भारत सरकार वाणिज्य एवं उद्योग मंत्रालय वाणिज्य विभाग विकास आयुक्त का कार्यालय जयपुर विशेष आर्थिक क्षेत्र सीएफसी भवन, सीतापुरा, जयपुर – 302022 टेलीफोन: -0141-2770250 ईमेल: dc@nsez.gov.in, वेबसाइट: www.jaipursez.gov.in		Government of India Ministry of Commerce and Industry Department of Commerce Office of the Development Commissioner Jaipur Special Economic Zone CFC Building, Sitapura, Jaipur – 302022 Telephone: 0141-2770250 Email: dc@nsez.gov.in, Website: www.jaipursez.gov.in

फाईल सं. जे.एस.ई.जेड./ परियोजना/ 04/ 2025-26/५४३ दिनांकित: 22.08.2026

1. निदेशक (विशेष आर्थिक क्षेत्र), वाणिज्य विभाग, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, उद्योग भवन, नई दिल्ली ।
2. संयुक्त महानिदेशक, विदेश व्यापार, वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार, तृतीय तल, उद्योग भवन, तिलक मार्ग, जयपुर ।
3. प्रधान मुख्य आयकर आयुक्त, आयकर विभाग, भारत सरकार, नया केन्द्रीय राजस्व भवन, स्टेच्यू सर्किल, सी-स्कीम, जयपुर ।
4. आयुक्त (जयपुर-प्रथम), केन्द्रीय वस्तु एवं सेवा कर, भारत सरकार, नया केन्द्रीय राजस्व भवन, स्टेच्यू सर्किल, सी-स्कीम, जयपुर ।
5. सहायक आयुक्त सीमा शुल्क आयुक्तालय, भारत सरकार, नया केन्द्रीय राजस्व भवन, स्टेच्यू सर्किल, सी-स्कीम, जयपुर ।
6. उपसचिव (आई.एफ.-1), बैंकिंग प्रभाग, आर्थिक मामलो का विभाग, वित्त मंत्रालय, भारत सरकार, नई दिल्ली ।
7. प्रबंध निदेशक, राजस्थान राज्य औद्योगिक विकास एवं निवेश निगम लिमिटेड, उद्योग भवन, तिलक मार्ग, जयपुर ।
8. आयुक्त, उद्योग विभाग, उद्योग भवन, तिलक मार्ग, जयपुर ।
9. मुख्य महाप्रबंधक, राजस्थान राज्य औद्योगिक विकास एवं निवेश निगम लिमिटेड, उद्योग भवन, तिलक मार्ग, जयपुर ।
10. वरिष्ठ क्षेत्रीय प्रबंधक, राजस्थान राज्य औद्योगिक विकास एवं निवेश निगम लिमिटेड, सीतापुरा, जयपुर ।
11. सदस्य सचिव, राजस्थान प्रदूषण मण्डल, झालाना डूंगरी, जयपुर ।

विषय:- विशेष आर्थिक क्षेत्र, सीतापुरा, जयपुर की अनुमोदन समिति की दिनांक 19.08.2026 को 3:30 बजे वीडियों कॉन्फ्रेंसिंग के माध्यम से आयोजित बैठक के सम्बंध में ।

महोदय,

उपरोक्त विषय के संदर्भ में विशेष आर्थिक क्षेत्र, सीतापुरा, जयपुर की अनुमोदन समिति की दिनांक **19.08.2026 को 3:30** बजे श्री गोपाल मीणा (भा० प्र० से०), विकास आयुक्त, नोएडा विशेष आर्थिक क्षेत्र की अध्यक्षता में आयोजित बैठक का कार्यवृत्त सूचनार्थ एवं आवश्यक कार्यवाही हेतु संलग्न है ।

संलग्न:- उपरोक्तानुसार

भवदीय

(Arun Singh Parihar)
Assistant Development Commissioner
SEZ, Sitapua, Jaipur

प्रतिलिपी निम्न को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित है :

1. विशेष कार्याधिकारी विकास आयुक्त के सूचनार्थ।
2. वैयक्तिक सहायक संयुक्त विकास आयुक्त के सूचनार्थ।
3. निर्दिष्ट अधिकारी, विशेष आर्थिक क्षेत्र, सौतापुरा, जयपुर।
4. सहायक विकास आयुक्त (प्रशासन) कार्यवृत्त की एक प्रति हिंदी अनुवाद हेतु संलग्न है।

(Arun Singh Parihar)
Assistant Development Commissioner
SEZ, Sitapua, Jaipur

JAIPUR SPECIAL ECONOMIC ZONE

Minutes of the Approval Committee Meeting in respect of SEZs located at Sitapura, Jaipur in the State of Rajasthan, held under the chairmanship of Shri GOPAL MEENA, IAS, Development Commissioner, NSEZ at 3.30 PM on 19.08.2026.

A. The following members of Approval Committee were present during the meeting held in hybrid mode:-

1. Shri Paras Mani Tripathi, Joint Development Commissioner, NSEZ, Noida.
2. Pankaj Rao, Asstt. Commissioner Department of Industries, Rajasthan, Jaipur.
3. Shri Radhey Shyam Meena, FTDO, DGFT, Jaipur.

