MINUTES OF THE UAC GEMS & JEWELLERY SEZ SITAPURA, JAIPUR DATED 18.02.2021

जयपुर विशेष आर्थिक क्षेत्र

श्री ऐ. बिपिन मेनन, विकास आयुक्त, नौएडा की अध्यक्षता में वीडियो कॉन्फ्रेसिंग के माध्यम से दिनांक 18.02.2021 को प्रातः 11:30 बजे आयोजित की गयी अनुमोदन समिति की मीटिंग का कार्यवृत्त ।

इस मीटिंग में निम्नलिखित सदस्य उपस्थित थे

1. श्री पी. आर. शर्मा संयुक्त निदेशक उद्योग विभाग, राजस्थान जयपुर ।
2. श्री सी० के० मिश्रा, संयुक्त निदेशक विदेश व्यापार, जयपुर।
3. श्री राजेश कुमार, उप विकास आयुक्त, नौएडा |
4. श्रीमती पारुल सिंघल, उपायुक्त, सी. जी. एस. टी. जयपुर-प्रथम ।
5. श्री सुनीत माथुर मुख्य महाप्रबंधक, रीको, जयपुर।
6. श्री प्रहलाद राय, उपप्रबंधक, रीको, जयपुर ।

उपरोक्त सदस्य के अलावा 1) श्री ऐ. के. मीना, उपायुक्त (सीमा शुल्क), सेज सीतापुरा, जयपुर 2) श्री एच. के. मीना, सहायक विकास आयुक्त, सेज सीतापुरा, जयपुर 3) श्री वी. के. विजय, वरिष्ट क्षेत्रीय प्रबंधक, रीको, सीतापुरा, जयपुर भी उपस्थित थे | यह बताया गया कि कोरम पूरा है और मीटिंग को शुर किया जा सकता है |

शुरुआत में अध्यक्ष ने प्रतिभागियों का स्वागत किया। संक्षिप्त परिचय के बाद एजेंडा में शामिल प्रत्येक विषयों को एक-एक करके विचार-विमर्श के लिए लिया गया | अनुमोदन समिति के साथ-साथ विकासकर्ता/इकाईयों के आवेदकों/प्रतिनिधियों के साथ बातचीत के बीच विस्तृत विचार-विमर्श के बाद निम्नलिखित निर्णय लिए गए |

कार्य सूची सं. 1 : स्वीकृति समिति की दिनांक 21.01.2021 की बैठक के कार्यवृत्त का पुष्टिकरण:-

It was informed that no reference against the decisions of the Approval Committee held on 21/01/2021 was received from any of the members of the Approval Committee or Trade, therefore Minutes of the meetings of Approval Committee held on 21/01/2021 were unanimously ratified.

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(...ESH KUMAR)
...Commissioner
...Zone

कार्य सूची सं. :- 2 अनुमोदन पत्र के नवीनीकरण का प्रस्ताव:

2.1 मेसर्स बैराज इंटरनेशनल,

2.1.1 The unit started export production on 11.10.2010. Accordingly, 2nd block of five years of operation of the unit completed on 10.10.2020. Approval Committee Meeting held on 12.10.2020 has considered the proposal for renewal of LOA further wherein it was observed that enough opportunities have been given to the unit to show export activity. There was no export from the unit during 2015-16, 2017-18 & 2018-19. Only in F.Y. 2016-17 an export of Rs. 1.72 Lakhs had been made. In light of the dismal export performance of the unit, the Committee felt that there is no use to keep the SEZ assets blocked without any economic activity and hence unanimously decided not to renew the LOA. The unit was asked to complete exit formalities.

2.1.2. In November 2020, M/s Bairaj International, appealed to Board of Approval (BOA) against the decision taken by the Approval Committee in its meeting held on 12.10.2020. The proposal of M/s Bairaj International was placed in BOA on 27.11.2020. After deliberations, decided to remand the case back to UAC for verification of claim of substantial investment made, past export performance as well as availability of export orders and re-consideration of their proposal for renewal of LOA.

2.1.3 The unit vide its letter dated 15.12.2020 provided details of the investment in land & building as below.

(Rs. In Lakhs)

Investment in the Land of plot No. H-166, SEZ-II, Sitapura, Jaipur	24.51
Investment in Building	23.95
Total	48.46

i) Details of the Investment in Plant & Machinery :-

(Rs. In Lakhs)

Investment in the plant & machinery (Imported)	1.65
Investment in the plant & machinery (Indigenous)	7.65
Total	9.30

ii) Details of past export performance

1st block-

(Rs. In Lakhs)

Year	2010-11	2011-12	2012-13	2013-14	2014-15	Total
Export	0.79	9.28	29.54	30.93	6.90	77.44
Import	0.00	7.88	18.93	0.00	0.00	26.81
NFE	0.79	1.40	10.61	30.93	6.90	50.63

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2nd Block-

(Rs. In Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	Up to 10.10.2020)	Total
Export	0.00	1.72	0.00	0.00	0.00	0.00	1.72
Import	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE	0.00	1.72	0.00	0.00	0.00	0.00	1.72

iii) The unit has provided a copy of Purchase Order dated 15.09.2020 for USD 23,125.00.

