

Minutes of the 95th Approval Committee Meeting held on 18-04-2016 at 11:00 Hrs. under the Chairmanship of Shri. Upendra Vasishth, Development Commissioner, KASEZ.

Following were present:

1. Shri. Krishan Kumar : Joint Development Commissioner, KASEZ.
2. Shri. Ram Narain : Deputy Commissioner, Customs, Kandla, Gandhidham.
3. Shri. R. G. Khairkar : Foreign Trade Development Officer, Rep. of DGFT.
4. Shri Rikesh Virda : AEE, GPCB, Kutch (East).

Absentees:-

1. Director (Banking)
2. SDM
3. GM, DIG, BHUJ
4. Representative from Income Tax.

Review/Confirmation of the minutes of last meeting (94th UAC) of the Approval Committee:-

Minutes of the last meeting of Approval Committee was confirmed.

95.1 NEW PROPOSALS TO SET UP UNITS IN KASEZ

Item No. 95.1.1:- M/s. Eminence Technologies, B-17 Ecotech-III Udyog Kendra, Greater Noida (U.P.)- 201306.

Their proposal was for setting up a unit in Kandla Special Economic Zone for Manufacturing, Trading and Servicing of consumer Electronic.

The Proprietor of the said unit vide letter dated 16.04.2016 informed that due to unavoidable circumstances, they are unable to remain present in the UAC meeting scheduled on 18.04.2016. Therefore, the Approval Committee deferred the said proposal.

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95.2 Broad Banding request in existing LoA

Item No. 95.2.1:- M/s Kitchen Xpress Overseas Limited, KASEZ.

M/s Kitchen Xpress Overseas Limited, KASEZ is an approved unit for manufacturing and trading activity of processed Pulses, Grains, Spices, Lentils etc. The said LoA is valid up to **31.05.2016**.

Their proposal was broad banding of Warehousing Service Activity in their existing LoA. Mr. Vivek Milak, Authorized Signatory of M/s Kitchen Xpress Overseas Limited, KASEZ appeared before the approval committee and explained their proposal. They assured that they will not be providing warehousing services for the intra-zone units and the warehousing permission sought is exclusively for warehousing branded products on behalf of their foreign clients.

The Approval Committee after due deliberation approved their proposal subject to condition that they will submit a copy of confirmed orders from the party in this connection. The approval Committee also informed that unit has to obtain relevant clearance from GPCB and other agencies as may be required.

Item No. 95.2.2 :- M/s Rekha Superfine Exporters.

M/s Rekha Superfine Exporters, KASEZ is an approved unit for manufacturing of Furniture & Handicraft items and Trading activities of Handicrafts and all items except plastic waste/scrap, second hand clothing, Metal Scrap, Polyester Yarn and Battery scrap, prohibited, canalized & restricted items.

Their proposal was for broad banding of Warehousing Service in their existing Letter of Approval. No Director or Authorised representative appeared before the approval Committee. Therefore, the approval Committee deferred the proposal.

Item No. 95. 2.3:- M/s Shreyas Packaging Industries, KASEZ

M/s Shreyas Packaging Industries, KASEZ is an approved unit for manufacturing activity of corrugated cartons and other packaging material and trading activity.

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Their proposal was for broad banding of Warehousing Service Activity in their existing LoA. Mr. R. G. Chellani, Partner of M/s Shreyas Packaging Industries appeared before the approval committee and explained their proposal. They assured that they will not be providing warehousing services for the intra-zone units and the warehousing permission sought is exclusively for warehousing on behalf of their foreign clients.

The Approval Committee after due deliberation approved their proposal subject to condition that they will submit a copy of confirmed orders from the party in this connection. The approval Committee also informed that unit has to obtain relevant clearance from GPCB and other agencies as may be required.

Item No. 95.2.4 :- M/s Shanky Petroleums, KASEZ.

M/s Shanky Petroleums, KASEZ is an approved unit for operating a trading activity of lubricant of every description including engine oil, Gear Oil, Grease, Coolant and other petroleum products and all items except prohibited, canalized & restricted items.

Their proposal was for broad banding of Warehousing Service Activity in their existing LoA. Mr. Mahesh R. Yadav, authorized representatives of M/s Shanky Petroleums, KASEZ appeared before the approval committee and explained their proposal. They assured that they will not be providing warehousing services for the intra-zone units and the warehousing permission sought is exclusively for warehousing on behalf of their foreign clients.

The Approval Committee after due deliberation approved their proposal subject to condition that they will submit a copy of confirmed orders from the party in this connection. The approval Committee also informed that unit has to obtain relevant clearance from GPCB and other agencies as may be required.

Item No. 95.2.5:- M/s Zug Bearing Private Limited, KASEZ.

M/s Zug Bearing Private Limited, KASEZ is an approved unit for manufacturing activity and trading activity of Industrial and Automobiles use Bearings.

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Their proposal was for broad banding of Warehousing Service Activity in their existing LoA. Mr. Vivek Milak, Authorized Signatory of M/s Zug Bearing Private Limited, KASEZ appeared before the Approval Committee and explained their proposal. They assured that they will not be providing warehousing services for the intra-zone units and the warehousing permission sought is exclusively for warehousing on behalf of their foreign clients.

