

MINUTES OF 179TH MEETING OF THE APPROVAL COMMITTEE FOR SEEPZ SEZ HELD UNDER THE CHAIRMANSHIP OF DEVELOPMENT COMMISSIONER ON 06TH OCTOBER, 2023 THROUGH VIDEO CONFERENCING.

1. Name of the SEZ : SEEPZ-SEZ
2. Meeting No. : 179th
3. Date : 06.10.2023

Members Present:

Sr. No.	Name of Members	Designation	Organization
1	Shri. C. P. S. Chauhan	Jt. Development Commissioner,	SEEPZ-SEZ.
2	Shri. Leider Panicker	Joint Commissioner Income Tax	Nominee of Income Tax office, Mumbai.
3	Shri. G K Mishra	Deputy Director DGFT	Nominee of the DGFT, Mumbai.
4	Smt. Kirti Deshmukh	Deputy Director Industries	Nominee of Directorate of Industries, Mumbai.
5	Smt. Sunita Jagtap	Superintendent of Customs	Nominee of Commissioner of Customs, General, Air Cargo, Sahar.

Special Invitee:-

1. Shri. Anil Chaudhary : Specified Officer, SEEPZ-SEZ
2. Shri. Prasad H Varwantkar : Deputy Development Commissioner, SEEPZ-SEZ

Smt. Bridget Joe, EA to DC/ADC i/c (SEEPZ-SEZ), Shri. Hanish Rathi, ADC (New-SEZ), Shri. Manish Kumar, ADC (New-SEZ), Shri. Palash Shankar, ADC, (New-SEZ), Shri. Ravindra Kumar, Assistant, Smt. Rekha Nair, Assistant, Shri. GS Bhandari, Assistant and Shri. Rajesh Kumar, UDC also attended for assistance and smooth functioning of the meeting.

Agenda Item No. 01: Confirmation of the Minutes of the 178th Meeting held on 23.08.2023.

Decision: The Minutes of the meeting held on 23.08.2023 were confirmed with consensus.

Agenda Item No. 02 : Application for setting up of new unit by - M/s. Gems & Jewellery Export Promotion Council

M/s. Gems & Jewellery Export Promotion Council had submitted the application for setting up of a new unit for Services viz. Casting Services(Gold, Platinum & Silver), Micron Plating/Rhodium Plating Services, Hallmarking Services, LGD Testing Services, Mass Finishing Services, CAD & CAD Rendering Services, Enamel / Coating Services, Photography & Video Services, Refining Services (Gold, Platinum & Silver), CNC Services, 3D Printing Services – Metal, 3D Printing Services – Resin & Wax, 3D Printing Services – Ceramic, Colour Laser Engraving – Services, LAB Testing Services and XRF, Training & Skilling School etc. at SEEPZ-SEZ as Mega Common Facilitation Centre (Mega CFC), Near Gate No. 01, SEEPZ-SEZ, admeasuring area 10635.69 sq. mtr. The Mega CFC would also offer research & development, consulting and laboratory services. GJEPC is not a profit making company and the said project is a socio-economic project being implemented for the benefit of G&J trade to boost exports.

During the discussion the observation made by section has been discussed in detailed. The details are as follows:

Sr. No.	Observation of Section	Remarks
1	(GJEPC) has not filed application through SEZ online.	The committee was informed that the unit has submitted application through online.
2	Indicated that allotment is as per MOU between SEEPZ and GJEPC	The Committee was informed that the allotment was made as per MOU on 05.12.2022 between SEEPZ SEZ Authority & GJEPC, wherein terms & condition of rent are also defined.
3	The DTA sale of Rs 31.85 Crore. However, it is not clear how they will ensure activity for SEZ unit and DTA unit to be carried out separately.	The unit should charge the service charges in foreign currency only as per SEZ Rules for the DTA services.
4	This is the first case in SEEPZ wherein the Developer has purchased the duty free machinery and transferring the same to unit which is not a SEZ unit.	The Committee was informed that all machinery purchased by SEZ Authority and taken in books of account of SEZ Authority & not transferred to GJEPC. These will be installed in the premises of Mega CFC and as per MOU dated 05.12.2022 rent will be charged from GJEPC.
5	In respect of nature of firm, the unit has indicated “A section 8 company” which needs to be clarified by them.	The unit has informed that nature of firm in other category and as per the section 8 of The Companies Act i.e. non profitable company.