2.1.4 The unit had given export projections for the last five years as below:

(Rs. In Lakh)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	Total
FOB Value of Export	10.00	300.00	350.00	400.00	450.00	1510.00
Foreign Exchange out go	2.00	240.00	280.00	320.00	360.00	1202.00
NFE earnings for last five years (1)–(2)	8.00	60.00	70.00	80.00	90.00	308.00

2.1.5 Projected foreign exchange balance sheet for next five years are as under:

(Rs. in Lakh)

Year	2020-21	2021-22	2022-23	2023-24	2024-25	Total
FOB Value of Export	100.00	120.00	150.00	170.00	200.00	740.00
Foreign Exchange out go	40.00	48.00	60.00	68.00	80.00	296.00
NFE Exchange earnings for next five year (1)– (2)	60.00	72.00	90.00	102.00	120.00	444.00

2.1.6 Shri Pranay Kandira, Partner, appeared before the Approval Committee through video conferencing on behalf of the unit and explained the proposal. Shri Kandira informed that the unit has export orders in hand and also some buyers have shown interest from which they will get additional orders.

2.1.7 After due deliberations, the Approval Committee unanimously decided to extend validity of the LOA i.e. up to 31.03.2021 only. Further it was decided that Specified Officer, JSEZ, will submit an inspection report of Investment in land/plant and Machinery / Employment etc. of the Company. It was also decided that buyer details will be verified from Embassy of India, Tokyo (Japan). The unit was also directed to strive for enhancing export performance as per the projection given by it for the year 2020-21. The unit will execute revised Bond-Cum-Legal Undertaking for the extended period.

2.2 मेसर्स श्री कल्याण इंटरप्राइजेज,

2.2.1 The unit started export production on 17.06.2010. Accordingly, 2nd block of five years of operation of the unit **completed on 19.10.2015.** UAC extended the validity period of LOA for next five years upto 15.06.2020, subject to the condition that further extension of LOA will be considered only after satisfactory performance during the extended period.

2.2.2 Projection given by the unit was:-

(Rs. in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	Total
FOB Value of Export	45.00	60.00	55.00	80.00	105.00	345.00
Foreign Exchange out go	15.00	20.00	18.00	45.00	73.00	171.00
NFE Exchange earnings for next five year (1)– (2)	30.00	40.00	37.00	35.00	32.00	174.00

2.2.3 The performance of the unit is as below:-

(Rs. in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21(upto 15.06.21)	Total
FOB Value of Export	0.00	0.00	10.15	0.00	0.00	0.00	10.15
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE Exchange earnings for next five year (1)– (2)	0.00	0.00	10.15	0.00	0.00	0.00	10.15

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2.2.4 The unit has submitted projected foreign exchange balance sheet for next five years, as under:-

(Rs. in Lakhs)

Year	2020-21	2021-22	2022-23	2023-24	2024-25	Total
FOB Value of Export	15.00	21.00	30.00	35.00	42.00	143.00
Foreign Exchange out go	5.00	7.00	11.00	15.00	18.00	56.00
NFE Exchange earnings for next five year (1)– (2)	10.00	14.00	19.00	20.00	24.00	87.00

2.2.5 Shri Jinendra Jain, Partner, appeared before the Approval Committee through video conferencing on behalf of the unit and explained the proposal. The committee observed that the unit has made export of Rs 10.15 lakh only w. e. f. 01.04.2015 to 15.06.2020. The committee directed the unit to provide a write up on future plan in respect of the unit. On being asked by the committee, Shri Jain didn't give any specific time to resume export activities. He has also not given details of any export orders in hand.

2.2.6 Representative of the RIICO informed the Committee that the unit need to submit amended lease deed. The unit agreed to comply with the formalities.

2.2.7 After due deliberations, the Approval Committee unanimously decided to **defer** the proposal with the direction to the Specified Officer (Customs) JSEZ for verification of export /import & Investment, Machinery / Employment etc. The unit is advised to submit export orders from overseas buyers, if any. On receipt of report from the Specified Officer, the proposal be placed in the next UAC.

