JAIPUR SPECIAL ECONOMIC ZONE

Minutes of the meeting of Approval Committee of Sitapura SEZ, Jaipur held under the Chairmanship of Dr. L.B. Singhal, Zonal Development Commissioner, Noida SEZ on 24/09/2018 at 11:15 AM, in Conference Room, Administrative Building, Sitapura, SEZ, Jaipur.

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

1. Shri S.S. Shukla, Jt. Development Commissioner, NSEZ, Noida.
2. Shri Virendra Singh, Jt. DGFT, Udyog Bhawan, Jaipur
3. Shri Dinesh Pahadiya, Addl. General Manager, RIICO Ltd. Jaipur

Besides, during the meeting i) Shri A.K. Meena, Dy. Commissioner (Customs), JSEZ ii) Shri K.K. Meena, ADC, JSEZ iii) Shri H.K. Meena, JSEZ and iv) Shri R.K. Singh Rohhila, Sr. Regional Manager, RIICO were also present to assist the Approval Committee.

At the outset, the Chairman welcomed the participants and desired to know the reason for non-participation of members of Approval Committee from CGST and Income Tax Departments. It was informed that though notices were issued to these departments but no one has come as in GST the concerned officer is busy in other work and in Income Tax Dept. the officer who had been attending Approval Committee meetings has since been transferred for almost 3 months. The Chairman directed that a letter under the signature of JDC be issued to concerned GST/IT Dept. explaining the need for participation of their representatives in the meeting of the Approval Committee. After brief introduction, each items included in the agenda were taken up for deliberations one by one. After detailed deliberations amongst the members of the Approval Committee as well as interaction with the applicants / representatives of the Developers / Units, the following decisions were taken: -

(01). Ratification of Minutes of last Approval Committee meeting which was held on 20.7.2018:-

The Committee was informed that no reference against the decision of the Approval Committee taken in its meeting held on 20.07.2018 was received. Accordingly minutes of the meeting of Approval Committee held on 20.07.2018 were ratified. It was further informed to the

Committee that M/s. Vaibhav Global Limited vide their letter dated 04.09.2018 has requested for cancellation for permission granted on 20.07.2018 for addition of Gadget Jewellery (with silver / gold / platinum / base metal) and watch Jewellery with silver / gold / platinum / base metal in the LOA. The Approval Committee accepted the unit's request dated 04.09.2018.

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

2 (i). Proposal of M/s Ideal Fiscal Services Limited for monitoring of performance and extension of validity of LOA No. 2-152-SEZ-II(J)Proj./ 1320 dated 25.02.2011 for a period of next five years-reg.

a) It was informed to the Approval Committee that M/s. Ideal Fiscal Services Limited, was granted LOA No. 2-152-SEZ-II(J)Proj./ 1320 dated 25.02.2011 for manufacture of Precious / semi precious Gem Stones & Studded Jewellery (Gold / Silver / Metal etc). The unit started export production on 21.06.2012 and accordingly, first five years of operation of the unit completed on 20.06.2017. Unit submitted a request for extension of validity of LOA for a further period of five years i.e. up to 20.06.2022.

b) The Performance of the unit was reviewed by Approval Committee in its meetings held on 21.09.2015, 22.04.2016, & 21.10.2016 and 20.07.2018. Approval Committee noted that unit had not made any export during 2013-14 & 2014-15. The unit had made export only of Rs. 1.80 Lakhs for the year 2015-16. & Rs. 4.26 Lakhs for the year 2016-17 (up to 20.06.2017). Approval Committee had directed that this is the last opportunity given to the unit to re-start their export activities immediately. However, the unit had not re-started their export activities. It was further informed to the Committee that as per APRs Unit has made total exports of Rs. 6.43 Lakhs during its first five years of its operation, as it is evident from the following table :-

(Rs in Lacs)

Year	2012-13 (from 21.06. 2012)	2013-14	2014-15	2015-16	2016-17	2017-18 (upto 23.06. 2017)	Total
FOB Value of Export	0.37	0.00	0.00	1.80	4.26	0.00	6.43
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)– (2)	0.37	0.00	0.00	1.80	4.26	0.00	6.43

c) It was further informed to the Approval Committee that the unit had submitted projected foreign exchange balance sheet for next five years, as under and requested for renewal of LOA for a further period of five years i.e. upto 20.06.2022:-

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	50.00	60.00	70.00	80.00	90.00	350
Foreign Exchange out go	5.00	6.00	7.00	8.00	9.00	35.00
NFE Exchange earnings for next five year (1)–(2)	45.00	54.00	63.00	72.00	81.00	315.00

d) It was further informed that the proposal of unit was placed before Approval Committee in its meeting held on 20.07.2018. As no senior person from the unit appeared before the Approval Committee in its meeting held on 20.07.2018 to present their case, Approval Committeet had **deferred** the proposal with the direction that Partner of the company should be invited in the next meeting to present their case.

e) Sh. Rajesh Nawalka, Proprietor appeared before the Approval Committee on behalf of the Unit and explained the proposal.

After due deliberations, the Approval Committee took note of the positive NFE earning made by the Unit during its operation in SEZ (for the block period 21.06.2012 to 20.06.2017)and extended the validity of LOA for a further period of one year i.e. up to 31.08.2019, subject to execution of revised Bond-Cum-Legal Undertaking by the Unit.

2 (ii). Proposal of M/s Bairaj International for monitoring of performance and Extension of validity of LOA No. 2-167-SEZ-II(J)Proj./ 1641 dated 17.10.2007 for remaining period of five years-reg.

a) It was informed to the Approval Committee that M/s. Bairaj International Plot No. H-166, SEZ-II was granted LOA No. 2-167-SEZ-II (J)Proj./ 1641 dated 17.10.2007 for manufacture of Gold and Silver Jewellery Plain & Studded with Precious Semi Precious Stones & Diamonds, Precious and Semi Precious Stone, Synthetic Stone and beads Plain Jewellery and article & non ferrous metal (Brass copper) Jewellery Studded with precious semi-precious stone, Glass, Pearl, Synthetic Imitation, wood Coral, Diamons. The Unit started export production on 11.10.2010. Accordingly, first five years of operation of the Unit completed on 10.10.2015. Approval Committee in its held on 22.09.2017 extended the validity period of LOA for a period up to 31.03.2018 subject to the condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance. As per records, the performance of the unit during the extended period (i.e. from

29.09.2017 to 31.03.2018) is NIL against projected export figures of Rs. 50.00 Lakhs. Now the unit has again requested to consider their request for extension of LOA for remaining period of five years (i.e. upto 10.10.2020). It was also informed that due to non-availability of Shri Sajal Kandira, Partner they were not able to submit their request for renewal of LOA in time.

b) It was further informed that as per APRs, unit has made total exports of Rs. 39.55 Lakhs during its first five years of operation and NFE of the unit remained positive, as it is evident from the following table:-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	Total
FOB Value of Export	30.93	6.90	0.00	1.72	0.00	39.55
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)– (2)	30.93	6.90	0.00	1.72	0.00	39.55

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	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

d) Shri Deepak Singh Manager appeared before the Approval Committee but he could not explain the reason for poor performance and concrete business plan to increase the export in future. As no senior person from the unit conversant with the matter appeared before the Approval Committee to explain the NFE status/future plan etc, Approval Committeet **deferred** the proposal with the direction that Partner of the company be invited in the next meeting to present their case as export performance of the unit is not satisfactory. It was further decided that export performance block wise i.e. for the period 11.10.2010 to 10.10.2015 along with details of Value Addition be put up before Approval Committee in its next meeting for monitoring of NFE/Value Addition.