Decision : After deliberation, the Committee approved the proposal of M/s. Gems & Jewellery Export Promotion Council for setting up of a new unit as Mega CFC, SEEPZ-SEZ for Services viz. Casting Services(Gold, Platinum & Silver), Micron Plating/Rhodium Plating Services, Hallmarking Services, LGD Testing Services, Mass Finishing Services, CAD & CAD Rendering Services, Enamel / Coating

Services, Photography & Video Services, Refining Services (Gold, Platinum & Silver), CNC Services, 3D Printing Services – Metal, 3D Printing Services – Resin & Wax, 3D Printing Services – Ceramic, Colour Laser Engraving – Services, LAB Testing Services and XRF, Training & Skilling School etc. Near Gate No. 01, SEEPZ-SEZ, admeasuring area 10635.69 sq. mtr. **The Committee also noted that this project is unique in nature and this type of activity is not applicable to other SEZ units under the Jurisdiction of DC SEEPZ and this case is not to be cited as a precedent. The Committee also directed the applicant to take service charge against the services given to DTA only in foreign currency as per the SEZ Rules and to put in place a mechanism for proper monitoring of DTA as well as SEZ transactions by Customs.**

The Committee further noted that the capital goods required for the project have been procured by SEEPZ SEZ Authority as per requirement of GJEPC and these will always remain property of SEEPZ SEZ Authority.

Agenda Item No. 03 : Application received for Capacity Enhancement with revised projection for remaining period of 2 years i.e. 2023-24 & 2024-25 due to additional location- M/s. Indojewels Jewellery Pvt. Ltd

The unit had submitted the application for capacity enhancement with revised projection for remaining period of 2 years i.e. 2023-24 & 2024-25 due to additional location i.e. Unit No. 003, Multistoried Building, SEEPZ-SEZ, admeasuring 8285.20 sq.ft. in terms of Rule 19(2) of SEZ Rules 2006 with details as indicated below:

• **DETAILS OF CAPACITY ENHANCEMENT IN ITEMS OF MANUFACTURE**

Items of Manufacture	Existing Capacity (PCS)	Proposed Capacity for Additional space (PCS)	Total Capacity (PCS)
Plain/Gold Jewellery Studded with Diamonds and Precious Stone	40000.00	-	1,00,000

The proposed projections and existing approved projections submitted by unit is as follows:-

• **Projections:-**

Sr. No.	Particulars	Existing Projection of 5 years 2020-21 to 2024-25	Existing Projections of 2 years (approved) 2023-24 to 2024-25	Proposed Projections of 2 years with Additional Location 2023-24 & 2024-25	
		Rs. In Crores	Rs. In Crores	Rs. In Crores	US'000
A	Foreign Exchange Earnings (based on FOB value of export	238.12	121.65	215.00	26875.00

	of entire production				
	Foreign Exchange Outgo	-	-	-	-
i.	Import of Machinery	2.00	-	-	-
ii.	Import of Raw Material and components in its raw form	-	-	157.61	197.02
	Import of re-making and remanufacturing unused/used, new, broken jewellery goods	-	-	14.39	17.98
(b)	Assorted Jewellery for remaking/melting as raw material approx & third party repair	-	-	-	-
(c)	Import Raw material on Loan Basis from Approx	-	-	-	-
	Total Import of Raw Material & Components	-	-	-	-
iii.	Import of Spares & Consumables	-	-	0.21	0.27
iv.	Repatriation of dividends and profits to foreign collaborates	-	-	-	-
v.	Royalty	-	-	-	-
vi.	Lumpsum Know how fee	-	-	-	-
vii.	Design & Drawing fees	-	-	-	-
viii.	Payment on training of Indian techician abroad	-	-	-	-
ix.	Commission on export/discount. mkting exps etc	-	-	-	-
x.	Foreign Travel	0.49	0.27	0.35	0.44
xi.	Amount of interest to be paid on External commercial borrowings/deferred payment credit/ Foreign Bank charges, Exhibition, export promotion Exps etc (specific details)	-	-	-	-
xii.	Any other payments	-	-	-	-
B	Total (i to xii)	170.18	85.98	17.25	215.70
C	NFE (A-B)	67.95	35.68	42.44	53.05