The Approval Committee after due deliberation approved their proposal subject to condition that they will submit a copy of confirmed orders from the party in this connection. The approval Committee also informed that unit has to obtain relevant clearance from GPCB and other agencies as may be required.

95.3 RATIFICATION OF REQUEST ALREADY APPROVED ON FILE:-

Sl. No.	Name of the unit	Request dated	Request made for	Request approved on file
01.	M/s Transworld Furtichem Pvt. Ltd.	04.04.2016	Addition of Natural Magnesium Carbonate and Magnesium Oxide for trading activity in their existing LoA.	06.04.2016.

After due deliberation, the Approval Committee ratified/ approved action taken in above mentioned case.

SUPPLEMENTARY AGENDA

95.4. NEW PROPOSALS TO SET UP UNITS IN KASEZ:

Item No. 95.4.1:- M/s. D.R.S. Exports, House No. 2, Near SD Girls High School, Devi Mandir Road, Panipat (Haryana).

Their proposal was for setting up a manufacturing unit in Kandla Special Economic Zone for manufacturing activity of Pan Masala and Pan Masala with Tobbaco, Zarda, Gutkha.

Shri Vipul Signla, Proprietor of M/s. D.R.S. Exports appeared before Approval Committee and explains their proposal. He informed that the unit is having experience of 10 years in relevant field. They will export of Rs. 3720.80 lakhs in next five years. They assured before the Committee that they will not seek any DTA sale/removal of any kind of waste, remnants etc. out of the manufacturing.

The Committee noted that as per notification dated 10.09.2015 issued by the Food Safety and Standard Act, 2006, state government of Gujarat has allowed for manufacturing storage distribution or sale of Gutkha and Pan Masala known by any names containing tobacco or a nicotine to 100% export Oriented Units upto 11.09.2016. The Committee after due deliberation approved their proposal for issue of in principle LoA subject to standard terms & conditions and also subject to following conditions:-

1. The finished goods shall be 100% physically exported.
2. You shall follow all GPCB norms for manufacture and disposal of the waste.
3. You shall not be allowed to import Supari (Betelnuts).
4. No DTA sale shall be allowed at any circumstances and if at any stage, Govt. of Gujarat withdraws permission for operating of export units for manufacture of the said product, you shall close your operations.
5. The applicant shall submit an undertaking regarding no offence case booked against them by DRI, Income Tax and Central Excise Authorities.

Item No. 95.4.2:- M/s. Krishna Metals, Opp. Old Jagannath Vihar, Panipath.

Their proposal was for setting up a manufacturing unit in Kandla Special Economic Zone for manufacturing and trading of old Battery and Lead.

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Shri Rohit Signla, proprietor of M/s. Krishna Metals appeared before the Approval Committee and explained their proposal. The Committee observed that the recycling of old Batteries is hazardous for environment. Therefore, the Committee after due deliberation deferred the proposal and directed the DC office to have a thorough study on various aspects of the proposal of manufacturing and trading of old battery and lead.

The Committee also asked to Mr. Rohit Singhal, Proprietor of the said unit to submit the details of processing/activities of each part of the batteries and its export potential. The Committee also asked him to submit the details of exporting countries of the said items.

95.5. OTHER REQUESTS OF SUPPLEMENTARY AGENDA:-

Item No.95.5.1:- M/s Baccarose Perfumes & Beauty Product P. Ltd., KASEZ.

M/s Baccarose Perfume & Beauty Products Pv. Ltd., KASEZ is an approved unit for Manufacturing and Trading activity in KASEZ. The validity of their LoA is upto 30-10-2020.

Their proposal was about the change of Directors of the Company. They informed that their two existing two Directors have resigned and two new Directors are appointed.

Existing Directors

1. Ms. Varsha Praful Dalal
2. Shri Laxman Antu Patil

New Directors

1. Shri Jayant Harjiwan Raja
2. Shri Nishant K Upadhyay

The Committee after due deliberation approved their proposal i.e change of Directors. However, it was directed that the firm may be asked to submit details of shareholding details of the directors.

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Item No.95.5.2:- M/s Capital Foods Private Limited, KASEZ.

M/s Capital Foods Private Limited, KASEZ is an approved unit for manufacturing and Trading Activity. Their LoA is valid up to **31.05.2019.**

Their proposal was regarding appointment of a Director Mr. Omprakash Varma w.e.f 02.11.2015.

The Committee after due deliberation approved their proposal i.e appointment of Director. However, it was decided that the firm may be asked to submit the details of shareholdings of the Directors.

Item No.95.5.3:- Transfer of LoA of M/s Esteam Apparel Services P. Ltd. to M/s M.J. Systems Material Handling P. Ltd.

M/s Esteam Apparel Services Pvt. Ltd. is an approved unit for manufacturing Activity of Readymade Garments and Made ups.

Their proposal was for permission to transfer their LoA to M/s M.J. Systems Material Handling Pvt. Ltd. under Rule 74A of SEZ Rules, 2006.