Special invitee in terms of Section 13(3) of SEZ Act, 2005

1. Shri Anil Lakhani, Deputy Manager, RIICO, Jaipur, special invitee from Developer
2. Shri K.K. Kothari, Sr. DGM (RIICO) Ltd, Sitapura, Jaipur., special invitee from Developer

B. Besides, during the meeting Shri (i) Shri Aashish Madanlal Rawlani, Dy. Development Commissioner, NSEZ (ii) Sh. Ravikesh Tripathy, Deputy Commissioner Customs, NSEZ, Noida special invitee. (iii) Shri Salil Gopal Kansal, Specified Officer, JSEZ, Sitapura, Jaipur. iv) Shri Arun Singh Parihar, Assistant Development Commissioner & Shri Sunil Kumar Mitharwal, Section Officer, were also present from the office of Development Commissioner in hybrid mode video conferencing in the meeting to brief the facts and assist the Approval Committee. It was informed that the stipulated quorum was complete and the meeting could proceed.

C. At the outset participants were welcomed and then the agenda was taken up for sequentially with the permission of Chair. After detailed deliberation amongst the members of the Approval Committee as well as interaction with Developer/ Representatives of the Units/ Applicants, the following decisions were unanimously taken:

D. The following references were taken into the account by the Approval Committee while considering the proposals: -

i. Minutes of the meeting held on 28/07/2026.
ii. SEZ Rules, 2006, SEZ Act, 2005 and Instructions issued by

Department of Commerce.

iii. Bond cum- legal Undertaking under executed under Rule 22

iv. Foreign Trade (Development and Regulation) Act, 1992

E. Status of agenda discussed & decisions of the Approval Committee:-

S.No.	Subject	No. of proposals	Proposals approved/monitored	Proposal deferred
1.	Monitoring of Case	5	3	2

F. Item wise decisions on proposals included in Agenda:

(1) Ratification of Minutes of Approval Committee meeting held on 28.07.2026 :

It was informed to the Approval Committee that there were neither any references nor objections against the decisions of the Approval Committee held on **28/07/2026**. Hence, the decisions of the Approval Committee held on **28/07/2026** were unanimously ratified by the Approval Committee.

Status of agenda discussed & decisions of the Approval Committee:-

Agenda No. 2.1 Monitoring of case of M/s Tarkesh Art Jewellers in the wake of Action taken report of Specified Officer, JSEZ under FTDR Act-reg..

2.1.1 Shri Navratan Johari, proprietor and Shri Gervasis Thomas (Authorised Advocate on behalf of the unit) appeared before the Approval Committee on behalf of the unit. During the meeting, it was noted that the authorised representative was also representing M/s Tarkesh Art Jewellers, M/s Symphony Jewels Private Limited, and M/s J.M. Exports in connected matters.

2.1.2 The matter relating to **M/s Tarkesh Art Jewellers, Plot No. H-57, SEZ-II, Sitapura, Jaipur,** was taken up for consideration in the context of the **Show Cause Notice dated 07.11.2025 to Show Cause as to :**

1.Why the LOA shouldn't be cancelled under Section 16, SEZ Act, 2005.

2. Why penalty shouldn't be imposed under Section 11(2), FT(D&R)

Act, 1992 for stock shortage.

Sh. Thomas has made detailed oral submissions in support of the written reply submitted by the notice as under:-

i. The representative of the unit submitted that the LOA had already expired and, therefore, the question of its cancellation was not applicable. He further submitted that the alleged shortage/stock mismatch was a matter under examination by the Jurisdictional Customs authorities and that he required the search video footage, relevant records and an **opportunity to cross-examine the panchnama** witnesses before making a complete submission on the issue.

ii. The representative further submitted that, even assuming the alleged persistent violations, without admitting the same, the consequence of cancellation could not arise in respect of an LOA which had already expired. He stated that the unit proposed to submit an application for renewal/revival of the LOA along with a request for condonation of delay. He also disputed reliance on the earlier incident relating to alleged movement of 78 kg of silver, submitting that the matter had already been adjudicated in CESTAT and decided in favour of the unit, and undertook to furnish the relevant appellate order.

iii. He also submitted that the issue of negative NFE/NFP should be considered in accordance with Rule 80 and that the Committee should not travel beyond the scope of the present SCN.

2.1.3 The Approval Committee examined the matter in detail and considered the submissions made by the unit, as well as the observations/submissions of the other Members. After due consideration, **the Committee observed as under**:

The present proceedings relate primarily to the persistent contraventions committed by the unit under the SEZ provisions, including delayed/non-submission of Annual Performance Reports (APRs),

sharing of premises, expiry of the Letter of Approval (LoA), and. The Committee also took note of **the repeated reminders issued to the unit** and the earlier proceedings initiated against it. The Committee further observed that a Show Cause Notice (SCN) had also been issued to the unit in 2024 in respect of violations of the SEZ Act and Rules.
The Committee noted that the issue relating to shortage/stock mismatch was already under examination by the Jurisdictional Customs authorities under the Customs Act, 1962 Accordingly, the present proceedings before the Approval Committee were primarily concerned with the persistent violations under the SEZ provisions.

