

Minutes of the 80th Unit Approval Committee Meeting of Kandla SEZ held on 15.04.2015 at 15:30 hrs under the Chairmanship of Shri. Upendra Vasishth, Development Commissioner, KASEZ.

Following were present:

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| 1. Shri Krishan Kumar | : | Joint Development Commissioner, KASEZ |
| 2. Shri Y.Y. Jadeja | : | Supdt., Rep. of Commissioner of Customs
Kandla |
| 3. Shri Dilip Kumar | : | Income Tax Officer, Rep. of Jt. Commissioner
of Income Tax. |
| 4. Shri R.G. Khairkar | : | FTDO, Rep. of Jt. DGFT, Rajkot |

Absentees:

1. Director(Banking)
2. Asst. Collector/SDM.
3. GM, DIG, Bhuj.

Review/Confirmation of the minutes of last meeting (78th UAC) of the Approval Committee:

Minutes of the last meeting of Approval Committee were confirmed.

80.1 New proposals:

80.1.1 M/s. Shrine Chemicals Pvt. Ltd., Mumbai:

The proposal is for setting up a unit in Kandla Special Economic Zone for trading and manufacturing activity of chemicals. Shri Sundeep Hazari, Director of the company appeared before the Committee and explained about their proposal. He has established his unit in Dubai and is having 8 years' experience. They are also having an office at Mumbai for trading. They will be carrying out blending/manufacturing of chemicals in the SEZ and also doing trading of the same products. The applicant has furnished list of chemicals and mentioned before the Committee that they will be dealing in chemicals only.

FOB value of export projected for 5 year period is Rs.732636 lakhs with a NFE of Rs.2198 lakhs.

The Committee informed him that Zone is not having any open land and they can be allotted with built-up space in the SDF, for which they have to participate in the bidding process/acquire space.

The proposal was therefore, approved in principle.

80.1.2 M/s. KKP Petchem Pvt. Ltd., Mumbai:

The proposal is for setting up a new unit in Kandla SEZ for warehousing activity. Their Business Head appeared before the Committee and explained about the proposal. They are an existing unit in the Zone for trading and manufacturing of chemicals and solvents. Now, they wanted broad banding for warehousing.

After detailed deliberations, the Committee decided to approve warehousing activity as broad-banding to the existing LoA, subject to their keeping separate accounts for the warehousing activity. The Committee also noted that the unit shall be doing warehousing activities for chemicals only.

79.1.3 M/s. MLA Industries, Kanpur.

The proposal is to set up a new unit in Kandla SEZ for manufacturing of Zinc Stearate (ITC HS-9157090/29159090), Calcium Stearate (ITC HS 29157090) and PVC stabilizedr (ITC HS 38123090). Mr. K.M. Agarwal, Proprietor of the firm appeared before the Committee and explained about the proposal. He has stated that they are having more than 30 years manufacturing experience in industrial chemicals. At present, their total turnover is about Rs.65-70 crores. Raw materials are domestically available and also may be imported if indigenous price is not competitive.

Project cost of Rs.200 lakhs will be met from their Proprietor's capital and Term loan from bank. Area requirement is 2000 sq.mtrs. FOB value of exports projected for 5 year period is Rs.7119 lakhs with a NFE of Rs.5695 lakhs.

The Committee informed to him that Zone is not having any open land and they can be allotted with built-up space in the SDF, for which they have to participate in the bidding process.

After due deliberation, the Committee decided to approve the proposal in-principle and asked the applicant for participating in the bid for allotment of premises/acquire space in the Zone.

80.2 Broad-Banding request in existing LoA& Miscellaneous cases:

80.2.1 M/s. Hind Prakash Trade Link Pvt. Ltd., KASEZ.

M/s. Hind Prakash Trade Link Pvt. Ltd. is an approved unit of Kandla SEZ vide LoA No. KASEZ/IA/013/2014-15 dated 12/02/2015 for trading activity of various chemicals under Ch. No.28, Ch. 29, Ch. No.32 and Ch. 38. Representative of the unit appeared before the Approval Committee and explained about the proposal. They have already a shed available. Their foreign clients are interested in warehousing. Warehousing proposed is of the same products in which they are dealing with.

They have shown FOB value of Exports of Rs.4450 lakhs and FOB outgo of Rs.140 lakhs. Being a warehousing activity, such an FOB outgo is not justified. In this regard, they have stated that they will re-check and submit the correct information.

The Committee approved the proposal subject to their submission of correct information on forex balance sheet, which will be approved by DC on file.

80.2.2 M/s. Prasar Enterprises, KASEZ.

Nobody appeared on behalf of the firm before the Committee. The Committee, therefore, decided to defer the proposal.