2.3 मेसर्स जेम लस्टर,

2.3.1 The unit started export production on 21.03.2015. Accordingly, 2nd block of five years of operation of the unit completed on 20.03.2020. The UAC in its meeting held on 18.05.2018 noted that Export performance is not satisfactory during the said stipulated period then the Approval Committee may not renew the LOA further. Shri Santosh Kala, Partner informed that they will try their best to achieve export targets or more than the targets if they don't face any unavoidable circumstance in future and also informed that they are unable to submit documents in time due to covid-19 pandemic, and our one partner is out of India for taking exports orders. Now two different export orders are in their hand which is of approx value USD 45200.00

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2.3.2 Projection given by the unit was:-

(Rs. in Lakhs)

Year	1st	2nd	3rd	4th	5th	Total
FOB Value of Export	409.98	491.85	573.86	573.86	573.86	2623.31
Foreign Exchange out go	135.51	70.24	68.91	68.91	68.91	412.48
NFE Exchange earnings for next five year (1)– (2)	274.37	421.64	504.91	504.91	504.91	2210.74

2.3.3 The performance of the unit is as below:-

(Rs. in Lakhs)

Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
FOB Value of Export	2.54	0.00	0.00	0.00	0.00	0.00	2.54
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE Exchange earnings for next five year (1)– (2)	2.54	0.00	0.00	0.00	0.00	0.00	2.54

2.3.4 The unit has submitted projected foreign exchange balance sheet for next five years, as under:-

(Rs. in Lakhs)

Year	2020-21	2021-22	2022-23	2023-24	2024-25	Total
FOB Value of Export	10.00	11.00	12.00	13.00	14.00	60.00
Foreign Exchange out go	6.00	6.60	7.20	7.80	8.40	36.00
NFE Exchange earnings for next five year (1)– (2)	4.00	4.40	4.80	5.20	5.60	24.00

2.3.5 Shri Santosh Kala, Partner, appeared before the Approval Committee through video conferencing on behalf of the unit and explained the proposal. The Committee observed that the unit has made an export of Rs 2.54 lakh only w.e.f. 01.04.2015 to 20.03.2015. The committee directed that the unit improve its export performance and to provide a write up on future plan in respect of the unit. On being asked by the committee, Shri Kala also informed that the unit has five purchase orders from Hong-Kong and Germany. They will also seeking buyers in Europe and other countries.

(RAJESH KUMAR)
Dev. Commissioner
Special Economic Zone
Commerce & Industry
India

2.3.6 After due deliberations, the Approval Committee unanimously decided to extend validity of the LOA for further period i.e. up to 30.04.2021, subject to the condition that the unit would enhance export performance as per the projection given by it for the year 2020-21 and clear outstanding dues of RIICO. Further it was decided that Specified Officer, JSEZ, will submit an inspection report of Investment in plant and Machinery / Employment etc. of the Company. It was also decided that buyer details will also be verified from Embassy of India, Hong-Kong. The unit will execute revised Bond-Cum-Legal Undertaking for the extended period.

3. अनुमोंदन पत्र में नई वस्तुओ का समावेश |

3.1 मैसर्स संभव ज्वेल्स, के LOA में नई वस्तुओ का समावेश का प्रस्ताव |

3.1.1 M/s Sambhav Jewels, submitted proposal for inclusion of additional items as in the table below:-

Existing list of items approved in LOA	Revised list of items for approval in LOA
1. Gold Jewellery (Plain & Studded 100 Kg.	1. Gold Jewellery (Plain & Studded 100 Kg.
2. Gem Stones 1000 Kg.	2. Gem Stones 1000 Kg.
3. Jewellery of Silver & other Metal 100 Kg.	3. Jewellery of Silver & other Metal 100 Kg.
Proposed New items	**1. Used/ Old / Broken Jewellery (Gold Plain / Studded for remaking, Re Melting and Repairing Other Than Exported by us.) 50 Kg. (HS code -71131940)**
	2. Used/ Old / Broken Jewellery (Silver Plain / Studded for remaking, Re Melting and Repairing Other Than Exported by us.) 100 Kg. (HS code -71131120)

3.1.3 Comments of Customs Division JSEZ: -

Provisions for bringing unused/used and broken jewellery as raw material in SEZ have been provided under Instruction No. 51 dated 25.03.2010 issued by Director, SEZ section, DOC. In past, following units have been allowed by the UAC for import & manufacturing of above said items: -

i. M/s Vaibhav Global Ltd. SEZ-II Sitaprua Jaipur
ii. M/s Shree Arnav Jewellary Pvt. Ltd, H1-134, SEZ-II
iii.M/s Amrapali Exports, G-40, SEZ-II
iv. M/s Gallant Jewellery, F-25, SEZ-II

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(राजेश कुमार / RAJESH KUMAR)

3.1.4. Shri Divakar Jain & Nitin Sharma, Accounts Manager, appeared before the Approval Committee on behalf unit and explained the proposal.