2(iii). Proposal of M/s. Naman Exports for monitoring of performance and extension of validity of LOA No. 1-20-SEZ-I(J)Proj./ 2174 dated 01.11.2003 for remaining period of five years-reg.

a) It was informed to the Approval Committee that M/s. Naman Exports Plot No. G-32, SEZ-I was granted LOA No. 1-20-SEZ-I (J)Proj./ 2174 dated 01.11.2003 for Manufacture of Gold and Silver Jewellery Plain & Studded with Precious, Semi Precious Stones & Diamonds / and Pearls & Diamonds, Precious and Semi Precious Stone, Synthetic Stone and beads Plain Jewellery and article of ferrous & non ferrous metal (Brass copper) Jewellery Studded with precious semi precious stone, Glass, Pearl, Synthetic Imitation, wood coral, Diamonds. The Unit started export production on 17.05.2006. Accordingly, 2nd five years of block period of operation of the unit completed on 16.05.2016. Approval Committee in its meeting held on 20.07.2017 extended the validity period of LOA for a period up to 30.07.2018 subject to the condition that further extension of LOA will be considered in next Approval Committee meeting after monitoring the export / value addition performance.

b) As per records the performance of the unit during the extended period (i.e. from 26.07.2017 to 30.07.2018) is Rs. 8.34 Lacs against projected export figures of Rs. 150.00 Lakhs. Now the unit has again requested to consider extension of LOA for remaining period of five years (i.e. upto 16.05.2021).

c) It was further informed to the Approval Committee that as per APRs Unit has made following total exports of Rs. 27.86 Lakhs during the period 2013-14 to 2017-2018:-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (30.07.18)	Total
FOB Value of Export	0.00	0.00	0.00	8.38	11.14	8.34	27.86
Foreign Exchange out go	0.00	0.00	0.00	0.00	00.00	0.00	0.00
NFE earnings for last five years (1)– (2)	0.00	0.00	0.00	8.38	11.14	8.34	27.86

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	150.00	200.00	250.00	300.00	350.00	1250.00
Foreign Exchange out go	20.00	25.00	30.00	35.00	40.00	150.00
NFE Exchange earnings for next five year (1)– (2)	130.00	175.00	220.00	265.00	310.00	1100.00

e) Shri Rajesh Kumar Jain, Manager, appeared before the Approval Committee on behalf of the unit and explained the proposal.

The Approval Committee also **decided to extend the validity of LOA** for remaining period of next five year i.e. up to 16.05.2021, subject to execution of revised Bond-Cum-Legal Undertaking by the unit. It was further decided that export performance/NFE status block wise i.e. for the period 17.05.2011 to 16.05.2016 be put up of its next meeting for monitoring.

2(iv). Proposal of M/s. DJMC Exports for monitoring of performance and extension of LOA for remaining period / revised projections in LOA No. 1-32/2003-SEZ-I(J)Proj./ 2234 dated 04.11.2003-reg.

a) It was informed to the Approval Committee that M/s. DJMC Exports, Plot No. F-23, SEZ-I was granted LOA No. 1-32/2003-SEZ-I (J)Proj./ 2234 dated 04.11.2003 for Manufacture of Silver & Gold Jewellery. The Unit started export production on 04.08.2004. Accordingly, 2nd five years of operation of the Unit completed on 03.08.2014 and Approval Committee in its meeting held on 11.12.2014, 21.09.2015 & 22.04.2016 had extended the validity period of LOA for a period upto 31.03.2016 and 30.03.2017. Further Approval Committee in its meeting held on 23.11.2017 had extended the validity period of LOA for a period up to 31.05.2018 subject to the condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance. The Committee was further informed that as per records the performance of the unit during the extended period (i.e. from 01.04.2017 to 31.03.2018) is Rs. 70.79 Lacs and during the extended period 01.04.2018 to 31.05.2018 is Rs. 30.46 Lacs against projected export figures of Rs. 100.00 Lakhs.

b) Now the unit has again requested for extension of LOA for remaining period of five years (i.e. upto 01.08.2019). It was further informed that as per APR's unit has made total exports of Rs. 126.09 Lakhs during its 3rd first five years of operation as per the details given in the following table:-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (31.05.18)	Total
FOB Value of Export	0.00	0.11	5.34	19.39	70.79	30.46	126.09
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)– (2)	0.00	0.11	5.34	19.39	70.79	30.46	126.09

c) It was further informed that the unit has submitted revised projections as given below:-

(Rs. In Lacs)

Particulars (for five years)	Existing Projection	Revised Projection
Projected FOB value of exports	1975.05	610.51
Foreign Exchange Outgo	40.00	152.74
NFE over a period of 5 years	1935.05	457.77
Imported CG	40.00	20.00
Indigenous CG	75.00	10.00
Imported Raw Material / Consumable / Components	1398.25	152.74
Indigenous Raw Materials/ Consumable / Components	132.50	50.00

d) Shri Yogendra, Partner & Vikas Saxena, Manager, appeared before the Approval Committee on behalf of the unit and explained the proposal.

e) After due deliberations the Approval Committee extended validity of LOA for remaining period of next five year i.e. up to 01.08.2019 subject to execution of revised Bond-Cum-Legal Undertaking by the unit. Further Approval Committee also decided that performance of the unit will again be reviewed in June-2019. The Committee also decided that export performance/NFE & Value Addition status for the period 04.08.2019 to 03.08.2014 be put up in its next meeting for monitoring.

2(v) Proposal of M/s Singhal Exports for monitoring of performance and extension of validity of LOA No. 2-54-SEZ-II(J)Proj./ 259 dated 24.09.2004 for period of next five years-reg.

a) It was informed to the Approval Committee that M/s. Singhal Exports, Plot No. H1-81, SEZ-II was granted LOA No. 2-54-SEZ-II(J)Proj./ 259 dated 24.09.2004 for Manufacture of Precious & Semi Precious Gem Stones / Diamonds, Silver / Diamonds Jewellery Plain & Studded Gold / White Gold / Diamond Jewellery Plain & Studded. The Unit started export production on 03.09.2008. Accordingly, 2nd five years block period of its operation completed on 02.09.2018.

b) Unit submitted a request for extension of validity of LOA for a further period of five years. Development Commissioner, Noida extended the validity period of LOA for a period of two months i.e. upto 02.11.2018 subject to the condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance.

c) The Performance of the Unit was reviewed by Approval Committee in its meetings held on 11.06.2015, 23.11.2015, 22.04.2016, 21.10.2016, 20.07.2017 & 16.02.2018 and Approval Committee noted that unit has not made any export during 2013-14 to 2014-15. The unit has made export of Rs. 96.79 Lakhs in the year 2017-18 and Rs. 128.29 Lakhs in the current year up to 02.09.2018.