Decision: After deliberation, the Committee approved the proposal of the unit for Capacity Enhancement with Revised Projection for remaining period of 2 years i.e. 2023-24 & 2024-25 due to additional location i.e. Unit No. 003, Multistoried Building, SEEPZ-SEZ admeasuring 8285.20 sq.ft. in terms of Proviso Rule 19(2) of the SEZ Rules, 2006.

Agenda Item No. 4: Application received from M/s. Twinkle Diamond Jewellery (India) Pvt. Ltd for Broad Banding of items with revised projection for remaining period of 3 years i.e. 2023-24 to 2025-26.

The unit had submitted the application for Broad Banding of items with revised projection for remaining period of 3 years i.e. 2023-24 to 2025-26 in terms of Rule 19 (2) of SEZ Rules 2006 with the details as indicated below :

PROPOSED BROAD BANDING ITEM

ITC/CPC Code	Item Description	Metric	Production Capacity
71023910	CUT & POLISHED DIAMONDS	Pieces	22750.00

Projection:-

Sr. No.		Approved of 5 years with additional location (apprd.) 2021-22 to 2025-26	Approved of 3 years (apprd.) 2023-24 to 2025-26	Proposed period of 3 years on including of broad banding item 2023-24 to 2025-26 (1US\$ = Rs. 82)	
		Rs. Crore	Rs. Crore	Rs. Crore	US'000
1.	FOB value of exports	369.01	304.01	948.919	115721.83
2.	Import of Machinery	4.9	3.0	4.6895	571.89
3.	Import of Raw Material and components	121.21	101.83	537.26	65519.51
4.	Import of Spares & Consumables	3.5	2.8	2.8	341.46
5.	Unused Jewellery for Rear/Remaking Return	14.39	11.91	19.02	2319.51
6.	Repatriation of dividends and profits to foreign collaborates	-	-	-	-
7.	Royalty	-	-	-	-
8.	Lumpsum Know how fee	-	-	-	-
9.	Design & Drawing fees	-	-	-	-
10.	Payment of foreign technicians	-	-	-	-
11.	Payment on training of Indian tech. abroad	-	-	-	-
12.	Commission on export	-	-	-	-
13.	Foreign Travel	0.049	0.039	0.039	4.76
14.	Amount of interest to be paid on ECB	-	-	-	-
15.	Any other payment	-	-	-	-
16.	Total (2 to 15)	144.049	119.579	563.8085	68757.13
17.	NFE (1-16)	224.961	184.431	385.1105	46964.7

Decision: After deliberation, the Committee deferred the proposal of the unit for Broad Banding of items with revised projection for remaining period of 3 years i.e. 2023-24 to 2025-26 in terms of Rule 19 (2) of SEZ Rules 2006 with a direction to submit the details to Customs for proper monitoring of the goods to be imported & exported after processing for proper identification of the same.

Agenda Item No. 5: Application received from M/s. Vishal Diamonds for permission for Third Party Repair.

The unit had submitted application for permission for Third Party Repair with details as indicated below :

The anticipated volume per annum will be as under:

Description of Items to be Repaired	Approximate Pcs to be repaired	Approx Labour Charges (Lacs) PA
Diamond Studded Gold/Silver or Platinum Jewellery.	800	Rs.20

Decision: After deliberation, the Committee approved the proposal for Third Party Repair subject to compliance of Instruction No.51 dated 25.03.2010 issued by MOC & I.

