
JAIPUR SPECIAL ECONOMIC ZONE

Minutes of the meeting of the Approval Committee (UAC) of Jaipur SEZ held under the Chairmanship of Dr. L.B. Singhal, Development Commissioner, NSEZ on 23/01/2017 at 10.30 AM, in RIICO Board Room, Udyog Bhawan, Jaipur.

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

1. Shri R.P. Meena, Jt. DGFT, Udyog Bhawan, Jaipur
2. Shri P.R. Sharma, Dy. Director Industries, Jaipur.
3. Shri R.K. Gupta, Chief General Manager, RIICO Ltd. Jaipur
4. Shri Dinesh Pahadia, Additional General Manager, RIICO Ltd. Jaipur
5. Shri Jitendra Kumar Sharma, Supdt. Central Excise Jaipur-I.
6. Representative of SEZ Developer (RIICO) / Units

2. Besides, during the meeting i) Shri Prakash Chand Upadhyay, ADC, Noida ii) Shri H.K. Meena, ADC, iii) Shri J.C. Gupta, Specified Officer (Customs) and iv) Shri R.K. Singh Ruhilla, Sr. Regional Manager, RIICO 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 amongst the members of Approval Committee as well as based on interaction with the applicants / representatives of the developers / units, the following decisions were taken:-

(i). 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 09.12.2016 was received and therefore, Minutes of the meetings of Approval Committee held on 09.12.2016 were ratified.



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

(2) (i) Application of M/s Shokeen Jewellers Pvt. Ltd. for setting up a SEZ unit at Plot No. F-30, SEZ-II, Sitapura, Jaipur (Rajasthan) on rental premises.

It was brought to the notice of Approval Committee that M/s Shokeen Jewellers Pvt. Ltd, had submitted a proposal for setting up a unit over an area of 1855 Sqft. at Ground Floor of Plot No. F-30, SEZ-II, which has been proposed to be taken on rental basis from M/s Cosmos Gems Exports, an existing SEZ unit, for manufacturing & export of following items:-

S.No.	Item (s) description	Annual Capacity
1.	Gold Jewellery Plain	120 Kg.
2.	Gold Jewellery Studded with Gem Stones and other articles	120 Kg.
3.	Silver Jewellery Plain	120 Kg.
4.	Silver Jewellery Studded with Gem Stones and other articles	120 Kg.
5.	Brass and copper Jewellery Artificial Jewellery Plain	100 Kg.
6.	Brass and copper Jewellery Artificial Jewellery Studded	100 Kg.
7.	Cut & Polished Coloured Gems Stones (Precious and Semi Precious all Shapes)	250 Kg.
8.	Cut & Polished Synthetic Stones (all Shapes)	100 Kg.

It was informed that the applicant has shown projected exports of Rs. 44033.63 Lakhs and the NFE of Rs. 2447.24 Lakhs over a period of five years. It was further informed that the applicant has proposed investment of Rs. 35.00 Lakhs towards the value of imported capital goods for Rs. 20.00 Lakhs & indigenous capital goods for Rs. 15.00 Lakhs as well as requirement of imported raw material & indigenous raw material for Rs. 30384.00 Lakhs & Rs. 6076.80 Lakhs respectively. As per the project report the cost of project shall be met from the own Capital Rs. 62.20 Lakhs & from the promoter's capital.

It was further informed that the applicant has taken the premises measuring 1855 Sqft. at Ground Floor of Plot No. F-30, SEZ-II of M/s Cosmos Gems exports on rental basis for a period of six years for which NOC has been submitted from RIICO.

Shri Nishant Shokeen, Director, appeared before the Approval Committee on behalf of the applicant and explained the proposal.

After due deliberations, the Approval Committee deferred the proposal with the advice to the unit to submit the following documents / clarification :

- 1) Export turnover for the last 4 years in r/o existing DTA unit duly certified by the Chartered Accountant alongwith the detailed write up about the activities to be carried out in the proposed unit.
- 2) Future business plains.
- 3) Fulfilment of V.A. norms as prescribed in the FTP.

Unit also discussed in detail Rule 18(2) of the SEZ Rules 2006. The Rule 18(2) categorically provides that the Developer has to enter into a lease agreement with the entrepreneur after issuance of LOA by the Development Commissioner and a copy of such registered lease deed entered into between the developer and the entrepreneur is to be furnished to the Development Commissioner concerned within six months from the issuance of the LOA and on failure to do so the Approval Committee may take action to withdraw the LOA. In the light of this provision, it was advised to the unit that it should discuss the matter with the Developer i.e. RIICO whether the RIICO will be able to enter into such lease deed agreement and provide a copy of such registered lease deed.

Approval Committee also advised the representative of RIICO present in the meeting that they should examine this issue in detail and ensure that any unit for which provisional offer of space is provided in terms of Rule 18(2) by the RIICO, RIICO and the unit comply with the requirement as given in the Rule 18(2) of SEZ Rules, 2006.