The authorised representative of the unit requested that the videographic/digital evidence relied upon in the proceedings be provided to the unit and also sought cross-examination of the concerned witness. In this regard, the Committee noted **that this office had already informed the unit vide letter No. 49 dated 15.04.2026 that the video recording/digital evidence relating to M/s Tarkesh Art Jewellers forms part of the ongoing investigation proceedings** and, therefore, **could not be shared with the unit at that stage**, pending completion of the investigation. The Committee, accordingly, rejected the request for production of the said evidence at this stage.

The Committee further clarified that the Approval Committee **was not taking any decision in respect of the stock mismatch and related discrepancies**, as the matter had already been referred to the Jurisdictional Customs authorities and was pending adjudication before them. Accordingly, the **Committee decided that no separate action would be taken on this aspect at this stage and that the matter would be considered after receipt of the order of the jurisdictional Customs authorities**. Thereafter, the competent authority shall take such further action as may be warranted under the applicable provisions of the Foreign Trade (Development and Regulation) Act, 1992 and other applicable laws. The Committee further clarified that any decision/action in respect of the stock mismatch/discrepancies referred to above shall remain subject to the outcome of the adjudication by the Jurisdictional Customs authorities and any further action that may be warranted in accordance with law.

2.1.4 The **Committee further observed** as under:

a. Non-submission/delayed submission of APRs
The unit failed to submit the Annual Performance Reports (APRs) for FY 2021-22. Further, the APR for FY 2019-20 was submitted after the prescribed timeline. These defaults constitute non-compliance with **Rule 22(3) of the SEZ Rules, 2006**, as well as the obligations stipulated under **Condition No. 7 of the Bond-cum-Legal Undertaking (BLUT)** executed by the unit.

b. Expiry of Letter of Approval

The LoA issued to the unit was valid up to **25.01.2022**. However, the unit failed to submit an application for renewal of the LoA even up to the date of issuance of the Show Cause Notice (SCN), i.e. **07.11.2025**. Accordingly, the Committee observed that the unit had contravened the provisions of **Rule 19(6A)(1) of the SEZ Rules, 2006**.

c. Sharing of premises

The Committee observed that the premises allotted to **M/s Tarkesh Art Jewellers, Plot No. H-57, SEZ-II, Sitapura, Jaipur**, and **M/s Symphony Jewels Pvt. Ltd., Plot No. H-58, SEZ-II, Sitapura, Jaipur**, were being shared and constituted a common building. The aforesaid arrangement was observed to be in contravention/non-compliance with the directions contained in the Department of Commerce letter **F. No. H5/1/2013-SEZ dated 07.03.2017**.

d. Stock-related discrepancies and removal of goods

The Committee further noted that, during FY 2016-17, M/s. Tarkesh Art Jewellery, an SEZ unit at Sitapura, Jaipur, was intercepted on 03.08.2016 while attempting to take 78.780 kg of silver out of the

SEZ without documents. Physical verification also revealed 48.481 kg silver shortage and 464.577 gms gold shortage. Customs initiated confiscation, duty and penalty proceedings under the Customs Act 1962. A Show Cause Notice dated **31.01.2017** was issued in the matter. However, **CESTAT, vide Order dated 24.07.2020, set aside the matter and no violation was ultimately found**.

However the committee observed that the CESTAT held that the incident occurred on 03/04.08.2016, before Notification No. 2665(E) dated 09.08.2016, by which specified Customs offences were notified under the SEZ Act. Hence, Section 111 of the Customs Act was not attracted. It further held that removal of goods from an SEZ does not constitute "import" under Section 2(23) of the Customs Act and Customs jurisdiction cannot be assumed merely because an SEZ is deemed outside the Customs territory.

The Tribunal held that the Customs proceedings were not legally sustainable. However, it clarified that shortages or illicit removal by an SEZ unit can still be dealt with under the SEZ Act/Rules through the competent SEZ authorities. The Tribunal also found the unit's explanation regarding the silver and gold shortages to be supported by evidence. Accordingly, both appeals were allowed and the impugned orders were set aside, with consequential benefits as per law.

In another case, during a **search conducted by the jurisdictional Customs on 09.03.2017**, a shortage of **215.11 grams of Gold** and **40.07 kg of Silver** was noticed during stock-taking. During the course of proceedings, the unit **deposited the applicable duty, interest and penalty in respect of 215.11 grams of Gold**. However, in respect of **40.07 kg of Silver, the jurisdictional Customs authorities found no violation**.

2.1.5 Examination of Written Submissions and Additional Written Reply dated 18.08.2026:

The Committee was informed that M/s Tarkesh Art Jewellers had submitted a preliminary written submission, an additional written submission and, subsequently, a further **additional written reply dated 18.08.2026** against the SCN dated 07.11.2025. The submissions were examined with reference to the material available on record.
However as decided the matter of stock mismatch is not being discussed and only the violation under SEZ Act, 2005 and Rules, 2006 are being considered.