d) It was further informed that as per APRs, Unit has made exports of Rs. 152.17 Lakhs during its first five years of operation as per the following details:-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 02.09.18)	Total
FOB Value of Export	0.00	0.00	0.29	9.61	96.79	128.29	234.98
Foreign Exchange out go	0.00	0.00	9.84	0.00	188.05	0.00	197.89
NFE earnings for last five years (1)– (2)	0.00	0.00	-9.55	9.61	-91.26	128.29	37.09

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	500.00	550.00	600.00	650.00	700.00	3000.00
Foreign Exchange out go	112.00	118.00	143.00	149.50	168.50	691.50
NFE Exchange earnings for next five year (1)– (2)	388.00	432.00	456.50	500.00	531.50	2308.50

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

After due deliberations the Approval Committee took note of the positive NFE / requisite Value Addition achieved by the unit for the block period 03.09.2013 to 02.09.2018. The Approval Committee also <u>decided to extend the validity of LOA for balance period next five year block i.e. up to 02.09.2023</u> subject to execution of revised Bond-Cum-Legal Undertaking by the unit.

2(vi) Proposal of M/s Mohan Exports for monitoring of performance and Extension of validity of LOA No. 2-30-SEZ-II(J)Proj./ 167 dated 23.07.2004 for a period of next five years-reg.

a) It was informed to the Approval Committee that M/s. Mohan Exports, Plot No. G1-47, SEZ-II was granted LOA No. 2-30-SEZ-II(J)Proj./ 167 dated 23.07.2004 for manufacture of Precious & Semi Precious Gem Stones / Diamonds, Silver / Diamonds Jewellery Plain & Studded Gold / White Gold / Diamond Jewellery Plain & Studded. The Unit started export production on 22.07.2008. Accordingly, 2nd five years block of operation of the Unit completed on 21.07.2018. Unit has submitted a request for extension of validity of LOA for a balance period of five years i.e. upto 20.07.2023.

b) The Performance of the unit was reviewed by Approval Committee in its meetings held on 19.10.2015, 17.06.2016, & 19.05.2017 and Approval Committee noted that unit had not made any export during 2013-14 to 2015-16. The unit has made export of Rs. 3.42 Lakhs in the year 2016-17, and Rs. 8.36 Lakhs in the year 2017-18. The unit has not made any export in the F.Y. 2018-19 (up to 21.07.2018).

c) It was further informed that as per APRs, Unit has made total exports of Rs. 11.77 Lakhs during its 2nd five years of operation as is evident from the following table :-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 21.07.18)	Total
FOB Value of Export	0.00	0.00	0.00	3.41	8.36	0.00	11.77
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)–(2)	0.00	0.00	0.00	3.41	8.36	0.00	11.77

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	30.00	40.00	50.00	60.00	70.00	250.00
Foreign Exchange out go	15.00	20.00	25.00	30.00	35.00	125.00
NFE Exchange	15.00	20.00	25.00	30.0	35.0	125.00

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earnings for next five year (1)– (2)				0	0	

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

After due deliberations, Approval Committee **extended the validity of LOA** for a period up to 31.12.2018, subject to the condition that further extension of LOA will be considered in Approval Committee meeting to be held in November 2018. The Unit will execute Bond-Cum-Legal Undertaking in respect of the extended period. The Committee also noted positive NFE/requisite Value Addition achieved by the unit for the block period by 22.07.2013 to 21.07.2018.

2 (vii). Proposal of M/s A.M. Exports for monitoring of performance and Extension of validity of LOA No. 2-29-SEZ-II(J)Proj./ 166 dated 23.07.2004 for period of five years-reg.

a) It was informed to the Approval Committee that M/s. A.M. Exports, Plot No. G1-46, SEZ-II was granted LOA No. 2-29-SEZ-II (J)Proj./166 dated 23.07.2004 for Manufacture of Precious & Semi Precious Gem Stones / Diamonds, Silver / Diamond Jewellery Plain & Studded, Gold / White Gold / Diamond Jewellery Plain & Studded. The Unit started export production on 22.07.2008. Accordingly, 2nd five years block of operation of the Unit completed on 21.07.2018. The Unit has submitted a request for extension of validity of LOA for a further period of five years i.e. upto 21.07.2023.

b) The Performance of the unit was reviewed by Approval Committee in its meetings held on 19.10.2015, 23.11.15, 22.4.2016, 17.06.2016, 19.05.2017, 20.7.2017 & 16.02.2018 and noted that unit has not made any export during 2013-14, 2014-15 and 2016-17. The unit has made export of Rs. 1.34 Lakhs in 2015-16 and Rs. 1.09 Lakhs in 2017-18. The Unit has not made any export in the F.Y. 2018-19 (up to 20.07.2018). Approval Committee gave last opportunity to the Unit to re-start their export activities. However, the unit has not started their export activities.

c) It was further informed that as per APRs unit has made total exports of Rs. 2.43 Lakhs during its first five years of operation, as it is evident from the following table:-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 20.07.18)	Total
FOB Value of Export	0.00	0.00	1.34	0.00	1.09	0.00	2.43
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)– (2)	0.00	0.00	1.34	0.00	1.09	0.00	2.43

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	50.00	60.00	70.00	80.00	90.00	350.00
Foreign Exchange out go	30.00	36.00	42.00	48.00	54.00	210.00
NFE Exchange earnings for next five year (1)– (2)	20.00	24.00	28.00	32.00	36.00	140.00

As no senior person from the unit appeared before the Approval Committee to present their case, Approval Committeet **deferred** the proposal with the direction that Partner of the company should be invited in the next meeting to present their case. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 22.07.2013 to 21.07.2018.

2(viii) Proposal of M/s Agkem Impex Pvt. Ltd, for monitoring of performance and extension of validity of LOA No. 2-120-SEZ-II(J)Proj./ 495 dated 03.07.2006 for period of next five years-reg.

a) It was informed to the Approval Committee that M/s. Agkem Impex Pvt. Ltd., Plot No. H1-154, SEZ-II was granted LOA No. 2-120-SEZ-II(J)Proj./ 495 dated 03.07.2006 for manufacture of Gold Jewellery / Studded Jewellery, Silver Jewellery all kind. The unit started export production on 26.06.2008. Accordingly, 2nd five years block period of operation of the unit completed on 25.06.2018. Unit has submitted a request for extension of validity of LOA for a further period of five years i.e. upto 25.06.2023.

b) The Performance of the unit was reviewed by Approval Committee in its meetings held on 19.10.2015, 21.10.2016, 20.07.2017, & 16.02.2018 and Approval Committee noted that Unit did not made any export during 2013-14 to 2016-17. The unit made export of Rs. 3.20 Lakhs for the year 2017-18 and has not made any export in F.Y. 2018-19 (up to 10.07.2018).

c) It was further informed that as per APRs, Unit has made total exports of Rs. 3.20 Lakhs during its 2nd five years block evident from the following table:-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 10.07.18)	Total
FOB Value of Export	0.00	0.00	0.00	0.00	3.20	0.00	3.20
Foreign Exchange out go	0.00	0.00	0.00	0.00	2.90	0.00	2.90
NFE earnings for last five years (1)– (2)	0.00	0.00	0.00	0.00	0.30	0.00	0.30

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	250.00	287.50	325.00	340.00	350.00	1552.00
Foreign Exchange out go	164.25	189.55	214.30	243.80	256.80	1068.70
NFE Exchange earnings for next five year (1)– (2)	85.75	97.95	110.70	96.20	93.20	483.80

e) Shri Manish Jain, Director, appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and they expect to make Exports of approx. Rs. 25.00 Lakhs up to 30.11.2018.