3.1.5 After due deliberations, the Approval Committee unanimously approved the proposal of addition of the following term to Gold and Silver Jewellery:-

"*Including remaking and remelting of old/used and broken jewellery (50 kg for gold and 100 kg for silver)*"

The approval is subject to the conditions mentioned in instruction no. 51 issued by DoC. It was also decided that the approval is subject to 100% examination by Customs Authority. The unit will fulfill prescribed value addition norms and execute revised Bond-Cum-Legal Undertaking.

3.2. मैसर्स पिंकसिटी ज्वेल्स हाउस प्राइवेट लिमिटेड के LOA में नई वस्तुओ का समावेश एवं वार्षिक क्षमता मे संशोधन का प्रस्ताव ।

3.2.1 M/s Pinkcity Jewel House Pvt. Ltd, (Unit-II), submitted proposal for inclusion of additional items & revised projections on as in the table at para 3.2.2 (in the LOA dated 22.05.2014) The LOA of the unit is valid up to 24.08.2022.

3.2.2 Details of existing & proposed additional authorized operation:-

Existing list of items approved in LOA	Revised list of items for approval in LOA
1. Silver Plain Jewellery and Studded Jewellery with Diamond, Gemstones Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin 1800 Kgs. HS Code -7113	1. Silver Plain Jewellery and Studded Jewellery with Diamond, Gemstones Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin 1800 Kgs. HS Code -7113
2. Gold Plain Jewellery and Studded Jewellery with Diamond, Gemstones Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin- 360 Kgs. HS Code -7113.	2. Gold Plain Jewellery and Studded Jewellery with Diamond, Gemstones Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin- 360 Kgs. HS Code -7113.
3. Platinum Plain Jewellery and Studded Jewellery with Diamond, Gemstones Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin- 18.00 Kgs. HS Code -7113	3. Platinum Plain Jewellery and Studded Jewellery with Diamond, Gemstones Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin- 18.00 Kgs. HS Code -7113

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(RAJESH KUMAR)
Dy. Dev. Commissioner
Noida Special Economic Zone
Ministry of Commerce & Industry
Govt. of India
Noida-201305

4. Base Metal Brass, Bronze, Copper, Zinc, Tin, Stainless Steel and Imitation Plain Jewellery and Studded Jewellery with Diamond, Gemstones Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin- 5000 Kgs. HS Code -7116	4. Base Metal Brass, Bronze, Copper, Zinc, Tin, Stainless Steel and Imitation Plain Jewellery and Studded Jewellery with Diamond, Gemstones Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin- 5000 Kgs. HS Code -7116
5. Resin Plain Jewellery and studded Jewellery with Diamond, Gemstones, Fresh Water Pearl, Synthetic Stones, Glass Stones, 2500 Kgs. HS Code -7117	5. Resin Plain Jewellery and studded Jewellery with Diamond, Gemstones, Fresh Water Pearl, Synthetic Stones, Glass Stones, 2500 Kgs. HS Code -7117
6. Loose Cut and Polished Diamonds, Gemstones, Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin- 500 Kgs. HS Code -7102	6. Loose Cut and Polished Diamonds, Gemstones, Fresh Water Pearl, Synthetic Stones, Glass Stones, Resin- 500 Kgs. HS Code -7102
Proposed new items	**1. Used / Old / Broken Jewellery (Gold Plain Studded for remaking, Re-melting and repairing other than exported by us) 30000 pcs or 60 Kgs. (Hs code 71131940 / 71131910)**
	2. Used / Old / Broken Jewellery (Silver Plain / Studded for remaking, Re-melting and repairing other than exported by us) 150000 pcs or 600 Kgs. (Hs code 71171990 / 71162000)
	3. Used / Old / Broken Jewellery (Base Metal Plain / Stone Studded for remaking, Re-melting and repairing other than exported by us) 60000 pcs or 600 Kgs. (Hs code 71171990 / 711620000)

3.2.4 The proposed revision in projection is as below:-

(Rs. In Lakhs)

Particulars (for five years)	Existing Projection	Revised Projection
Projected FOB value of exports	40000.00	42072.71
Foreign Exchange Outgo	16000.00	15859.14
NFE over a period of 5 years	24000.00	26213.57

3.2.3 Shri Manuj Goyal, Director, appeared before the Approval Committee through video conferencing on behalf of the unit and explained the proposal.

