

Minutes of the 46th meeting of Approval Committee of KASEZ, held on 11/07/2011 at 1230 hrs. under the Chairpersonship of Shri Pravir Kumar, IAS, Development Commissioner, KASEZ

The meeting was held through video conferencing. Following were present:-

Dahej SEZ Office, Ashram Road, Ahmedabad

1	Shri Pravir Kumar	Development Commissioner, Kandla SEZ
2	Shri S.N. Patil	JDC Dahej SEZ
3	Shri A.N. Mishra	JDGFT, Ahmedabad

Kandla SEZ Office, KASEZ, Gandhidham

1	Shri Upendra Vasishth	Jt. DC, Kandla SEZ
2	Shri C.J. Maniar	Addl. Commissioner (Income Tax)
3	Shri Pramod Vasve	Addl. Commissioner (Cus)
4	Shri R.K. Vasava	Rep. GM, DIC, Bhuj

Absent:

- (1) Director (Banking)
- (2) Jt. DGFT, Rajkot
- (3) Asstt. Collector/SDM

46.1 Review/confirmation of the minutes of last meeting of the Approval Committee:

Minutes of the last meeting of the Approval Committee were confirmed.

46.2. Action Taken Report:-

46.2.1 M/s. E-Waste Solutions:

As decided in the last Approval Committee meeting, the applicant was asked to come for discussions. Accordingly, Shri Ajit Kumar Saxena appeared for discussions. He stated that they were basically finding solutions for Indian domestic e-waste. No import was involved. Almost 4 lakh tons of e-waste is generated in India itself which would be processed in the unit and some part of it that cannot be processed in India would be exported outside the country. Addl. Commissioner (Customs) informed that as per MoEF, it was hazardous waste. He opined that when no import was involved, the purpose of their coming to SEZ was not clear. Mr. Saxena stated that SEZ being within a boundary they can do better job here than in the DTA due to hassle free environment. He further stated that some value addition would be done at SEZ and exported. Left overs will be also exported. He was asked to give the names and addresses of their potential buyers with clarification whether those countries would be willing to accept this e-waste and also from where they will get the raw material. The matter was accordingly deferred.



Minutes of the 46th meeting of Approval Committee of KASEZ, held on 11/07/2011 at 1230 hrs. under the Chairpersonship of Shri Pravir Kumar, IAS, Development Commissioner, KASEZ

46.2.2 to to 46.2.8 Position reported was noted.

46.3 New Proposals to set up units in KASEZ:

46.3.1 M/s. Icon Trading & Services, Gandhidham:

The proposal was to set up a unit for warehousing services & trading and Trading activity for all items under OGL except restricted and prohibited. JDC explained that a decision was taken in earlier Approval Committee meetings that in view of shortage of space in the Zone only those applications for warehousing would be considered for approval, which do not require allotment of additional premises. Accordingly, Approval Committee has been approving such proposals only. There are 6 applications for the warehousing activity pending for approval, which require allotment of additional premises. The applicant has also not submitted the EMD. Therefore, present proposal for warehousing was deferred.

Chairman stated that in other SEZs like Dahej SEZ, only those applications, to whom in-principle allotment of premises has been done by the Developer, are taken up before the Approval Committee. Now that the Kandla SEZ Authority has become functional as Developer of the Kandla SEZ, the practice of in-principle allotment by the Authority should be followed. Applicant should first submit a copy of their project application along-with the application for allotment of premises to the Kandla SEZ Authority. The in-principle allotment of premises will be made by the Chairperson, Kandla SEZ Authority, based on their project application, availability of space and the requirement of the unit. Thereafter, the applicant may submit their project application for consideration by the Approval Committee along-with in-principle allotment letter.

46.3.2 M/s. S.R.S.S. Foods, Delhi.

Proposal was to set up a unit for manufacturing activity of pulses falling under chapter heading no. 0713 of the ITC HS. Mr. Shyam Sundar Gupta, promoter appeared for interview. He explained that they would import the pulses and would carry out sorting and de-husking. Since the export of pulses was prohibited, it was decided to refer the application to the BoA for consideration.



Minutes of the 46th meeting of Approval Committee of KASEZ, held on 11/07/2011 at 1230 hrs. under the Chairpersonship of Shri Pravir Kumar, IAS, Development Commissioner, KASEZ

46.4 Ratification of Broad Banding/Change of name permissions:

Committee noted the broad banding permission and change of name/constitution to the following units:-

(1) M/s. Oswal Tradex:-

Committee noted the broad banding permission given to M/s. Oswal Tradex for undertaking manufacturing activity of "Tarpaulin made from HDPE Laminated Fabrics falling under ITC-HS Code 63069900 8544."

(2) M/s. Everest Kanto Cylinders Ltd:-

Committee noted the broad banding permission granted for undertaking trading activity of "Trading of Cylinders falling under ITC-HS Code 73110090".

(3) M/s. Sanjay Ratilal Sorathia:-

Committee noted the change in name of the Company from M/s. Sanjay Ratilal Sorathia to "M/s. S.R. Warehousing & Trading".

(4) M/s. MSSSL Global Wiring Ltd.

Committee noted the broad banding permission granted to them for undertaking "trading of various items required for automotive and non-automotive industry falling under ITC HS Code 8544".

(5) M/s. Royal Petrochem

Committee noted the broad banding permission granted to them for "trading of Sebacic Acid falling under ITC-HS Code 29171300".



Minutes of the 46th meeting of Approval Committee of KASEZ, held on 11/07/2011 at 1230 hrs. under the Chairpersonship of Shri Pravir Kumar, IAS, Development Commissioner, KASEZ

(6) New Condition imposed in the LoA issued to Warehousing Activity units under Rule 18(5):

JDC informed that they have been incorporating a condition restricting import of second hand materials such as used/worn cloths, plastic scrap, etc. in the LoAs issued to warehousing units. This was as per the decision taken in the 6th AC held on 22/12/2008. A number of proposals for warehousing were approved, thereafter, by subsequent Approval Committees; however, the said condition was not incorporated in the minutes. Committee noted the point raised and ratified the same and also clarified that this should be made a standard condition in the LoAs for warehousing activity in future also.

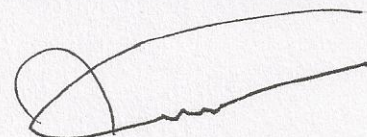
46.5 General discussions:

46.5.1 Discussion on recent cases of mis-declaration of used/worn cloths:

It was informed that two incidents of clandestine removal of used cloths, mis-declaring it as mutilated cloths had been reported recently. As per the policy, worn clothing was under restricted category and worn cloths could not be cleared to DTA as such, as per FTP (Foreign Trade Policy). The non-export worthy goods had to be mutilated to make it as wipers, etc. before being allowed for DTA sale. Approval Committee authorized DC to take measures and impose such additional restrictions, as deemed fit, for checking these mal-practices.

In the two cases, the Customs department had already initiated action under Customs Act by collecting duties and redemption fine and penalty. However, action had to be taken by the Approval Committee for violation of LoA conditions by the Unit. After deliberations, the Approval Committee authorized DC for issue of SCN, personal hearing and imposition of Penalty etc. The adjudication order shall be placed before the Approval Committee for information/ratification subsequently.

Meeting ended with a vote of thanks by JDC to all present.



(Pravir Kumar)
DC, KASEZ