The Approval Committee decided to extend the validity of LOA for a period up to 30.06.2019, subject to the condition that further extension of LOA will be considered in Approval Committee meeting to be held in April, 2019. The unit will execute Bond-Cum-Legal

Undertaking in respect of extended period. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 26.06.2013 to 25.06.2018.

2(ix) Proposal of M/s Motisons Jewellers Ltd. for monitoring of performance and extension of validity of LOA No. 2-126-SEZ-II(J)Proj./ 486 dated 03.07.2006 for period of next five years-reg.

a) It was informed to the Approval Committee that M/s. Motisons Jewellers., Plot No. G-103, 104, 107 & 108, SEZ-II total area 5835sqm. was granted LOA No. 2-126-SEZ-II(J)Proj./ 486 dated 03.07.2006 for Manufacture of Gold & Silver Jewellery, Precious & Semi Precious Stones. The Unit started export production on 30.07.2008. Accordingly, 2[nd] five years block period of the unit completed on 29.07.2018. Unit submitted a request for extension of validity of LOA for a further period of five years. Development Commissioner, Noida has further extended the validity period of LOA for two months i.e. upto 28.09.2018 subject to the condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance.

b) The Performance of the unit was reviewed by Approval Committee in its meetings held on 21.09.2015, 17.06.2016 & 19.05.2017 and Approval Committee noted that unit has not made any export during 2013-14 to 2014-15. The unit has made export of Rs. 22.91 Lakhs for the year 2015-16 and Rs. 624.54 Lakhs for the year 2016-17 and Rs. 87.96 Lakhs for the year 2017-18. The Unit has not made any export for the F.Y. 2018-19 (up to 28.07.2018). The Unit has requested to renewal of LOA for balance period of 3[rd] five years block i.e. upto 29.07.2023.

c) It was further informed that as per APRs unit has made total exports of Rs. 735.41 Lakhs during its 2[nd] five years of operation, as it is evident from the following table :-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 28.07.18)	Total
FOB Value of Export	0.00	0.00	22.91	624.54	87.96	0.00	735.41
Foreign Exchange out go	0.00	0.00	0.00	449.91	7.49	**20.45**	477.85
NFE earnings for last five years (1)–(2)	0.00	0.00	22.91	174.63	80.47	0.00	278.01

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	100.00	110.00	125.00	150.00	180.00	665.00
Foreign Exchange out go	60.00	66.00	75.00	90.00	108.00	399.00
NFE Exchange earnings for next five year (1)– (2)	40.00	44.00	50.00	60.00	72.00	266.00

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

After due deliberations, Approval Committee **extended the validity of LOA for a period up to 29.07.2019**, subject to execution of revised Bond-Cum-Legal Undertaking by the unit. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 30.07.2013 to 29.07.2018.

2(x) Proposal of M/s Manglam Gems & Jewellery for monitoring of performance and extension of validity of LOA No. 2-127-SEZ-II(J)Proj./ 489 dated 03.07.2006 for a period of next five years-reg.

a) It was informed to the Approval Committee that M/s. Manglam Gems & Jewellery, Plot No. F-89, SEZ-II was granted LOA No. 2-127-SEZ-II(J)Proj./ 489 dated 03.07.2006 for manufacture of Gold Jewellery / Studded Jewellery Silver Jewellery, all kind of Gem Stones. The unit has started export production on 11.07.2008. Accordingly, two five years block periods of its operation completed on 10.07.2018. Unit has submitted a request for extension of validity of LOA for a further period of five years i.e. upto 10.07.2023.

b) The Performance of the unit was reviewed by Approval Committee in its meetings held on 19.10.2015, 21.10.2016, 20.07.2017 & 16.02.2018 and Approval Committee noted that unit has not made any export during 2013-14 to 2018-19. (up to 10.07.2018) and decided that export performance of the unit shall be reviewed in month of July-2018 and if the performance of the unit is not found satisfactory during the said stipulated period then LOA may not be renewed further.

c) <u>However, the unit has not done any export activities during last five years of its operation.</u>

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 00.07.18)	Total
FOB Value of Export	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)–(2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	8.79	10.98	13.43	16.78	20.97	70.95
Foreign Exchange out go	1.25	1.50	1.75	2.00	2.25	8.75
NFE Exchange earnings for next five year (1)– (2)	7.54	9.48	11.68	14.78	18.72	62.20

e) Shri Ajay Gupta, Partner, & Shri I. S. Pooniya, Manager, appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and they expect to make Exports of approx. Rs. 25.00 Lakhs up to 31.03.2019.

After due deliberations, Approval Committee **<u>extended the validity of LOA</u>** <u>for a period up to 31.03.2019</u>. Approval Committee further directed representatives of the Unit that this is the last opportunity being given to re-start the export activity and also decided that the export performance of the Unit shall be reviewed in the month of March-2019 and if the unit fails to do export and performance is found not satisfactory during the said stipulated period then the Approval Committee may not renew the LOA further.

2(xi). Proposal of M/s. Gaurav Jewels Exports Pvt. Ltd. for monitoring of performance and extension of validity of LOA No. 2-52-SEZ-II(J)Proj./ 99 dated 18.05.2010 for remaining period of five years-reg.

a) It was informed to the Approval Committee that M/s. Gaurav Jewels Exports Pvt. Ltd. Plot No. G-100, SEZ-II, total area 1500 sqm. was granted LOA No. 2-52-SEZ-II (J)Proj./ 99 dated 18.05.2010 for manufacture of Gold Jewellery Plain & Studded Gem Stones Finished & Polished, Silver Jewellery and artificial Jewellery, Plain & Studded. The unit has started export production on 10.04.2012. Accordingly, first five years of operation of the unit completed on 09.04.2017 and Approval Committee in its meeting held on 19.05.2017 extended validity period of LOA for a period upto 31.03.2018 subject to the condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance.

b) As per records the performance of the unit during the extended period (i.e. from 01.05.2017 to 31.03.2018) is Rs. 121.98 Lacs against projected export figures of Rs. 200.00 Lakhs. Now the unit has again requested for extension of LOA for remaining period of five years (i.e. upto 09.04.2022). Unit has also informed that due to non-availability of Smt. Shaili Baid, Director, they were not able to submit their request for renewal of LOA in time.

c) It was further informed that as per APRs unit has made total exports of Rs. 139.84 Lakhs during its last five years of operation, as it is evident from the following table :-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	Total
FOB Value of Export	0.39	0.00	0.00	17.47	121.98	139.84
Foreign Exchange out go	0.26	0.00	0.00	0.00	0.00	0.000
NFE earnings for last five years (1)– (2)	0.39	0.00	0.00	17.47	121.98	139.84

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	200.00	300.00	400.00	500.00	600.00	2000.00
Foreign Exchange out go	120.00	180.00	240.00	300.00	360.00	1200.00

NFE Exchange earnings for next five year (1)– (2)	80.00	120.00	160.0 0	200.00	240.00	800.00

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

After due deliberations, Approval Committee extended the validity of LOA for remaining period of next five year i.e. up to 10.04.2022, subject to execution of revised Bond-Cum-Legal Undertaking by the unit. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 10.04.2012 to 09.04.2017.