2.1.6 Decision of the Approval Committee:- After detailed examination of the matter and consideration of the facts, records, submissions and compliance position of the unit, the Approval Committee unanimously decided as under:

a. The Committee decided to **cancel the Letter of Approval under Section 16(1) of the Special Economic Zones Act, 2005**, in view of the persistent non-compliance with the terms and conditions of the Letter of Approval and failure of the unit to fulfil the obligations imposed under the SEZ Act, 2005, the SEZ Rules, 2006 and the Bond-cum-Legal Undertaking, including the violations like late/non submission of APRs non application of LOA expiry , sharing of premises and past history of clandestine removal during F.Y. Year 2016-17 and 2017-18. **Violation of Rule 22(2), Rule 25, Rule 34 of the SEZ Rules, 2006 and BLUT Condition No. 5** due to failure to maintain proper accounts and records of goods imported/procured, consumed/utilised and remaining in stock, resulting in substantial unexplained discrepancies between the statutory/NSDL records and physical stock.

b. **Violation of BLUT Condition No. 7 and Rule 22 (3) of SEZ Rules 2006** due to non-submission/delayed submission of APRs for the relevant financial years.

c. **Violation of Rule 19(6A)(1) of the SEZ Rules, 2006** due to failure to submit the application for renewal of the Letter of Approval within the prescribed period before expiry of the LOA, which expired on **25.01.2022**.

d. **Violation of the applicable SEZ Rules and Department of Commerce instructions relating to separate premises/demarcation of the unit**, as the premises of M/s Tarkesh Art Jewellers, Plot No. H-57, and M/s Symphony Jewels Pvt. Ltd., Plot No. H-58, were found to be shared/common, without separate demarcation and separate entry, and without approval for such sharing.

   1. **In respect of the stock mismatch and related discrepancies**, the Committee noted that the matter has already been referred to the jurisdictional Customs authorities and is pending adjudication before them. **Accordingly, the Committee decided that no separate action would be taken on this aspect at this stage and that the matter would be considered after receipt of the order of the jurisdictional Customs authorities**. Thereafter, the competent authority shall take such further action as may be warranted under the applicable provisions of the Foreign Trade (Development and Regulation) Act, 1992 and other applicable laws. The Committee clarified that the decision in respect of the stock mismatch/discrepancies referred above shall remain subject to the outcome of the adjudication by the Jurisdictional Customs authorities and any further action that may be warranted in accordance with law.
   2. **On the issue of application or consideration of Rule 80** of SEZ Rules, 2006 the committee observed that the case is fit for cancellation under Section 16(1) of SEZ Act, 2005 therefore regularisation of the expired LOA is out of question & hence Rule 80 is not applicable.
   3. The unit representative Shri Gervasis Thomas argued that there is no point on discussion on cancellation of the LoA which is already expired or lapsed. To This the committee responded that Section 16(1) of the Special Economic Zones Act, 2005, Says that "*The Approval Committee may, **at any time,** if it has any reason or cause to believe that the entrepreneur has persistently contravened any of the terms and conditions or its obligations subject to which the letter of approval was granted to the entrepreneur, cancel the letter of approval*". The Committee decided that cancellation of the LOA does not require the LOA to be live. Accordingly, the Committee directed the unit to

proceed with the exit formalities under **Rule 74 of the SEZ Rules, 2006**, and therefore, the LOA is being cancelled.

4. The Committee authorized the Development Commissioner to issue a **reasoned and speaking order** communicating the decision to the unit and to direct the unit to complete the prescribed exit formalities in accordance with the applicable provisions of the SEZ Act, 2005 and the SEZ Rules, 2006.
5. The Committee further directed **RIICO, being the Developer**, to initiate appropriate action in accordance with the applicable provisions of law and the terms and conditions governing allotment/lease of the plot.

Agenda No. 2.2 **Monitoring of case of M/s Symphony Jewels Private Limited in the wake of Action taken report of Specified Officer, JSEZ under FTDR Act-reg.**

2.2.1 Shri Navratn Johari, proprietor and Shri Gervasis Thomas (Advocate on behalf of the unit) appeared before the Approval Committee on behalf of the unit. During the meeting, it was noted that

the authorised representative was also representing M/s Tarkesh Art Jewellers, M/s Symphony Jewels Private Limited, and M/s J.M. Exports in connected matters.

2.2.2 The matter relating to **M/s Symphony Jewels Private Limited, Plot No. H-58, SEZ-II, Sitapura, Jaipur**, was taken up for consideration in the context of the **Show Cause Notice dated 07.11.2025 to Show cause as to :**

1. Why the LOA shouldn't be cancelled under Section 16, SEZ Act, 2005.

2. Why penalty shouldn't be imposed under Section 11(2), FT(D&R) Act, 1992 for stock shortage.

3.Why a fine of 1% of the FOB value shortfall shouldn't be imposed under Rule 80 read with Rule 53, SEZ Rules.

