

**SEEPZ SPECIAL ECONOMIC ZONE**

**ANDHERI (EAST), MUMBAI.**

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**SUPPLEMENTARY AGENDA FOR**

**MEETING OF THE APPROVAL COMMITTEE FOR SEEPZ - SEZ.**

**VENUE** : Conference Hall, BFC Building, 2<sup>nd</sup> Floor, Behind the  
Office of Development Commissioner, SEEPZ-SEZ,  
Andheri (East), Mumbai - 400 096.

**DATE** : 10<sup>th</sup> August, 2015.

**TIME** : 12.00 P.M.

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**OFFICE OF THE DEVELOPMENT COMMISSIONER,  
SEEPZ SPECIAL ECONOMIC ZONE, GOVT. OF INDIA,  
ANDHERI (EAST), MUMBAI**

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**AGENDA NOTE FOR CONSIDERATION OF UNIT APPROVAL COMMITTEE**

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**a) Proposal: -**

Request of M/s. Lotus Ornaments Pvt. Ltd. for Import of Dore Bars

**b) Specific Issue on which decision of UAC is required: -**

The proposal of the unit was deferred the proposal and directed to examine the request in details and deferred the proposal.

**c) Relevant provisions of SEZ Act, 2005 & Rules, 2006/Instruction/Notification :-**

Rule 46(12)(iv) of SEZ Rules 2006 provide that " Where supplying and receiving Units are located in the same SEZ , movement of goods including raw materials shall be allowed subject to maintenance of accounts by receiving and supplying Units and no Bill of Entry shall be required to be filed.

**d) Other Information: -**

M/s. Lotus Ornaments Pvt. Ltd., have been permitted to import Dore Bars vide this office letter No. SEEPZ-SEZ/IA-I/NUS/APL/GJ-32/04-05/1035 dated 04.09.2014 subject to condition that the import and/or export shall be governed by the RBI Regulations, issued for import of Precious Metals.

The proposal of the unit was placed before the Approval Committee meeting held on 09.01.2015 and the Committee directed to examine the request in detail and deferred the proposal.(Copy of minutes enclosed).

Vide letter dt. 21.04.2015 the unit has requested to grant them permission to sell refined gold in SEEPZ units only in small denominations as no bank is supplying in 200-400-500 gm. denominations; hence, units have to stock up metal of minimum 1 KG gold bars available. Further they have stated that, they shall not sell this refined gold in 1 KG gold bars denominations. As in the International market the bars are available in 2/5/10 KG bricks, it is very difficult for them to import 10 KG gold at a time and to make it economically more viable.

Further Provision of Rule 46(12)(iv) specify, "Where supplying and receiving Units are located in the same SEZ , movement of goods including raw materials shall be allowed subject to maintenance of accounts by receiving and supplying Units and no bill of Entry shall be required to be filed."

The proposal of the unit is submitted for consideration of UAC

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MINUTES OF 89<sup>th</sup> MEETING OF THE APPROVAL COMMITTEE FOR SEEPZ SEZ  
HELD UNDER THE CHAIRMANSHIP OF DEVELOPMENT COMMISSIONER,  
SEEPZ SEZ ON 09<sup>th</sup> January, 2015 at 11.45 A.M.

**MEMBERS PRESENT:-**

1. Shri. P.S. Raman, Jt. Development Commissioner, SEEPZ-SEZ.
2. Shri P.G. Rathod, Dy. Director of Industries
3. Shri. Krishna Kumar Deepak, Income Tax Officer, CIT-9, Mumbai.
4. Smt. S.R. Motwani, Asst. DGFT, Mumbai.

**Special Invitee:-**

5. Shri K.K. Shrivastav, Specified Officer, SEEPZ-SEZ.

**Agenda Item No. 01:-** Confirmation of the Minutes of the 88<sup>th</sup>  
Meeting held on 05.12.2014.

The Minutes were confirmed.

**Agenda Item No. 02:-** Approval of list of services required for Authorized  
Operations - M/s. iGATE Global Solutions Ltd.

M/s. iGATE Global Solutions Ltd., located in SEEPZ-SEZ have submitted  
application for approval of additional list of Services required for Authorized  
Operations in terms of Service tax Notification No. 12/2013-ST dated 01.07.2013  
issued by Ministry of Finance. The additional service required is as follows:-

1. Business Auxiliary Service

**Decision:** The Committee approved Business Auxiliary Service.

**Agenda Item No. 03:-** Approval of list of services required for Authorized  
Operations - M/s. iGATE Global Solutions Ltd.

M/s. iGATE Global Solutions Ltd., located in SEEPZ-SEZ have submitted  
application for approval of additional list of Services required for Authorized  
Operations in terms of Service tax Notification No. 12/2013-ST dated 01.07.2013  
issued by Ministry of Finance. The additional service required is as follows:-

1. Business Auxiliary Service

**Decision:** The Committee approved Business Auxiliary Service.

The revision of projection for remaining period of four years as follows:-

	2 <sup>nd</sup> Year 2014-15	3 <sup>rd</sup> Year 2015-16	4 <sup>th</sup> Year 2016-17	5 <sup>th</sup> Year 2017-18	Total Rs. In Lakhs	Total USD '000'
FOB Value Exports	584.55	686.87	978.275	11189.416	3439.1111	6878.222
Import of C.G.	0.00	0.00	0.00	0.00	0.00	0.00
Import of Raw Material	590.555	634.76	922.776	1119.21	3267.301	6534.60
Imports of Spares and Consumables	25.00	26.25	27.56	28.94	107.75	215.5
Any other outflow	0.00	0.00	0.00	0.00	0.00	0.00
NFE	(-31.01)	25.86	27.94	41.27	64.06	128.12