2(xii). Proposal of M/s. Shree Nath Gems for monitoring of performance and extension of validity of LOA No. 1-18/2003-SEZ-I(J)Proj./ 2165 dated 31.10.2003 for remaining period of five years-reg.

a) It was informed to the Approval Committee that M/s. Shree Nath Gems, Plot No. H1-38 SEZ-II, was granted LOA No. 1-18/2003-SEZ-I (J)Proj./ 2165 dated 31.10.2003 for manufacture of Precious & Semi Precious Stones all Shapes & Sizes, Plain & Studded Jewellery, Ornaments, Beads. The unit started export production on 15.05.2007. Accordingly, two five years block period of operation of the unit completed on 14.05.2017 and Approval Committee in its meeting held on 20.07.2017 extended the validity period of LOA for a period upto 31.01.2018 subject to the condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance.

b) As per records, the performance of the unit during the extended period (i.e. from 30.05.2017 to 31.01.2018) is Rs. 18.76 Lacs against projected export figures of Rs. 10.00 Lakhs. Now the unit has again requested to consider their request for extension of LOA for remaining period of five years (i.e. upto 14.05.2022). Unit has also informed that due to non-availability of Shri Ajay Agarwal, Proprietor, they were not able to submit their request for renewal of LOA in time.

c) It was further informed that as per APRs, Unit has made total exports of Rs. 26.22 Lakhs during its 2nd five years of operation, as it is evident from the following table :-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	Total
FOB Value of Export	1.90	1.45	1.82	2.29	18.76	26.22
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00

NFE earnings for last five years (1)– (2)	1.90	1.45	1.82	2.29	18.76	26.22

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	10.00	20.00	30.00	40.00	50.00	150.00
Foreign Exchange out go	6.00	12.00	18.00	24.00	30.00	90.00
NFE Exchange earnings for next five year (1)– (2)	4.00	8.00	12.00	16.00	20.00	60.00

e) Shri Ajay Khandelwal, Proprietor, appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and they expect to make Exports of approx. US$ 2.00 lakhs up to 31.05.2019.

After due deliberations, Approval Committee **extended the validity of LOA for further period up to 14.05.2019** subject to the condition that further extension of LOA will be considered in Approval Committee meeting to be held in April,2019 after monitoring the export / value addition performance. The unit will execute Bond-Cum-Legal Undertaking for the extended period. The Committee also noted positive NFE/requisite Value Addition achieved by the unit for the block period by 13.05.2013 to 14.05.2018.

2(xiii) Proposal of M/s Rita Gems for monitoring of performance and Extension of validity of LOA No. 2-32-SEZ-II(J)Proj./ 1791 dated 17.07.2004 for period of next five years-reg.

a) It was informed to the Approval Committee that M/s. Rita Gems., Plot No. H-118, SEZ-II has been granted LOA No. 2-32-SEZ-II(J)Proj./ 179 dated 17.07.2004 for manufacture of Gold Jewellery Plain & Studded, Gem Stones Finished & Polished, Silver Jewellery Plain & Studded. The Unit started export production on 10.07.2008. Accordingly, two five years block period of operation of the Unit completed on 09.07.2018. Unit has submitted a request for extension of validity of LOA for a further period of five years.

b) It was further informed that as per APRs Unit has made total exports of Rs. 8.77 Lakhs during its 2nd block of five as it is evident from the following table :-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 09.07.18)	Total
FOB Value of Export	3.89	3.81	0.00	0.00	1.07	0.00	8.77
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)– (2)	3.89	3.81	0.00	0.00	1.07	0.00	8.77

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	10.00	15.00	20.00	25.00	30.00	100.00
Foreign Exchange out go	6.00	9.00	12.00	15.00	18.00	60.00
NFE Exchange earnings for next five year (1)– (2)	4.00	6.00	8.00	10.00	12.00	40.00

d) Shri Virendra Baid, Proprietor, appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and they expect to make Exports of approx. Rs. 15.00 Lakhs up to 31.07.2019.

Although the Approval Committee was not satisfied with their Export performance but keeping in view export order placed with the Unit, the Approval Committee **decided to extend the validity of LOA for a period up to 09.07.2019**. Approval Committee further cautioned the Unit that this is the last opportunity being given to re-start the export activity immediately and also decided that the export performance of the unit shall be reviewed in the month of March-2018. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 10.07.2013 to 09.07.2018.

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

a) It was informed to the Approval Committee that M/s. J.M. Exports Plot No. H-62, SEZ-II was granted LOA No. 2-66-SEZ-II (J)Proj./ 876 dated 22.11.2011 for manufacture of Diamonds, Precious Semi Precious, Synthetic Stone quibic, Zircona, Gold & Silver Jewellery Plain & Studded. The unit started export production on 23.05.2012. Accordingly, first five years of operation of the unit was completed on 22.05.2017 and Approval Committee in its meeting held on 23.11.2017 extended the validity period of LOA for a period upto 31.05.2018 subject to the condition that further extension of LOA will be considered in next Approval Committee after monitoring the export / value addition performance. As per records, the performance of the unit during the extended period (i.e. from 22.05.2017 to 31.05.2018) is Rs. 5.65 Lakhs against projected export figures of Rs. 200 Lakhs. Now the unit has again requested for extension of LOA for remaining period of five years (i.e. upto 22.05.2022).

b) It was further informed that as per APRs, Unit has made total exports of Rs. 6.51 Lakhs during its last five years of operation, as it is evident from the following table:-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (31.05.18)	Total
FOB Value of Export	0.86	0.00	0.00	0.00	5.65	0.00	6.51
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)– (2)	0.86	0.00	0.00	0.00	5.65	0.00	6.51

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
FOB Value of Export	200.00	300.00	400.00	500.00	600.00	2000.00
Foreign Exchange out go	120.00	180.00	240.00	300.00	360.00	1200.00
NFE Exchange	80.00	120.00	160.00	200.00	240.00	800.00

earnings for next five year (1)– (2)						

As no senior person from the unit appeared before the Approval Committee in its meeting held on 24.09.2018 to explain the NFE status etc., Approval Committeet **deferred** the proposal with the direction that Partner of the company be invited in the next meeting to present their case. Communication to them should be sent by registered post. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 23.05.2013 to 22.05.2017.