Mr. Vivek Milak, Authorized Signatory of M/s Esteam Apparel Services P. Ltd., KASEZ and Smt. Chelaci, H.R. Manager of M/s M.J. Systems, KASEZ appeared before the Approval Committee and explained their proposal. They have also informed that the Directors of both companies viz. M/s. M.J. Systems Material Handling Pvt.Ltd., and M/s. Esteam Apparel Services Pvt.Ltd., are relatives. M/s. M.J. Systems Material Handling Pvt.Ltd., intend to exit from the SEZ, and M/s. Esteam Apparel want to take over the said company. The Committee noted that as conditions of Rule 74A are met in the case, the Committee after due deliberation approved their proposal, under Rule 74A of SEZ Rules, 2006.

Item No.95.5.4:- Transfer of Building, Plant & Machinerics Amenities of M/s Vifor Laboratories P. Ltd., KASEZ to M/s Nymak Pharma Ltd., KASEZ.

M/s Nymak Phama Ltd. has been approved in 93rd Approval Committee meeting held on 03-03-2016 for setting up of Manufacturing Unit in KASEZ. In-

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principle Letter of Approval has been issued to the said unit on 18-03-2016 informing that the formal Letter of Approval under SEZ Rules will be issued after allotment of space in the Zone.

M/s Vifor Laboratories P. Ltd., KASEZ is an approved unit for manufacturing activity of (i) Dextrose – Sodium Chloride – Water for injection B.P. 5 ML, 10ML, 20ML ampoules. (ii) Medicine grade distilled water for injection in ampoules.

Their proposal was for permission to transfer of Building, Plant & Machineries Amenities of M/s Vifor Laboratories P. Ltd., KASEZ to M/s Nymak Pharma Ltd., KASEZ under Rule 74A of SEZ Rules, 2006.

Mr. Haresh Advani, Director of M/s Nymak Phama Ltd., KASEZ and Mr. Dhiren Mehta, Authorized Representative of M/s Vifor Laboratories P. Ltd., KASEZ appeared before the Approval Committee and explained their proposal. The Committee after due deliberation approved their proposal, under Rule 74A of SEZ Rules, 2006 subject to following conditions:-

1. Valuation Certificate of Plant & Machinery duly signed by Chartered Engineer should be submitted.
2. M/s Vifor Laboratories P. Ltd. should apply for formal exit from SEZ.
3. M/s Nymak Phama Ltd., KASEZ shall have all the liabilities, if any on behalf of the existing firm.

Item No.95.5.5:- M/s Vigyan Chemicals Pvt. Limited, KASEZ.

M/s Vigyan Chemicals Pvt. Limited, KASEZ is an approved unit for manufacturing Activity of Industrial Grade Potassium Chloride, all grades under ITC HS Classification Chapter Head 3104, Potassium Chloride/Sulphate.

Their proposal was cessation of Mr. Ayush Jain, Director of the said unit w.e.f 22.02.2016.

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The Committee after due deliberation approved their proposal i.e cessation of Mr. Ayush Jain, Director from the said company. However, it was decided that the firm may be asked to submit the details of shareholding of the Directors.

TABLE AGENDA

Item No. 95.6.1:- M/s. Pramukh Enterprises, Ahmedabad.

Their proposal was for setting up a unit in Kandla Special Economic Zone for a Trading and Warehousing Services.

Mr. Dharmesh Kothari, Working Partner of M/s. Pramukh Enterprises appeared before Approval Committee and explains their proposal. They informed that they will export of Rs. 1351.00 lakhs in next five years. They assured that they will not be providing warehousing services for the intra-zone units and the warehousing permission sought is exclusively for warehousing on behalf of their foreign clients.

The Approval Committee after due deliberation approved their proposal.

95.7. Other decision of the Approval Committee:-

Item No.95.7.1:- Constituting a Committee for detailed review of functioning of warehousing units of KASEZ.

The Unit Approval Committee observed that this Zone has been receiving large number of applications for permission of warehousing by way of broad banding of existing LoA units as well as new units. A lot of existing units have already got broad banding for warehousing activity. Therefore, the Approval Committee felt that there is a need to have a detailed review of all the existing warehousing units of KASEZ. The review should include the following points:

1. Whether all their payments are received in Foreign Exchange as mandated by Rule 18(5) of SEZ Rule?

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2. What are the items that are warehoused.
3. Whether they work within the conditions of LoA.
4. Whether the units are mainly engaged in providing services to the zone units or foreign entities.
5. Any other issues felt necessary by the Committee.

The Committee should also have a study on the financial model of the units as far as warehousing is concerned, as to whether this model is reasonably profitable or otherwise. The Committee will comprise with the following officers of KASEZ:-

1. Shri Rajesh Kumar, Deputy Development Commissioner
2. Shri R.P. Vaidya, Appraiser
3. Shri Jerry Pereira, Preventive Officer

The Committee may also hire a Chartered Accountant and take his help for this work. The Committee may complete the work and submit a report to the Approval Committee within a period of one month.

The meeting ended with vote of thanks of the chair.


(UPENDRA VASISHTH)
Development Commissioner
Kandla Special Economic Zone