Shri Thomas, Advocate, appeared on behalf of the unit and made detailed oral submissions in support of the written reply submitted by the notice as under:-

i. The representative of M/s J.M. Exports submitted that the LOA of the unit had already expired and, therefore, "what has expired cannot be cancelled." He contended that the question of cancellation of an expired LOA was a non-issue and that, even if the alleged violations were considered for examining persistent contravention, the same could not be treated as independent violations where no separate penalty/action had been proposed in respect thereof. He further submitted that the consequence of cancellation could not logically operate upon an LOA which was no longer subsisting. **The advocate also demanded for videographic evidence and cross examination of the witness.**

ii. On the issue of shortage/stock mismatch, the representative submitted that the matter was under investigation/adjudication by the Jurisdictional Customs authority and, therefore, should not simultaneously be used by the Approval Committee as a substantive ground for cancellation of the LOA. He submitted that, if the shortage was to be adjudicated, the unit should be afforded an appropriate opportunity to defend its case before the competent Customs authority, **including access to the relevant evidence and an opportunity to make submissions.**

iii. Regarding negative NFE, the representative submitted that the matter was required to be considered under Rule 80 and by the competent authority in accordance with the prescribed statutory mechanism. He contended that the proceedings should remain confined to the scope of the SCN and that the Committee could not travel beyond the allegations and provisions specifically invoked therein. He further submitted that, wherever regularisation/penalty under the applicable provision was contemplated, the circumstances and explanation of the unit were required to be considered by the competent authority.

iv. The representative further submitted that the Committee should distinguish between a persistent contravention, an isolated/historical non-compliance, an allegation already dealt with by the competent authority, and an issue presently under adjudication before another statutory authority, and that such matters should not be mechanically clubbed together.

v. **Response/Observation of the member of the Committee** The member of UAC did not accept the contention that expiry of the LOA by itself rendered the proceedings for action under Section 16(1) infructuous. It was submitted that Section 16(1) contemplates action where an entrepreneur has persistently contravened the terms and conditions subject to which the LOA was granted and that the subsequent expiry of the LOA does not, by itself, efface the violations committed during the period when the LOA and the corresponding obligations were in force.

2.2.3 Examination of Written Submissions and Additional Written Reply dated 18.08.2026:- The Approval Committee observed that, from the preliminary submission and the additional written submission dated 18.08.2026 submitted by M/s Symphony Jewels Pvt. Ltd., The submissions were examined with reference to the material available on record.

However as decided the matter of stock mismatch is not being discussed and only the violation under SEZ Act, 2005 and Rules, 2006 are being considered.

2.2.4 The Approval Committee examined the matter in detail and observed the following facts and persistent violations:

a. Search/physical verification and request for videographic evidence/cross-examination:
   The learned advocate appearing on behalf of the unit sought production of the videographic evidence and cross-examination of the witnesses. **In this regard, the Committee noted that this office had already informed the unit vide letter No. 48 dated 15.04.2026 that the video recording/digital**

evidence relating to M/s Symphony Jewels Private Limited forms part of the ongoing investigation proceedings and, therefore, cannot be shared with the unit at this stage pending completion of the investigation. Accordingly, the request for production of the said videographic evidence/cross-examination was not acceded to at this stage.

b. The Committee further noted that the present proceedings before the Unit Approval Committee do not involve adjudication of the stock mismatch/discrepancies, as the matter has already been referred to the Jurisdictional Customs authorities and is pending adjudication before them. Accordingly, the Committee decided that no separate action would be taken on the stock mismatch/discrepancies at this stage and that the matter would be considered after receipt of the order of the jurisdictional Customs authorities. Thereafter, the competent authority shall take such further action as may be warranted under the applicable provisions of the Foreign Trade (Development and Regulation) Act, 1992 and other applicable laws. The Committee further clarified that any action in respect of the aforesaid stock mismatch/discrepancies shall remain subject to the outcome of the adjudication by the jurisdictional Customs authorities and further action warranted in accordance with law.

c. Non-submission/delayed submission of APRs: The Committee noted that the unit had not submitted APRs for FY 2022-23 . It was further noted, as recorded in the report of the Specified Officer dated 31.10.2025, that the APRs for FY 2011-12, FY 2012-13, FY 2013-14, FY 2015-16, FY 2017-18 and FY 2018-19 had been submitted after the due date. **Violation**: - The Committee observed that the aforesaid non-compliance constituted violation of the prescribed requirements under Rule 22(3) of the SEZ Rules, 2006 and Condition No. 7 of the Bond-cum-Legal Undertaking (BLUT). The SCN specifically records the aforesaid APR defaults as a continuing compliance deficiency.

d. As per the conditions of the LoA and Rule 19(6A)(1) of the SEZ Rules, 2006, the unit was required to submit an application for renewal of the LoA before two months from the date of expiry along with the requisite documents. The Committee observed that the unit had failed to submit the renewal application within the prescribed time (i.e. :LOA was expired on 31.12.2021) and, accordingly, committed non-compliance with Rule 19(6A)(1) of the SEZ Rules, 2006.

e. **Failure to maintain proper accounts of goods:**
The Committee noted that Rule 22(2), Rule 25, Rule 34 of the SEZ Rules, 2006 requires the unit to maintain proper accounts, financial year-wise, clearly indicating the goods imported or procured from the Domestic Tariff Area, consumption or utilisation of goods, production of goods, including by-products, waste or scrap/remnants, and disposal of goods manufactured or produced by way of exports, sales or supplies.

f. The Committee observed that the premises allotted to M/s Symphony Jewels Pvt. Ltd., Plot No. H-58, SEZ-II, Sitapura, Jaipur, and M/s Tarkesh Art Jewellers, Plot No. H-57, SEZ-II, Sitapura, Jaipur, were being shared as a common building. The Committee further noted that, in its earlier reply, the unit itself had stated that both plot owners were the same and that no wall had been constructed between the plots. The Committee observed that such sharing of space with the sister concern was not permissible in view of the directions contained in Department of Commerce letter F. No. H-5/1/2013-SEZ dated 07.03.2017, which specifically conveyed that no sharing of space by a sister concern with the original allottee can be allowed. The SCN treated the aforesaid arrangement as a contravention of Rule 22(2) of the SEZ Rules, 2006, inter alia on account of the failure to maintain proper accounts/identifiable stock of the unit.

