old jewellery. He further stated that initially they will carry out approx. 5-10% of such activity in comparison to the present manufacturing & export of Plain/studded gold jewellery.

It was informed to the applicant that as per DOC's letter dated 19.07.2013, the jewellery units are required to achieve value addition of 3% for plain jewellery and 5% for studded jewellery. In the FTP, 2015-20 the said value addition has been enhanced and now jewellery units are required to achieve value addition of 3.5% for plain jewellery. The value addition norms for studded jewellery have been revised as 6% if coloured gems are used and 7% if diamonds are used. Further, it was informed that earlier another jewellery unit viz. M/s. M.D. Overseas had submitted a proposal to allow manufacture and export of all permissible Gem & Jewellery items under Para 4.61 of HBOP, 2015-20 as under:-

Sl No	Items of export	Minimum Value Addition
a)	Plain gold jewellery, Articles, and ornaments like Mangalsutra containing gold and black beads / imitation stones, except in studded form of jewellery.	3.5 %
b)	All types of Studded gold	6.0% (for those studded with coloured Gem stones) and 7.0% (for those studded with diamonds).
c)	Any jewellery / articles manufactured by fully mechanised process	2.0 %
d)	Gold medallions & coins (excluding coins of nature of legal tender)	1.5 %

e)	Gold / silver / platinum findings / mountings manufactured by mechanised process	2.5 %
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In response to the aforesaid reference, DOC vide letter dated 11.08.2015 has clarified that in view of the instructions issued vide letters dated 25.04.2013 and 19.07.2013, the request of M/s. M.D. Overseas Ltd. allowing manufacturing and exporting all permissible Gem & Jewellery items under FTP may not be accepted. Thus as per DOC letter dated 11.08.2015 read with their earlier letters dated 25.04.2013 & 19.07.2013 only two activities in the jewellery sector indicated at (a) and (b) above are permitted in SEZ. The Deptt. of Commerce in its another instruction No. 51 has prescribed guidelines to be followed by the units engaged in the repair/remaking of jewellery. It was informed to Shri Jain that the said guidelines as well as the prescribed value addition norms shall also be applicable on the activities of repair & remaking of old Gold/Silver (plain & studded) Jewellery. Shri Jain agreed to comply with the same.

The Approval Committee, after due deliberations, approved the proposal of unit for inclusion of Repair/Remelting/Remaking of outdated jewellery/broken jewellery/old jewellery in their authorized operations, subject to following condition:

- i) Unit will be required to achieve value addition for Repair/Remelting/Remaking of outdated jewellery/broken jewellery/old jewellery not less than 3.5% for plain jewellery and 6.0% (for those studded with coloured Gem stones) & 7.0% (for those studded with diamonds) as per Para 4.61(a) of Handbook of Procedure 2015-2020 or as amended from time to time.
- ii) Unit shall strictly comply with Instruction No. 51 issued by Deptt. of Commerce and maintain separate records of such unused, used or broken jewellery being brought for remelting, remaking and repairs, under separate headings indicating the description and quantity and linking it with the import documents. The unused/used and broken jewellery being brought in as raw material for remelting, remaking and repairing has to be stored separately and the quantities in stock as per the requirement prescribed hereinabove should tally with the stock challan/stock taking by the proper officer.

**4. Proposal of M/s. Divya Creations (Unit-II) for inclusion of additional authorized operations in LOA.**

It was informed to the Approval Committee that M/s. Divya Creations (Unit-II) has submitted a proposal for Manufacturing & Export of Platinum Jewellery Plain & Studded with diamonds & precious stones in their authorized operations. It was further informed that unit has commenced its export production w.e.f. 10/09/2015.

Shri Sumit Gupta, Partner appeared before the Approval Committee. He informed that he has another unit in the same name which is working since 2003 in NSEZ. He further informed that turnover of Unit-I is approx. 57 Crores. He also mentioned that currently 160 employees are working in Unit-I and 28 employees in Unit-II.

It was informed to the applicant that as per DOC's letter dated 19.07.2013, the jewellery units are required to achieve value addition of 3% for plain jewellery and 5% for studded jewellery. In the FTP, 2015-20 the said value addition has been enhanced and now jewellery units are required to achieve value addition of 3.5% for plain jewellery. The value addition norms for studded jewellery have been revised as 6% if colored gems are used and 7% if diamonds are used. Further, it was informed that earlier another jewellery unit viz. M/s. M.D. Overseas had submitted a proposal to allow manufacture and export of all permissible Gem & Jewellery items under Para 4.61 of HBOP, 2015-20 as under:-

Sl No	Items of export	Minimum Value Addition
a)	Plain gold jewellery, Articles, and ornaments like Mangalsutra containing gold and black beads / imitation stones, except in studded form of jewellery.	3.5 %
b)	All types of Studded gold	6.0% (for those studded with coloured Gem stones) and 7.0% (for those studded with diamonds).
c)	Any jewellery / articles manufactured by fully mechanised process	2.0 %
d)	Gold medallions & coins (excluding coins of nature of legal tender)	1.5 %

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e)	Gold / silver / platinum findings / mountings manufactured by mechanised process	2.5 %
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In response to the aforesaid reference, DOC vide letter dated 11.08.2015 has clarified that in view of the instructions issued vide letters dated 25.04.2013 and 19.07.2013, the request of M/s. M.D. Overseas Ltd. allowing manufacturing and exporting all permissible Gem & Jewellery items under FTP may not be accepted. Thus as per DOC letter dated 11.08.2015 read with their earlier letters dated 25.04.2013 & 19.07.2013 only two activities in the jewellery sector indicated at (a) and (b) above are permitted in SEZ. It was informed to Shri Gupta that the prescribed value addition norms shall also be applicable on the activities of proposed activities i.e. Manufacturing & Export of Platinum Jewellery Plain & Studded with diamonds & precious stones. Shri Gupta agreed to comply with the same.

The Approval Committee observed that this office has sought some documents from the unit vide letter dated 15/07/2016, which are still awaited.

The Approval Committee, after due deliberations, approved the proposal of unit for inclusion of Manufacturing & Export of Platinum Jewellery Plain & Studded with diamonds & precious stones in their authorized operations, subject to receipt of documents/clarifications called for vide this office letter dated 15/07/2016.

**5. Proposal of M/s. Gujeswori Apparels for change of constitution of firm.**

It was informed to the Approval Committee that M/s. Gujeswori Apparels has been issued LOA dated 17/04/2003 for manufacturing & export of Readymade Garments. It was further informed that LOA of the unit was cancelled vide Order-in-Original dated 23.01.2015. The promoters had preferred an appeal against the above said order which was heard by the BOA and remanded back to DC, NSEZ to reconsider the request of the appellant. The Approval Committee in its meeting held on 07/10/2015 decided to renew the LOA with the conditions that i) the date of commencement of production shall be intimated afresh, ii) business shall be started within six months from the date of renewal and iii) if unit fails to start production in the stipulated time period, it will surrender the Plot to NSEZ Authority, etc. Accordingly, LOA of the unit was renewed on 29/10/2015 for