80.2.3 M/s. Oswal Tradex, KASEZ.

M/s Oswal Tradex, KASEZ is an approved unit for Free Trade Warehousing Service activity. Their request is for change in constitution.

The Committee approved the change in constitution of the firm after taking note of the fact that they are already paying latest applicable rent.

Sr.No.	Name of the Partner	Ratio in Profit & Loss
1	Shri Mukesh Ratanlal Parekh	25%
2	Shri Ratanlal Gekchand Parekh	25%
3	Shri Kushalraj Gekchand Parekh	25%
4	Shri Pritesh Kushalraj Parekh	25%

80.2.4 M/s. Pone Pure Chem Private Ltd., KASEZ.

M/s. Pone Pure Chem Pvt. Ltd. is an approved unit for repacking of chemicals & solvents, falling un chapter-27, 28 and 29 vide LoA No.KASEZ/IA/06/2005-06/1025 dated 06.05.2005, as amended from time to time.

Their proposal is for change of name of company from "M/s.Pone Pure Chem Pvt. Ltd." to M/s.Pone Pure Chemical India Pvt. Ltd."

The Committee approved their request for change of name from "M/s.Pone Pure Chem Pvt. Ltd." to M/s.Pone Pure Chemical India Pvt. Ltd." subject to their furnishing necessary certificate from ROC.

80.2.4 M/s. Palmon Exports, KASEZ.

M/s. Palmon Exports, KASEZ is an approved unit in KASEZ for manufacture of all types of ready-made garments and made-ups and also for trading activities of items as per added from time to time.

Their present request is for incorporating following items for trading:-

Sr.No.	Details of items	Chapter Heading / H.S. Code
1	Acrylic Monomer (MMA)	29161290
2	Polymer plant floor sweeping	39019090
3	Acrylic Offcut sheets strips	39205119
4	Acrylic Plastic Regrinds	39069090
5	Polycarbonate plant floor sweepings	39076090
6	Polyamides plant floor sweepings	39081090
7	PVC Plant floor sweepings	39059990
8	PP Polymer plant floor sweepings	39029000
9	Polyester suiting	54071046
10	Waste and scrap of cast iron	72041000
11	Copper transformer winding scrap	74040019
12	Others	74040012
13	Lead waste and scrap	78020010
14	Zinc scrap	79020010

The Committee was of the view that the items mentioned at Sr. No. 1 to 8 need to have some more diligence in handling as these item fall under the category of 18(4)(d). JDC was asked to examine the same on file with the assistance of Shri Ashesh Patel, AO (IA-I).

Regarding items at Sr. No.10 to 14, representative of the firm, who appeared before the Committee stated that they will do recycling and sale in DTA, which is not permissible as per Rule 18(4)(d) and thus the Committee decided not to approve their proposal for these items. However, the Committee approved inclusion of item No.9 in the list of Trading for the unit.

80.2.6 M/s.Shivam Scrap Recycling Pvt. Ltd., KASEZ:

M/s. Shivam Scrap Recycling Pvt. Ltd., KASEZ is an approved unit in KASEZ for manufacture of plastic recycling activity vide LoA No.KFTZ/IA/1666/96/2308 dated 04.06.1997. Shri Dilip Ayachi, Director of the firm appeared before the Committee. He explained that their proposal is for further value addition by making use of following additional items:-

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Sr.No.	Details of items	Chapter Heading / H.S. Code
1	Acrylic strips	39205199
2	Acrylic Offcut sheets strips	39205199
3	Acrylic plastic sheets	39205111
4	Plastic floor sweeping	39011090
5	Plastic granules & Pallets	39019090
6	Plastic Fines & Dust	39069090
7	Plastic grinding	39069090
8	Plastic globes/chunks/lumps	39069090
9	Plastic film rolls	39201019

The Committee was of the view that the items mentioned at Sr. No. 1 to 9 require more diligence in handling as such requests fall under the category of 18(4)(d). JDC was asked to examine the same on file with the assistance of Shri Ashesh Patel, AO(IA-I).

80.2.7 Review of Performance of Co-developer of KASEZ viz. M/s. Worlds Window Infrastructure and Logistics Pvt. Ltd.

AO (IA-I) informed that the co-developer has informed their inability to attend the meeting.

Chairman directed Shri Ashesh Patel, AO (IA-I) and Secretary, KASEZ Authority to make a physical verification of the site and submit a report and that the same will be placed in the next approval committee meeting.

The Committee also decided that the next meeting shall be held on 05/05/2015 and ended with thanks to all.



(Upendra Vasisht)
Development Commissioner,
Kandla Special Economic Zone.