g . **Failure to comply with directions for physical verification:** The Committee noted that the Specified Officer had issued emails dated 04.01.2023 and 03.05.2023 directing the unit to facilitate physical verification of its stock. However, the **unit did not appear before the Specified Officer and the physical verification** could not be conducted due to the continuous unavailability of the directors/unit representatives.

h. The Committee observed that the failure of the unit to cooperate with and facilitate physical verification **constituted non-compliance with the obligations undertaken under the BLUT and the provisions of the SEZ Act, 2005 and the SEZ Rules, 2006**. The SCN specifically records this default at para 7.6.

i. Failure to achieve positive NFE during the second block period:
The Committee observed that, **in terms of Rule 53 of** the SEZ Rules, 2006, the unit was required to achieve positive Net Foreign Exchange earning during the block period. The second block period of the unit was from 08.04.2015 to 07.04.2020. However, the unit failed to achieve positive NFE during the said block period and **recorded negative NFE of ₹31.99 crore.**

j. The Committee observed that the unit had **changed its name from M/s Symphony Jewels Private Limited to M/s Mahakaal Jewels Private Limited w.e.f. 23.01.2020**, as reflected in the records, but formally intimated the Jaipur SEZ authorities regarding the change of name only vide letter dated **11.11.2022**, i.e. after a considerable delay of about two years. The Committee noted that such delayed intimation of the change in the constitution/name of the unit was in **violation of Condition Nos. 13 and 14 of the Bond-cum-Legal Undertaking (BLUT)**.

k. The Committee **also took note of pending BRCs amounting to Rs. 831.56 lakhs** which is a violation of FTD& R Act 1992, SEZ Act and Provisions regarding non realization of Foreign exchange against Goods exported.

2.2.5 Decision of the Approval Committee:- After due deliberation and consideration of the submissions made by the Noticee, **the Approval Committee decided** as under:

i. The Committee, observed **persistent violations and continuing non-compliances**, observed that the unit had failed to fulfil the obligations and comply with the terms and conditions subject to which the LOA had been granted. The Committee accordingly held that the case attracted the provisions of **Section 16(1) of the Special Economic Zones Act, 2005**, and **decided to cancel the LOA**. Accordingly, the Committee **decided not to renew/extend the Letter of Approval beyond 31.12.2021 and rejected the renewal/extension application dated 27.12.2021**, after considering the same under the applicable provisions of **Rule 19(6), Rule 19(6A)**

and Rule 19(6B) of the SEZ Rules, 2006.

ii. The Committee further noted that the present proceedings before the Unit Approval Committee **do not involve adjudication of the stock mismatch/discrepancies, as the matter has already been referred to the Jurisdictional Customs authorities and is pending adjudication before them**. Accordingly**, the Committee decided that no separate action** would be taken on the stock mismatch/discrepancies at this stage and that the matter would be considered after receipt of the order of the jurisdictional Customs authorities. Thereafter, the competent authority shall take such further action as may be warranted under the applicable provisions of the Foreign Trade (Development and Regulation) Act, 1992 and other applicable laws. The Committee further clarified that any action in respect of the aforesaid stock mismatch/discrepancies shall remain subject to the outcome of the adjudication by the Jurisdictional Customs authorities and further action warranted in accordance with law.

iii. **On the issue of application or consideration of Rule 80 of SEZ Rules, 2006** the committee observed that the case is fit for cancellation under Section 16(1) of SEZ Act, 2005 therefore regularization of the expired LOA is out of question & hence Rule 80 is not applicable.

iv. The unit representative Shri Gervasis Thomas argued that there is no point on discussion on cancellation of the LoA which is already expired or lapsed. To This the committee responded that Section 16(1) of the Special Economic Zones Act, 2005,Say "*The Approval Committee may, **at any time,** if it has any reason or cause to believe that the entrepreneur has persistently contravened any of the terms and conditions or its obligations subject to which the letter of approval was granted to the entrepreneur, cancel the letter of approval*" . The Committee decided that cancellation of the LOA does not require the LOA to be live. Accordingly, the Committee directed the unit to proceed with the exit formalities under **Rule 74 of the SEZ Rules, 2006**, and therefore, the LOA is being cancelled.

v. The Committee authorised the **Development Commissioner** to issue a **reasoned and speaking order** communicating the aforesaid decision to the unit, duly dealing with the submissions and objections raised by the Noticee, and to direct the unit to complete the prescribed **exit formalities** in accordance with the applicable provisions of the SEZ Act, 2005 and the SEZ Rules, 2006.

vi. The Committee further directed **RIICO, being the Developer**, to initiate appropriate action in accordance with the applicable provisions of law and the terms and conditions governing the allotment/lease of the plot.

vii. The Committee also directed the unit to **clear all outstanding dues amounting to ₹1,82,440/- up to FY 2026-27**, as applicable, at the earliest.