(3) (i) Proposal of M/s Shree Arnav Jewellery Pvt. Ltd, for Renewal of LOA No. 2-185-SEZ-II (J) Proj. 841 dated 20.03.2009 for remaining period of five years.

It was informed to the Approval Committee that M/s. Shree Arnav Jewellery Pvt. Ltd, has submitted proposal for renewal of LOA dated 20.03.2009 for next five years beyond 31.01.2017. It was informed that the unit has started export production on 02.01.2012. Accordingly, first five years of operation of the unit shall be completed on 01.01.2017. It was informed that the Development Commissioner, Noida had extended the validity period of LOA for a period of one month i.e. up to 28.02.2017. Subject to the condition that further extension of LOA shall be considered in the next Approval Committee after monitoring the value addition / export performance of the unit.

Shri Deepak, GM, appeared before the Approval Committee on behalf of the unit and explained the proposal.

After due deliberations, the Approval Committee decided to renew the LOA for remaining period (i.e. up to 01.01.2022. subject to execution of revised Bond-Cum-Legal Undertaking by the unit.

(3) (ii) Proposal of M/s Bairaj International, for Renewal of LOA No. 2-167-SEZ-II (J) Proj. 1641 dated 17.10.2007 for remaining period of five years.

It was informed to the Approval Committee that M/s. Bairaj International has submitted proposal for renewal of LOA dated 17.10.2007 for next five years beyond 10.10.2015. It was informed that the unit has completed first five years of operation on 10.10.2015. and thereafter Approval Committee in its meeting held on 22.01.2016 had extended the validity period of LOA for a period upto 21.01.2017, subject to condition that further extension of LOA will be considered only after satisfactory performance of the unit during the extended period. The Approval Committee was informed that unit has made export of Rs. 1.72 Lacs during the extended validity period of LOA (i.e. form 27.01.2016 to 13.01.2017).



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

After due deliberations, the Approval Committee decided to renew the LOA for a period of six month i.e. upto 20.07.2017 with the direction that further extension of LOA will be considered only after Satisfactory performance of the unit during the extended period failing which their LOA shall be liable to be cancelled under section 16 of the SEZ Act, 2005.

(4) (i) Request for establishment of Creche in the basement of factory premise-reg.

It was informed to the Approval Committee that M/s. Vaibhav Global Limited, has submitted proposal for establishment of Creche for infants / toddlers of their employee in the basement of factory of the plot No. E-1, & E-2, SEZ-II, Sitapura, Total employee in the unit as on 31.12.2016 is 815 Nos nos (i.e Male 776 and Female 39)

The RIICO (Developer) has informed vide their letter dated 22/12/2016 that the request of unit will be considered after approval of UAC.

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

After due deliberations, the Approval Committee approved the proposal in terms of Rule 11 (5) of SEZ Rules, 2006 subject to the condition for exclusive use by the employees of its unit.

5(i) M/s M.S. Modi & Sons-Review of Exports Performance-reg.

It was brought to the notice of the Approval Committee that the performance of the unit was reviewed by Approval Committee in its meeting held on 11.06.2015, 23.11.2015, 22.04.2016, 21.10.2016 and 23.01.2017. Promoters of the unit were called vide letters dated 04.06.2015, 16.11.2015, 13.04.2016, 13.10.2016 and 17.01.2017 for personal hearing before the Approval Committee for review of the performance of the unit.

Shri Nirmal Kumar, Partner of M/s M.S. Modi & Sons, appeared before the Approval Committee and explained his business plans.

The Performance of the unit was reviewed in terms of Rules 54 of SEZ Rules, 2006 and the Approval Committee noted that the unit had not made any export during the last five / six years. details of which are as under:-

Year	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 (up to 31.12.16)	Total
FOB Value of Export	83.68	324.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	408.43
Foreign Exchange out go	52.84	191.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	244.55
N. F.E. earning for last five year (1)- (2)	30.84	133.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	163.88



After due deliberations, the Approval Committee directed the representative of the unit that this is the last opportunity given to them to re-start their export activity. The Approval Committee further decided that the export performance of the unit shall be reviewed in the month of July-2017 and if the unit performance is not found satisfactory during the said stipulated period than the Approval Committee may take further action, as deemed fit, including cancellation of LOA under section 16 of the SEZ Act, 2005

5(ii) M/s H.K. Exports-Review of Exports Performance-reg.

It was brought to the notice of the Approval Committee that the performance of the unit was reviewed by Approval Committee in its meeting held on 23.11.2015, 22.04.2016, 17.06.2016, 21.10.2016 and 23.01.2017. Promoters of the unit were called vide letter dated 16.11.2015, 13.04.2016, 07.06.2016, 13.10.2016 and 17.01.2017 for personal hearing before the Approval Committee for review of the performance of the unit.

Ms. Kesar Khan, General Manager, of M/s H.K. Exports appeared before the Approval Committee and explained his business plans.