2(xv) Proposal of M/s Venus Arts Pvt. Ltd., for monitoring of performance and extension of validity of LOA No. 2-96-SEZ-II(J)Proj./ 91 dated 20.01.2006 for period of next five years-reg.

a) It was informed to the Approval Committee that M/s. Venus Arts Pvt. Ltd., Plot No. G1-45-46, SEZ-II was granted LOA No. 2-96-SEZ-II(J)Proj./ 91 dated 17.07.2004 for manufacture of Gold Jewellery Plain & Studded, Gem Stones Finished & Polished, Silver Jewellery Plain & Studded. The unit started export production on 28.05.2007. Accordingly, 2nd five years block of the unit completed on 27.05.2017. Unit has submitted a request for extension of validity of LOA for a further period of five years.

b) It was further informed that as per APRs unit has made total exports of Rs. 2283.62 Lakhs during its last five years of operation, as it is evident from the following table :-

(Rs in Lacs)

Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	Total
FOB Value of Export	2078.32	205.30	0.00	0.00	0.00	0.00	2283.62
Foreign Exchange out go	744.36	141.93	0.00	0.00	0.00	0.00	886.32
NFE earnings for last five years (1)– (2)	1333.94	63.34	0.00	0.00	0.00	0.00	1397.28

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

(Rs. in Lacs)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total

FOB Value of Export	90.00	160.00	230.00	300.00	370.00	1150.00
Foreign Exchange out go	24.00	33.00	42.00	51.00	60.00	210.00
NFE Exchange earnings for next five year (1)– (2)	66.00	127.00	188.00	249.00	310.00	940.00

d) It was informed to the Approval Committee that the Unit has deposited penalty amount of Rs. 79,030.00/- as decided by Approval Committee for non-realization of Export proceeds of Rs.91.95 Lakhs during operation period from 28.05.2007 to 27.05.2012. Further the Unit has also deposited Rs. 2,00,212.00/- calculated by Assistant Commissioner Preventive Jaipur vide their letter No, C No VIII(48)107/Prev/2017/2004 dt. 06./07/2018. The amounts were deposited in State Bank of India SMS highway Jaipur vide Challan No. 00003 dt. 06/07/2018.

e) The validity period of LOA already expired / lapsed on 17.05.2017 (i.e. more than one year has lapsed). Now M/s Venus Arts (P) Ltd, has applied for renewal of LOA vide their letter dated 04.09.2018 along with revised projection Form-F, copy of APR's / audited balance sheet for last five years period duly verify by the C.A.

f) Shri V.P. Soni, Manager, appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and they expect to make Exports of approx. Rs. 40.00-50.00 Lakhs up to 31.08.2019.

After due deliberations, the Approval Committee **decided to extend the validity of LOA for a period up to 31.08.2019**, subject to execution of revised Bond-Cum-Legal Undertaking by the unit. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 28.05.2012 to 27.05.2017.

2 (xvi) Proposal of M/s H.R. Gems for monitoring of performance and review of LOA No. 2-134-SEZ-II (J) Proj.183 dated 27.08.2010.

a) It was informed that the unit started export production on 23.08.2011. Accordingly, first five years of operation of the unit completed on 22.08.2016 and thereafter Approval Committee in its meeting held on 21.10.2016 & 19.05.2017 extended the validity period of LOA for a period up to 31.03.2017 & 31.03.2018 respectively. Approval Committee noted that unit had not made any export during last four years. The representative of the unit was again directed that this is the last opportunity given to re-start the export activity immediately and decided that the export performance of the unit shall be reviewed in the month of March-2018 and if the unit fails to do export / performance is not satisfactory during the said stipulated period then Approval Committee may take further action, as deemed fit, including cancellation of LOA under section 16 of the SEZ Act, 2005.

b) It was brought to the notice of the unit Approval Committee that the LOA validity of the unit has already expired /lapsed on 31.03.2018. However the unit has not sent any response till date even after issue of several reminders vide this office letters dated 25.5.2017,12.9.2017,13.12.2017,16.03.2018,30.5.2018 and 17.09.2018. The unit has also not submitted APRs for the year 2017-18 till date.

c) No one from the unit appeared before the Approval Committee to explain the status of the unit.

d) Approval Committee reviewed the export performance in terms of Rule 54 of SEZ Rules, 2006 and noted that the unit had not made any export during the last five years. Details are as under:-

(Rs in Lacs)

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Total
FOB Value of Export	0.00	0.00	0.00	0.00	1.00	0.00	**1.00**
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)– (2)	0.00	0.00	0.00	0.00	1.00	0.00	**1.00**

In view of the above Approval Committee did not find any merit / justification to renew the LOA. After due deliberations, **Approval Committee decided not to renew the LOA and LOA to be treated as cancelled as already lapsed.** Approval Committee directed the unit to complete the exit formalities and also directed Customs division to recover all the duties & interest etc. if any from the Unit before completing de-bonding formalities. Further, Approval Committee also directed RIICO to start appropriate action against the Unit, as deemed fit.

2 (xvii) Proposal of M/s GML Jewellery Manufactures , for monitoring of performance and review of LOA No. 2-25-SEZ-II (J) Proj. 1786 dated 17.04.2004.

a) It was informed that the unit started export production on 16.07.2008. Accordingly, ten years of operation of the unit completed on 15.07.2018 and thereafter Approval Committee in its meeting held on 11.06.2015, 21.08.2015, 22.04.2016, 21.10.2016 & 24.09.2018 reviewed the export performance and noted that the unit has not made any export during 2013-14, 2015-16, 2017-18 & 2018-19 (up to 14.07.2018). The representative of the unit was informed that this is the last opportunity given to re-start the export activity immediately and also decided that the export performance of the unit shall be reviewed in the month of July-2018 and if the unit fails to do export / performance is not satisfactory during the said stipulated period then Approval Committee may take further action, as deemed fit, including cancellation of LOA under section 16 of the SEZ Act, 2005.

b) It was brought to the notice of the unit Approval Committee that the validity of LOA of the unit has already expired /lapsed on 14.07.2018 and the unit has not sent any response till date even after issue of several reminders vide this office letters dated 1.5.2018,28.6.2018,26.7.2018 and 17.09.2018. The unit has also not submitted APRs for the year 2017-18 till date.

c) No one from the unit appeared before the Approval Committee to explain the status of the unit.

d) Approval Committee reviewed the export performance in terms of Rule 54 of SEZ Rules, 2006 and noted that the unit had not made any significant export during the last five years. Details are as under:-

(Rs. In Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 15.07.18)	Total
FOB Value of Export	0.00	3.83	0.00	1.82	0.00	0.00	**5.65**
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)– (2)	0.00	3.83	0.00	1.82	0.00	0.00	**5.65**

In view of the above, Approval Committee did not find any merit / justification to renew the LOA. After due deliberations, **Approval Committee decided not to renew the LOA and LOA to be treated as cancelled as already lapsed.** Approval Committee directed the Unit to complete the exit formalities and also directed Customs division to recover all the duties & interest etc. if nay from the unit before completing de-bonding formalities. Further, Approval Committee directed RIICO to initiate appropriate action against the unit. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 16.07.2013 to 15.07.2018.