**Decision:** The Committee approved the Broad Banding of items viz., Findings/Mountings/Chains made of Silver, Findings/Mountings/Chains made of Gold, Findings/Mountings/Chains made of Platinum, Findings/Mountings/Chains made of Palladium, Findings/Mountings/Chains of base metal clad with precious metal, Silver-Semi Manufactured viz grains sheet/plates/strips/tubes and pipe, Gold-Semi Manufactured viz grains sheet/tubes/pipes/plates/strips/grains, Platinum-Other viz grains sheet/tubes/pipes/plates/strips/grains, Silver others in grain from/alloy, Base Metal Sheet/wire/tubes/pipes in Base metal Clad with Silver, Base Metal Sheet/wire/tubes/pipes in Base metal Clad with Gold, Enamels and Lacquers and Nobel Metal Solution of Ruthenium with revision of projection for remaining period of four years i.e. 2014-15 to 2017-18 for inter unit transfer only.

**Agenda Item No.18:** Application for permission for the Import of Dore Bars - M/s. Lotus Ornaments Pvt. Ltd.

The Committee noted that the applicant company has been granted Letter of Approval No. SEEPZ-SEZ/NUS/APL/GJ/32/04-05/1923 dated 23.02.2005

As amended for manufacturing and export of Diamond, Precious & Semi-Precious Stone, Studded Gold & Platinum Jewellery. The unit has commenced the production w.e.f. 01.09.2005. The validity of LOA is up to. 31.03.2015.

M/s. Lotus Ornaments Pvt. Ltd., have been permitted to import Dore Bars vide this office letter No. SEEPZ-SEZ/IA-I/NUS/APL/GJ-32/04-05/1035 dated 04.09.2014 subject to condition that the import and/or export shall be governed by the RBI Regulations, issued for import of Precious Metals.

Vide letter dated 18.11.2014 the unit has clarified that once Lotus Ornaments Pvt. Ltd., gets the dore bars, they will refine the gold to the required capacity purity of 0.995 and then in the second step do the alloying work, transferring the metal into the required purity of 18k (white/yellow/pink) only after applying in the above parameters will lotus use for export.

Further, the unit has stated that there is no one in this SEZ who sells alloyed gold in smaller denominations and lots of work is done on the raw material (Dore Bars). Therefore, the unit has requested to give them permission to sell the extra alloyed gold in smaller denominations like 100gm, 200 gm & 500 gm which will be very beneficial to their industry in the SEZ.

Further, the unit undertakes that they will not sell any 1kg alloyed bar and they will not sell gold in pure form. Also the procedure will be followed as per PCCC at BKC.

As per the RBI Circular No. A.P. (DIR Series) Circular No. 25 dated 14.08.2013 (copy enclosed) para 3 provided that notwithstanding any of the foregoing directions, entities/units in the SEZ and EOUs, Premier and Star trading houses (irrespective of whether they are mentioned agencies or not) are permitted to import gold exclusively for the purpose of exports only.

Therefore, the above para restricting that Gold can be import only for export propose in SEZ.

Further, unit is requesting for Inter unit Transfer to other units, inside SEEPZ-SEZ only too in small denomination.

**Decision:** The committee directed to examine the request in detail and deferred the proposal.

**Agenda Item No.19: Application for Regularization of Import & Export for Trading Division – M/s. SB&T International Ltd. (Trading Division)**

The Committee noted that the applicant company has been granted Letter of Approval No. SEEPZ-SEZ/Trading/55/2002-03/2167 dated 19.03.2003 as amended for trading of Gold, Platinum, Findings, Mountings, Master Tools, machineries, rubber Mould, Investment Powder and Wax at G-3 G&J Complex-I, SEEPZ-SEZ subject to condition that the Letter of Approval shall be valid for one year from the date of issue for commencement of approved activity and will automatically lapse, if any application for extension of the validity period of the LOA is not made before the end of the said period. Accordingly the validity Period of the LOA was upto 19.03.2004. The unit executed the Legal Agreement on 03.12.2003 and was issued Green Cards valid upto 31.03.2004.

The unit vide letter dated 31.03.2004 requested for renewal of Green Card. This office vide letter dated 22.04.2004 requested the unit to intimate the date of commencement of Trading activities.

The unit vide letter dated 12.05.2005 intimated that they have started Trading activity from 16.11.2004. Further, the unit requested to condone the delay in intimating the same and requested to extend the LOA. Vide letter dated 25.05.2005, the unit was asked to furnish the reason for delay in intimating the date of trading activities.

The unit vide letter dated 01.07.2005 requested to condone the delay and allow them permission for continuing the Trading activities.


This office vide letter dated 20.03.2009, informed the unit that since they did not commence production within the validity of LOA nor submitted application for extension of validity of LOA, the LOA has expired and shall be deemed have treated lapsed with effect from the date of which its validity expired. The Specified Officer was asked to take necessary action for regularization the imports effected by the unit, if any payment of duties.

Contd....17/-

In terms of Rule 54 of SEZ, Rules 2006 "Performance of the Unit shall be monitored by the Approval Committee as per the guidelines given in Annexure appended to these rules".

Decision: The Committee noted the performance of the unit for the period 2008-09 to 2012-13 in terms of Rule 54 of SEZ, Rule 2006.

The meeting ended with the vote of thanks to the Chair.

  
Chairperson-Cum-  
Development Commissioner.