Agenda Item No. 06: Application for Additional Input Services required for Authorized Operations of M/s.Micro Components

The unit requested for Additional Services which are not covered under default list of services as per details given below :-

Sr. No.	List of Additional Services	Justification
1	Any other services as [Club or association services]	Membership in various export promotion associations as well as seepz association.
2	Any other services as [Business Auxiliary services]	Commission and other intermediary services falls under Business Auxiliary services.

Decision:-

After deliberation, the Committee approved the following Input services required for authorized operations to the unit:

1. Any other services [Club or association services]
2. Any other services [Business Auxiliary services]

The Committee also directed the unit to submit to the Specified Officer, the quarterly details of commission paid to their service providers.

Agenda Item No. 07: Application for Additional Input Services required for Authorized Operations of M/s.Flawless Jewels

The unit requested for Additional Services which are not covered under default list of services as per details given below :-

Sr. No.	List of Additional Services	Justification
1	Any other services as [Club or association services]	Membership in various export promotion associations as well as seepz association.

2	Any other services as [Business Auxiliary services]	Commission and other intermediary services falls under Business Auxiliary services.
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Decision : After deliberation, the Committee approved the following Input services required for authorized operations to the unit:

1. Any other services [Club or association services]
2. Any other services [Business Auxiliary services]

The Committee also directed the unit to submit to Specified Officer, the quarterly details of commission paid to their service providers.

Agenda Item No. 08 : Gate Case in respect of employee-M/s. Mohit Diamonds Pvt. Ltd

Action proposed against the Unit M/s. Mohit Diamonds Pvt. Ltd., under Rule 54 (2) of the SEZ Rules, 2006 for violation of Section 30 (a) of the SEZ Act, 2005 and Rule 22, Rule 34, Rule 36, Rule 47 (1) & Rule 48 of the SEZ Rules, 2006.

Decision : The Committee approved the proposal for initiating action against the unit under FT(DR) Act, 1992 for violation of SEZ Rules, 2006._

Agenda Item No. 09 : Monitoring of Performance of M/s. Allied Digital Services Limited

Proposal was submitted before Approval Committee to issue a Show Cause Notice (SCN) to SEEPZ-SEZ Units namely Allied Digital Services Limited, Unit No.405 & 406, 4th floor, Multi-storied Building, SEEPZ-SEZ, Andheri East, Mumbai-400 096 for their acts or omission punishable under the Foreign Trade (Development and Regulation) Act, 1992.

Decision : After deliberation, the Committee approved the proposal and directed the Specified Officer, SEEPZ-SEZ to initiate the process of issuance of the Show Cause Notice for violation of SEZ Rules, 2006.

Agenda Item No. 10 : Monitoring of Performance of M/s. KP Sanghvi International Pvt. Ltd (Trading Division) for the period of 2 year i.e. 2021-22 & 2022-23.

The unit has submitted the APR for the period 2021-22 & 2022-23 duly certified by Chartered Accountant. The export and import data for the period 2021-22 & 2022-23 were retrieved from NSDL for cross verification with data submitted by them in the APR and same has been found satisfactory.

Decision: After deliberation, the Committee noted the performance of the unit for

the period 2021-22 & 2022-23, as the unit has achieved positive NFE on cumulative basis in terms of Rule 54 of SEZ Rules 2006.

Agenda Item No. 11 : Monitoring of Performance of M/s. Gold Star Jewellery Pvt. Ltd.-III

The unit has submitted the APR for the period 2020-21 & 2021-22 duly certified by Chartered Accountant. The export and import data for the period 2020-21 & 2021-22 were retrieved from NSDL for cross verification with data submitted by them in the APR and same has been found satisfactory.

Decision:- After deliberation, the Committee noted the performance of the unit for the period 2020-21 & 2021-22, as the unit has achieved positive NFE on cumulative basis in terms of Rule 54 of SEZ Rules 2006.

The Committee also directed-

- SO to initiate action for issuance of Show Cause Notice to the unit for delay in submission of APR for the period 2020-21.