2 (xviii) Proposal of M/s Samriddhi Gems , for monitoring of performance and review of LOA No. 2-47-SEZ-II (J) Proj. 215 dated 28.08.2004.

a) It was informed that the unit has started export production on 26.06.2008. Accordingly, ten years of operation of the unit completed on 25.08.2018. Approval Committee in its meeting held on 11.06.2015, 23.11.2015, 22.04.2016, 21.10.2016, 20.07.2017 & 16.02.2018 reviewed the export performance and noted that the unit has not made any export during 2013-14 to 2015-16. The representative of the unit was informed that this is the last opportunity given to re-start the export activity immediately and decided that the export performance of the unit shall be reviewed in the month of July-2018 and if the unit fails to do export / performance is not satisfactory during the said stipulated period then Approval Committee may take further action, as deemed fit, including cancellation of LOA under section 16 of the SEZ Act, 2005.

b) It was brought to the notice of the Unit Approval Committee that the LOA has already expired / lapsed on 24.08.2018 and even after issue of several reminders vide this office letters dated 31.5.2018,28.6.2018,27.7.2018 and 17.9.2018 the unit has not sent any response till date. The unit has also not submitted APRs for the year 2017-18 till date.

c) No one from the unit appeared before the Approval Committee to explain the status of the unit.

d) Approval Committee reviewed the export performance in terms of Rule 54 of SEZ Rules, 2006 and noted that the unit had not made any significant export during the last four years, details are as under:-

(Rs. in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 14.07.18)	Total
FOB Value of Export	0.00	3.83	0.00	4.40	10.23	0.00	**14.63**
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NFE earnings for last five years (1)–(2)	0.00	3.83	0.00	4.40	10.23	0.00	**14.63**

In view of the above Approval Committee did not find any merit / justification to renew the LOA. After due deliberations, Approval Committee decided **not to renew the LOA** and LOA to be treated as cancelled as already lapsed. Approval Committee directed to send a detailed letter to the unit to complete the exit formalities and also directed Customs division to recover all

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the duties & interest etc. if any from the unit before completing de-bonding formalities. Further, Approval Committee directed RIICO to initiate appropriate action against the unit. The Committee also noted positive NFE/requisite Value Addition achieved by the unit for the block period by 26.08.2013 to 25.08.2018.

2 (xix) Proposal of M/s Unique Jewels , for monitoring of performance and review of LOA No. 2-131-SEZ-II (J) Proj. 419 dated 20.07.2012.

a) M/s Unique Jewels, was granted LOA No. 2-131-SEZ-II(J)Proj./ 419 Dated 20.07.2012 for the manufacture of Precious Stones, Semi-Precious Stone, Gold Jewellery Plain & Studded, Silver Jewellery & Plain & Studded, Copper Brass & Other Base Metal Jewellery. The unit had started export production on 15.04.2013. Accordingly first five years of operation of the unit **completed on 14.04.2018.**

b) It was brought to the notice of the Unit Approval Committee that the LOA has already expired / lapsed on 14.04.2018 and even after issue of several reminders vide this office letters dated 12.3.2018,30.5.2018,25.6.2018,25.7.2018 and 17.9.2018, the unit has not sent any response till date. The unit has also not submitted APRs for the year 2017-18 till date.

c) No one from the unit appeared before the Approval Committee to explain the status of performance of unit.

d) The Approval Committee noted that the unit had not made any significant export during the last two years. Details are as under:-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 14.04.18)	Total
FOB Value of Export	38.09	15.64	54.19	33.25	0.00	0.00	**141.17**
Foreign Exchange out go	0.00	0.00	38.91	0.00	0.00	0.00	38.91
NFE earnings for last five years (1)–(2)	38.09	15.64	15.28	33.25	0.00	0.00	**102.28**

In view of the above Approval Committee did not find any merit / justification to renew the LOA. After due deliberations, **Approval Committee decided not to renew the LOA and LOA to be treated as cancelled as already lapsed.** Approval Committee directed to issue an speaking order to the Unit to complete the exit formalities and also directed Customs division to recover all the duties & interest etc. if any from the unit before completing de-bonding formalities. Further, Approval Committee directed RIICO to initiate appropriate action against the unit. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 15.04.2013 to 14.04.2018.

2 (xx) Proposal of M/s Royal Rare Colours Stones (Rental basis M/s Amiable Jewellery), for monitoring of performance and review of LOA No. 2-208-SEZ-II (J) Proj. 1170 dated 30.01.2012.

a) M/s Royal Rare Colours Stones (Rental basis M/s Amiable Jewellery, was granted LOA No. 2-208-SEZ-II(J)Proj./ 1170 Dated 30.01.2012 for the manufacture of Gold Jewellery Plain / Studded, Silver & Artificial Jewellery, Gem Stones Finished & Polished. The unit had started export production on 03.07.2013. Accordingly first five years of operation of the unit **completed on 02.07.2018.**

b) It was brought to the notice of the unit Approval Committee that the validity of LOA of the unit has already expired/ lapse on 02.07.2018 and even after issue of several reminders vide this office letters dated 22.1.2018,1.3.2018,31.5.2018,22.6.2018,23.7.2018 and 17.9.2018, the unit has not sent any response till date. The unit has also not submitted APRs for the year 2017-18 till date.

c) No one from the unit appeared before the Approval Committee to explain the status of the unit.

d) Approval Committee reviewed the export performance in terms of Rule 54 of SEZ Rules, 2006 and noted that the unit had not made any significant export during the last three years. Details are as under:-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 02.07.18)	Total
FOB Value of Export	14.97	77.76	16.83	0.00	0.00	0.00	**109.56**
Foreign Exchange out go	0.00	82.16	0.00	0.00	0.00	0.00	82.16
NFE earnings for last five years (1)–(2)	14.97	-4.40	16.83	0.00	0.00	0.00	**27.40**

In view of the above Approval Committee did not find any merit / justification to renew the LOA. After due deliberations, **Approval Committee decided not to renew the LOA and LOA to be treated as cancelled as already lapsed.** Approval Committee directed to issue an duties & interest etc. if any from the unit before completing de-bonding formalities. Further, Approval Committee directed RIICO to initiate appropriate action against the unit. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 03.07.2013 to 02.07.2018.

2(xxi) Proposal of M/s Gem Excel for monitoring of performance and Extension of validity of LOA No. 2-9/2004-SEZ-II(J)Proj./ 515 dated 26.05.2004 for period of next five years-reg.

a) It was informed to the Approval Committee that M/s. Gem Excel, Plot No. H-54, SEZ-II was granted LOA No. 2-9/2004-SEZ-II(J)Proj./ 515 dated 26.05.2004 for manufacture of Semi-Precious & Precious Stones, Silver, & Gold Jewellery Studded Jewellery. The unit has started export production on 03.05.2008. Accordingly, 2[nd] five years block period of operation of the unit completed on 02.05.2018.

b) The Performance of the unit was reviewed by Approval Committee in its meetings held on 21.08.2015, 22.04.2016, 21.10.2016, 20.07.2017 & 16.02.2018 and Approval Committee noted that unit has not made any export during 2013-14, 2014-15 & 2017-18. The unit has made export of Rs. 3.20 Lakhs during 2015-16 & Rs. 30.14 Lakhs during 2016-17 and during current year 2018-19, the Unit has not made any export (up to 01.05.2018) and decided that export performance of the unit shall be reviewed in month of May-2018 and if the performance of the unit is not found satisfactory during the said stipulated period then LOA may not be renewed further.

c) It was brought to the notice of the unit Approval Committee that the validity of LOA of the unit has already expired / lapse on 01.05.2018 and even after issue of several reminders vide this office letters dated 19.04.2017, 03.05.2017, 02.06.2017, 25.07.2017 & 23.08.2017 the unit has not sent any response till date. The unit has also not submitted APRs for the year 2017-18 till date.

d) It was further informed that as per APRs unit has made total exports of Rs. 33.34 during its 2[nd] five years of operations as it is evident from the following table :-

(Rs in Lacs)

Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 01.05.18)	Total
FOB Value of Export	0.00	0.00	3.20	30.14	0.00	0.00	33.34
Foreign Exchange	0.00	0.00	0.00	0.00	0.00	0.00	0.00

out go							
NFE earnings for last five years (1)–(2)	0.00	0.00	3.20	30.14	0.00	0.00	33.34

e) Shri Abhishek Malpani, Partner, appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed the Approval Committee that at present they have export orders in hand and they expect to make Exports of approx. Rs. 15.00 Lakhs up to 31.03.2019.