Agenda No. 2.3 **Monitoring of case of M/s J.M. EXPORTS, Plot No. H-62, SEZ-II, Sitapura, Jaipur in the wake of Action taken report of Specified Officer, JSEZ under FTDR Act-reg.**

2.3.1 Shri Navratn Johari, proprietor and Shri Gervasis Thomas (Advocate on behalf of the unit) appeared before the Approval Committee on behalf of the unit. During the meeting, it was noted that the authorised representative was also representing M/s Tarkesh Art Jewellers, M/s Symphony Jewels Private Limited, and M/s J.M. Exports in connected matters.

2.3.2 The matter relating to M/s J.M. Exports, Plot No. H-62, SEZ-II, Sitapura, Jaipur, was taken up for consideration in the context of the **Show Cause Notice dated 07.11.2025 to Show cause as to :**

1. Why the LOA shouldn't be cancelled under Section 16, SEZ Act, 2005.
2. Why penalty shouldn't be imposed under Section 11(2), FT(D&R) Act, 1992 for stock shortage.
3.Why a fine of 1% of the FOB value shortfall shouldn't be imposed under Rule 80 read with Rule 53, SEZ Rules.

Shri. Thomas, Advocate, appeared on behalf of the unit and made detailed oral submissions in support of the written reply submitted by the notice as under:-

i. The representative of the unit submitted that the present SCN primarily involved three issues, namely, (i) persistent contraventions under Section 16(1) of the SEZ Act/LOA, (ii) shortage/stock mismatch, and (iii) negative NFE/NFP under Rule 80. He submitted that the LOA had already expired and, therefore, the question of cancellation of an expired LOA required consideration in that context. He further submitted that the shortage/stock mismatch was a matter for the jurisdictional Customs authority and should not be adjudicated by the Approval Committee. He also requested that the matter relating to negative NFE be considered under Rule 80, as specifically referred to in the SCN. He further raised objections regarding reliance on past violations and submitted that such matters should not be adjudicated after a substantial lapse of time.
ii. UAC observed that unit has committed persistent contraventions, including repeated non-compliances despite reminders, negative NFE of approximately ₹4.22 crore and It was submitted that the repeated nature of the contraventions warranted action under Section 16(1).

iii. The Committee considered the submissions of the unit. The Committee noted that the issue of shortage/stock mismatch was subject to separate proceedings before the Jurisdictional Customs authority and was not being adjudicated in the present proceedings. The Committee also considered the submission regarding Rule 80 and observed that, in the facts and circumstances of the case, the matter warranted consideration under Section 16(1) on account of persistent contraventions.

2.3.3. Examination of Written Submissions and Additional Written Reply dated 18.08.2026:

It was informed to the Approval Committee that M/s J.M. Exports had submitted a detailed preliminary submission along with additional written submissions and the Additional Written Submission dated 18.08.2026

2.3.4 The Approval Committee examined the matter in detail and observed the following facts and violations:

i. The Committee noted that the present proceedings before the Unit Approval Committee do not involve adjudication of the stock mismatch/discrepancies, as the matter has already been referred to the Jurisdictional Customs authorities and is pending adjudication before them. Accordingly, the Committee decided that no separate action would be taken on the stock mismatch/discrepancies at this stage and that the matter would be considered after receipt of the order of the jurisdictional Customs authorities. Thereafter, the competent authority shall take such further action as may be warranted under the applicable provisions of the Foreign Trade (Development and Regulation) Act, 1992 and other applicable laws. The Committee further clarified that any action in respect of the aforesaid stock mismatch/discrepancies shall remain subject to the outcome of the adjudication by the jurisdictional Customs authorities and further action warranted in accordance with law.

The Committee observed th**at the unit had committed the following violations/non-compliances**:

a. **Failure to achieve positive NFE:** The unit recorded **negative NFE of approximately ₹4.22 crore during the 2nd Block Period from 23.05.2017 to 22.05.2022**, in violation of **Rule 53 of the SEZ Rules, 2006**.
b. **Failure to renew the LOA within the prescribed period:** The LOA was valid up to **22.05.2022**. Despite **12 reminders**, the unit failed to submit the requisite renewal application up to the issuance of the SCN dated 07.11.2025, in violation of **Rule 19(6A)(1) of the SEZ Rules, 2006**.
c. **Failure to properly account for goods:** The unit failed to properly account for goods imported/procured and goods remaining in stock. Physical verification disclosed a **substantial discrepancy between the stock reflected in statutory/NSDL records and the stock physically available at the premises**. The Committee observed that the matter attracted **Rule 22, Rule 25 and Rule 34 read with Rule 47 of the SEZ Rules, 2006**, along with the relevant **BLUT Conditions Nos. 5, 10 and 11**.
d. **Delayed/non-submission of APRs:** The unit failed to furnish the prescribed **APRs from FY 2019-20 onwards**, and certain earlier APRs were also submitted belatedly beyond the prescribed timelines constituted non-compliance with the prescribed APR requirements, **Rule 22(3) of SEZ Rules 2006** and **BLUT Condition No. 7**.