Agenda Item No. 12 : Monitoring of Performance of M/s. Infogain India Pvt. Ltd for the period of 3 years i.e. 2020-21,2021-22 and 2022-23.

The unit has submitted the APR for the period 2020-21, 2021-22 and 2022-23 duly certified by Chartered Accountant. The export and import data for the period 2020-21,2021-22 and 2022-23 was retrieved from NSDL for cross verification with data submitted by them in the APR and same has been found satisfactory.

Decision:- After deliberation, the Committee noted the performance of the unit for the period 2020-21,2021-22 and 2022-23, as the Unit has achieved positive NFE on cumulative basis in terms of Rule 54 of SEZ Rules 2006. The Committee also noted that the unit has applied for Exit from SEZ Scheme.

Agenda Item No. 13 : Monitoring of Performance of M/s. MMTC LTD for the period of 2 year i.e. 2020-21 & 2021-22.

The unit has submitted the APR for the period 2020-21 & 2021-22 duly certified by Chartered Accountant. The export and import data for the period 2020-21 & 2021-22 was retrieved from NSDL for cross verification with data submitted by them in the APR and same has been found satisfactory.

Decision: After deliberation, the Committee noted the performance of the unit for the period 2020-21 & 2021-22, as the unit has achieved positive NFE on cumulative basis in terms of Rule 54 of SEZ Rules 2006.

The Committee informed the unit that action for delay in submission of APR for the period 2021-22 will be taken as per Rules. The Committee also noted that the unit has applied for Exit from SEZ Scheme.

Agenda Item No. 14 : Monitoring of Performance of M/s. Charisma Jewellery Pvt.Ltd for the period of 1 year i.e. 2021-22.

The unit has submitted the APR for the period 2021-22 duly certified by Chartered Accountant. The export and import data for the period 2021-22 was retrieved from NSDL for cross verification with data submitted by them in the APR and same has been found satisfactory

Decision:- After deliberation, the Committee noted the performance of the unit for the period 2021-22, as the Unit has achieved positive NFE on cumulative basis in terms of Rule 54 of SEZ Rules 2006.

Agenda Item No. 15:- Monitoring of Performance- M/s. Indus Vlaey Partners (India) Pvt. Ltd.

The unit has submitted the APR for the period 2020-21 duly certified by Chartered Accountant. The export and import data for the period 2020-21 was retrieved from NSDL for cross verification with data submitted by them in the APR and same has been found satisfactory.

Decision : After deliberation, the Committee noted the performance of the unit for the period 2020-21, as the Unit has achieved positive NFE on cumulative basis in terms of Rule 54 of SEZ Rules 2006.

Agenda Item No. 16 : Monitoring of Performance of M/s. Omega Products Pvt. Ltd for the period of 1 year i.e. 2021-22.

The unit has submitted the APR for the period 2021-22 duly certified by Chartered Accountant. The export and import data for the period 2021-22 was retrieved from NSDL for cross verification with data submitted by them in the APR and same has been found satisfactory.

Decision: After deliberation, the Committee noted the performance of the unit for the period 2021-22, as the unit has achieved positive NFE on cumulative basis in terms of Rule 54 of SEZ Rules 2006.

The Committee informed the unit that action for delay in submission of APR for the period 2021-22 will be taken as per Rules.

Agenda Item No. 17: Monitoring of Performance of M/s. Omnia Jewels LLP for the period of 1 year i.e. 2021-22.

The unit has submitted the APR for the period 2021-22 duly certified by Chartered Accountant. The export and import data for the period 2021-22 was retrieved from NSDL for cross verification with data submitted by them in the APR and same has been found satisfactory.

Decision: After deliberation, the Committee noted the performance of the unit for the period 2021-22, as the unit has achieved positive NFE on cumulative basis in

terms of Rule 54 of SEZ Rules 2006.

It was noticed that the units are not submitting APR on time. DC directed that a circular to the units be issued to submit the APRs on time obviating further actions under the FTDR Act.

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

**Chairperson-cum-
Development Commissioner**