After due deliberations, Approval Committee extended the validity of LOA for a period up to 30.04.2019. Approval Committee further directed representative of the unit that this is the last opportunity being given to re-start the export activity immediately and decided that the export performance of the unit shall be reviewed in the month of March-2019. The Committee noted positive NFE/requisite Value Addition achieved by the unit for the block period by 03.05.2013 to 02.05.2018.

3(i) Proposal of M/s R.S. Jewels for inclusion of additional item & enhancement of production capacity of LOA-reg.

a) It was brought to the notice of Approval Committee that M/s R.S. Jewels, had submitted proposal for inclusion of additional item of Base Metal Jewellery of Brass, Copper, Zinc. and enhancement of the production capacity in their LOA dated 18.10.2007. It was further informed that the LOA of the unit is valid up to 11.04.2020. The list of items proposed and annual capacity to be included are as under:-

Existing Authorized Operation		**Proposed additional Authorized Operation**	
Item of manufacture	**Annual capacity**	**Item of manufacture**	**Annual capacity**
1. Gold Jewellery (plain & studded)	17.00 Kg. (85000.00 Cts.)	1.Gold Jewellery (plain & studded)	**25.00 Kg.** (85000.00 Cts.)
2. Silver Jewellery (plain & studded)	10.00 Kg (10000.00 Gms)	2. Silver Jewellery (plain & studded)	**1000.00 Kg** (10000.00 Gms)
3. Precious & Sem Precious Stones	800.00 Kg.	3. Precious & Sem Precious Stones	800.00 Kg.
		4. Base Metal Jewellery of Brass, Copper, Zinc 2000.00 Kg.	

b) However, no one from the unit appeared before the Approval Committee to explain the business plans & targets.

After due deliberations, Approval Committee **approved** the above proposal subject to fulfillment of prescribed value addition norms and execution of Bond-Cum-Legal Undertaking by the unit.

3 (ii). Proposal of M/s Bhansali Trading Corporation, for Change of Partners and shareholding pattern of the firm-reg.

a) It was brought to the notice of the Approval Committee that M/s Bhansali Trading Corporation, Plot No. F-23 SEZ-II, Jaipur had submitted proposal for change of partners and shareholding pattern of the firm, as given below:-

Existing partners / shareholding		Revised partners / shareholding	
Name of partners	**Share %**	**Name of partners**	**Share %**
1. Shri Praksh Raj Bhansali	30%	**1. Shri Praksh Raj Bhansali**	**35%**
2. Shri Santosh Bhansali	25%	**2. Shri Arun Choudhary**	**40%**
3. Shri Arun Choudhary	25%	**3. Smt. Anita Bhansali**	**25%**
4. Smt. Anita Bhansali	20%		

b) It was informed that unit intimated above change of partner / shareholding after delay of more than 3-4 years. The certificate reg. change of partnership deed of firm was issued by the Register of firm Jaipur (Rajasthan) on 3194/75 dated 26.11.2014. The Approval Committee observed that this is a case of violation of the Bond-Cum-LUT/ SEZ Rules.

c) Shri Abhay Jain, Manager, appeared before the Approval Committee on behalf of the unit and explained the proposal. He also informed that the lapse was purely unintentional and also regretted the same.

d) It was informed that vide Instruction No. 89 dated 17.05.2018, DOC has issued guidelines regarding change in shareholding pattern, name change of SEZ Developers and SEZ Unit. As per Para 5(ii) of said guidelines "Re-organisation 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".

It is further informed that 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.

e) Further, it is informed that vide Instruction No. 90 dated 03.08.2018, DOC 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.

After due deliberations, the Approval Committee **taken note of** the proposed changes in shareholding of the firm, as per instruction No. 89 dated 17.05.2018, read with Instruction No. 90 issued by the Deptt. of Commerce subject to the condition mentioned therein. Revised Bond-Cum- Legal Undertaking may be executed by the Unit, if required.

4. Review of Export Performance-reg.

a) It was informed to the Approval Committee that M/s Om Royal Jewels Pvt. Ltd, Plot No. F-26, SEZ-II, Jaipur, total area 2000 sqm., was granted LOA No. 2-108-SEZ-II(J)Proj./97 dated 18.05.2010. The unit started export production on 09.11.2011. Accordingly first five years of operation of the unit had completed on 08.11.2016 & LOA was renewed / extended for a further period of five years i.e. up to **08.11.2021**.

b) 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 20.07.2018.

c) The Export Performance of the unit during last five years are as under:-

(Rs In Lakhs)

Year	2014-15	2015-16	2016-17	2017-18	2018-19 (up to 10.07.18)	Total
FOB Value of Export	15.37	14.88	0.00	0.00	0.00	30.25
Foreign Exchange out go	0.00	0.00	0.00	0.00	0.00	0.00
Net Foreign Exchange earning for last five year (1)– (2)	15.37	14.88	0.00	0.00	0.00	30.25

d) However, no one from the unit appeared before the Approval Committee to explain the business plans & targets.

After due deliberations, Approval Committee **deferred** the proposal for next Approval Committee meeting and directed that promotes be called to be present during the meeting.

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

a) The following units have completed five years of production. Since NFE is positive, the Development Commissioner has granted permission for renewal of LOA for next five years in terms of Rule 19(6) of SEZ Rules, 2006. Accordingly, the performance of the units during first five years of operation was placed before Approval Committee for review.

(Rs. in Lakhs)

S. No.	Name of Unit	LOA date/ Date of Production	1st Five year completed	Extension granted upto	Export For 1st five years	Import For 1st five years	Pending realization (BRC)	Emplo-yment
(i)	M/s BML Gems & Jewellery P. No. F-24,SEZ-II	04.09.2004/ 14.08.2008	13.08.2018	13.08.2023	7030.19	1165.08	NIL	118
(ii)	M/s Gemco Designs P. No. G1-15, SEZ-I	14.07.2008/ 12.09.2008	10.09.2018	10.09.2023	8734.33	1912.50	NIL	81

After due deliberation, Approval Committee noted achievement of positive NFE/ requisite Value Addition by the above units.

Meeting ended with a vote of thanks to the chair.

(S.S. Shukla)
Joint Development Commissioner

(Dr. L.B. Singhal)
Zonal Development Commissioner
NSEZ