3.2.4 After due deliberations, the Approval Committee unanimously approved the proposal of addition of new items:

1. **Repairing of used / Old / Broken Jewellery (Gold Plain/Studded) 30000 pcs or 60 Kgs (Hs code 71131940 / 71131910)**
2. **Repairing of used / Old / Broken Jewellery (Silver Plain / Studded) 150000 pcs or 600 Kgs (Hs code 71171990 / 71162000)**
3. **Repairing of Used / Old / Broken Jewellery (Base Metal Plain / Stone Studded) 60000 pcs or 600 Kgs (Hs code 71171990 / 711620000).**

The approval is subject to the conditions mentioned in instruction no. 51 issued by DoC. It was also decided that the approval is subject to 100% examination by Customs Authority. It is further directed that unit will clear outstanding dues of RIICO. The unit will fulfill prescribed value addition norms and execute revised Bond-Cum-Legal Undertaking by the unit.

4.2 मैसर्स सूर्या जेम्स एंड ज्वेलरी – सांझेदारी के विघटन एवं शेयर होल्डिंग में बदलाव हेतु प्रस्ताव !

4.2.1 The unit has applied for change of partner of the firm & revised shareholding of the unit as under:-

Existing partners / shareholding		**Revised partners / shareholding**	
Name of partners	**Share %**	**Name of partners**	**Share %**
1. Sh. Rajendra Kumar Mehta	50%	1. Sh. Rajendra Kumar Mehta	26%
2. Sh. Rishi Mehta	50%	2. Sh. Rishi Mehta	26%
		3. Sh. Mohit Baid	48%

4.2.2 In this regard, the unit has submitted following documents:-

i. Copy of Certificate of Registration of Partnership deed issued by Registrar of Firms, Jaipur on 03.12.2020.
ii. Copy of revised partnership deed dated 10.09.2020.
iii. NOC RIICO (Developer) dated 22.12.2020
iv. Copy of last three year's Income Tax return of new partner.
v. Copy of PAN Card submitted.

4.2.3 As per para 5(ii) of Instruction No. 89 dated 17.05.2018, DoC "Re-organization including change of name, change of shareholding pattern, business transfer arrangements, court approved mergers and demergers, change of constitution of unit located in SEZs may be undertaken with the prior approval of Approval Committee in respect of units subject to the condition that the unit shall not opt out or exit out of the Special Economic Zone and continues to operate as a going concern. All liabilities of the unit will remain unchanged on such reorganization". As per Para 6 of said guidelines, such reorganization shall be subject to the following safeguards:-

i) Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered entity.

ii) Fulfillment of all eligibility criteria applicable, including security clearances etc., by the altered entity and its constituents;

iii) Applicability of and compliance with all Revenue / Company Affairs / SEBI etc. Act/Rules which regulate issues like capital gains, equity change, transfer, taxability etc.

iv) Full financial details relating to change in equity / merger, demerger, amalgamation or transfer of ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.

v) The Assessing Officer shall have the right to assess the taxability of gain / loss arising out the transfer of equity or merger, demerger, amalgamation, transfer and ownerships etc. as may be applicable and eligibility for deduction under relevant sections of the Income Tax Act, 1961.

vi) The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.

vii) The unit shall furnish details of PAN and jurisdictional assessing officer of the unit to CBDT.

4.2.4 Further, DoC vide Instruction No. 90 dated 03.08.2018, has further clarified that the phrase 'prior approval of Board of Approval (BoA) / Unit Approval Committee (UAC)' in para 5(i) & (ii) of the said guidelines in respect of Developer / SEZ unit means that approval of BoA/UAC, as the case may be, taken before the SEZ entity / unit is recognized by the new name or such arrangement in all the records. It may not be interpreted that prior approval of BoA/UAC is to be taken before approaching the Registrar of Companies or the National Company Law Tribunal as is being done in some cases came to the notice of the DOC.

4.2.5 Shri Rajendra Kumar Metha, Partner, appeared before the Approval Committee through video conferencing on behalf of the unit and explained the proposal.

4.2.6 After due deliberations, the Approval Committee approved the proposal for changes in partner and shareholding pattern of the firm, in terms of Instruction No. 89 dated 17.05.2018 & subsequent clarification issued by DOC vide Instruction No. 89 dated 03.08.2018, subject to compliance of safeguards prescribed therein.

Meeting ended with a vote of thanks to the chair.

(श्री राजेश कुमार) उप विकास आयुक्त	अ. बिपिन मेनन (श्री ऐ. बिपिन मेनन) विकास आयुक्त

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