2.3.5. Decision of the Approval Committee

After due deliberation and consideration of the submissions/objections made by the unit, the Approval Committee decided as under:

a. The Committee observed that the unit had committed **persistent and multiple non-compliances** with the provisions of the SEZ Act, 2005, SEZ Rules, 2006, terms and conditions of the Letter of Approval (LoA) and the Bond-cum-Legal Undertaking (BLUT). In view of the persistent nature of the aforesaid non-compliances and contraventions and the failure of the unit to fulfil the obligations and comply with the terms and conditions subject to which the LoA was granted, the Committee accordingly held that the case attracted the provisions of **Section 16(1) of the Special Economic Zones Act, 2005**, and **therefore cancelled the LOA** . Further the Committee unanimously decided **not to renew/extend the Letter of Approval under Rule 19(6), read with Rule 19(6A) and Rule 19(6B) of the SEZ Rules, 2006**.

b. The Committee further noted that the present proceedings before the Unit Approval Committee **do not involve adjudication of the stock mismatch/discrepancies, as the matter has already been referred to the Jurisdictional Customs authorities and is pending adjudication before them**. Accordingly**, the Committee decided that no separate action** would be taken on the stock mismatch/discrepancies at this stage and that the matter would be considered after receipt of the order of the jurisdictional Customs authorities. Thereafter, the competent authority shall take such further action as may be warranted under the applicable provisions of the Foreign Trade (Development and Regulation) Act, 1992 and other applicable laws. The Committee further clarified that any action in respect of the aforesaid stock mismatch/discrepancies shall remain subject to the outcome of the adjudication by the Jurisdictional Customs authorities and further action warranted in accordance with law.

c. **On the issue of application or consideration of Rule 80 of SEZ Rules, 2006** the committee observed that the case is fit for cancellation under Section 16(1) of SEZ Act, 2005 therefore regularization of the expired LOA is out of question & hence Rule 80 is not applicable.

d. The unit representative Shri Gervasis Thomas argued that there is no point on discussion on cancellation of the LoA which is already expired or lapsed. To This the committee responded that Section 16(1) of the Special Economic Zones Act, 2005,Say "*The Approval Committee may,* ***at any time,*** *if it has any reason or cause to believe that the entrepreneur has persistently contravened any of the terms and conditions or its obligations subject to which the letter of approval was granted to the entrepreneur, cancel the letter of approval*" . The Committee decided that cancellation of the LOA does not require the LOA to be live. Accordingly, the Committee directed the unit to proceed **with the exit formalities** under **Rule 74 of the SEZ**

Rules, 2006, and therefore, the LOA is being cancelled.

e. The Committee authorised the **Development Commissioner** to issue a **reasoned and speaking order** communicating the aforesaid decision to the unit

f. The Committee further directed **RIICO, being the Developer**, to initiate appropriate action in accordance with the applicable provisions of law and the terms and conditions governing the allotment/lease of the plot.

g. The Committee also directed the unit to **clear the outstanding dues payable to RIICO amounting to ₹2,86,230/- at the earliest**.

Agenda No. 2.4 **Sub:-Monitoring of case of M/s Midas Gems & Jewellery, Plot No. H1-82, SEZ-II, Sitapura, Jaipur in the wake of Action taken report dated 31.10.2025 of Specified Officer, JSEZ under FTDR Act-reg.**

2.4.1 Sh. Pradeep Tarachand Varsaale, Partner, appeared before the Approval Committee through video conferencing; however, due to technical issues, his voice was not clearly audible. On Verbal communication, the Representative requested that they need time to respond to the SCN and the violations / allegations

2.4.2 The matter relating to M/s Midas Gems & Jewellery, Plot No. H1-82, SEZ-II, Sitapura, Jaipur, was taken up for consideration in the context of the Show Cause Notice dated 07.11.2025.

2.4.3 The Approval Committee examined the matter and observed that, In order to provide a reasonable opportunity of being heard and ensure compliance with the principles of natural justice, the Committ**ee decided to defer consideration of the proposal** to the next meeting of the Approval Committee scheduled for 25.08.2026.

Agenda No. 2.5 **Sub:-Monitoring of case of M/s Rita Gems, Plot No. H-118, SEZ-II, Sitapura, Jaipur in the wake of Action taken report of Specified Officer, JSEZ under FTDR Act-reg.**

2.5.1 No representative of the unit appeared before the Approval Committee despite due notice. However, the Committee was informed that an email had been received from M/s Rita Gems, stating that, due to the demise of a family member, the representative was unable to attend the meeting and requesting 12 days time.

2.5.2 The Approval Committee considered the request made by the unit and, in order to provide a reasonable opportunity of being heard and ensure compliance with the principles of natural justice, **decided to**

defer consideration of the proposal to the next meeting of the Approval Committee scheduled for 25.08.2026.

2.5.3 The Committee directed that the representative of the unit be advised to attend the next meeting, either in person or through video-conferencing facility. The Committee further directed that the unit may also be asked to submit its written reply/submission to the Show Cause Notice in advance of the next meeting.

Meeting ended with a vote of thanks to the chair.

Digitally signed by
Paras Mani Tripathi
Date: 22-08-2026
09:31:13

Digitally signed by
Gopal Meena
Date: 21-08-2026
21:55:47

(Paras Mani Tripathi)
Jt. Development Commissioner

(Gopal Meena)
Development Commissioner