The Performance of the unit was reviewed in terms of Rules 54 of SEZ Rules, 2006 and the Approval Committee noted that the unit had not made any export during the last five / six years. details of which are as under:-

Year	2012-13	2013-14	2014-15	2015-16	2016-17 (31.12.16)	Total
FOB Value of Export	<u>1.02</u>	0.00	0.00	0.00	0.00	<u>1.02</u>
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00
Net Foreign Exchange earnings for last five year (1)– (2)	1.02	0.00	0.00	0.00	0.00	1.02

After due deliberations, the Approval Committee directed the representative of the unit that this is the last opportunity given to them to re-start their export activity. The Approval Committee further decided that the export performance of the unit shall be reviewed in the month of June-2017 and if the unit performance is not found satisfactory, during the said stipulated period than the Approval Committee may take further action, as deemed fit, including cancellation of LOA under section 16 of the SEZ Act, 2005

5(iii) M/s A-One Jewellery -Review of Exports Performance-reg.

It was brought to the notice of the Approval Committee that the performance of the unit was reviewed by Approval Committee in its meeting held on 21.09.2015, 19.10.2015, 17.06.2016 and 23.01.2017. Promoters of the unit were called vide letter dated 15.09.2015, 12.10.2015, 07.06.2016, and 17.01.2017 for personal hearing before the Approval Committee for review of the performance of the unit.



However, the unit vide its letter dated 23.01.2017 has informed and requested that since there is a marriage function in the family and they may kindly be exempted to appear in person before the Approval Committee.

After due deliberations, Approval Committee deferred the case for next Approval Committee meeting and agreed to their request. .

5(iv) M/s Kaypee exports -Review of Exports Performance-reg.

It was brought to the notice of the Approval Committee that the performance of the unit was reviewed by Approval Committee in its meeting held on 22.01.2016, 22.04.2016,17.06.2016, and 23.01.2017. Promoters of the unit were called vide letters dated 15.01.2016, 13.04.2016, 07.06.2016 and 17.01.2017 for personal hearing before the Approval Committee for review of the performance of the unit.

Shri Om Shankar, Accountant, on behalf of M/s Kaypee Exports, appeared before the Approval Committee and explained his business plans.

The Performance of the unit was reviewed in terms of Rules 54 of SEZ Rules, 2006 and the Approval Committee observed that the unit had not made any export during 2014-15 to 2015-16. The Approval Committee further observed that unit has made an export of Rs. 0.55 Lakhs for the year 2016-17 (i.e. upto 31.12.2016). Details of which are as under:-

Year	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 (up to 31.12.16)	Total
FOB Value of Export	528.19	530.03	334.67	116.70	0.00	0.00	0.55	1510.14
Foreign Exchange out go	1.28	0.00	10.42	0.00	0.00	0.00	0.00	11.70
N. F.E. earning for last five year (1)- (2)	526.91	530.03	324.25	116.70	0.00	0.00	0.55	1498.44

After due deliberations, the Approval Committee directed the representative of the unit that this is the last opportunity given to them to improve their export performance. The Approval Committee further decided that the export performance of the unit shall be reviewed in the month of June-2017. Approval Committee directed the representative of the unit to submit a letter to the ADC & Specified Officer updating present status of their case. Approval Committee further directed the ADC & SO to look into the matter.

5(v) M/s Mehra AKM Exports-Review of Exports Performance-reg.

It was brought to the notice of the Approval Committee that the performance of the unit was reviewed by Approval Committee in its meeting held on 22.01.2016, 15.07.2016 and 23.01.2017. Promoters of the unit were called vide letter dated 15.01.2016, 08.07.2016 and 17.01.2017 for personal hearing before the Approval Committee for review of the performance of the unit.



However, no one from the unit appeared before the Approval Committee to explain the status of the unit.

After due deliberations, Approval Committee deferred the case for next Approval Committee as no one appeared before the Approval Committee.

(6) MONITORING OF CASE UNDER RULE 19(6) of SEZ Rules, 2006

The performance of the following units were reviewed by the Approval Committee in terms of Rule 54 of SEZ Rules, 2006:-

(Rs. in Lakhs)

S. No.	Name of Unit	LOA date/ Date of Production	1 st Five year completed	Extension granted upto	Export For 1 st five years	Import For 1 st five years	Pending realization (BRC)	Empl-oyment
(i)	M/s Dhamani Exports	01.11.2003/ 30.10.2006	28.10.2016	28.10.2021	718.02	92.33	NIL	18
(ii)	M/s Raj Kumar Jain	01.11.2003/ 30.10.2003	29.10.2016	29.10.2021	566.41	11.26	NIL	14
(iii)	M/s Sambhav Jewels	04.06.2004/ 04.11.2006	03.11.2016	03.11.2021	5743.59	3245.00	NIL	162

It was observed that the above units had achieved positive NFE and the Development Commissioner had granted extension for a further period of five years, in terms of Rule 19(6) of SEZ Rules, 2006.

After due deliberation, the Approval Committee took note of the performance of the above units.

Meeting ended with a vote of thanks to the chair


Dr. L.B. Singhal
Development Commissioner