

Minutes of the 58th Approval Committee Meeting of Kandla SEZ, held on 31st July, 2013 at 11.30 hrs. at KASEZ office, Gandhidham, under the Chairmanship of Shri Mahendra Jain, IAS, Development Commissioner, KASEZ

Following were present:-

1	Shri S.N. Patil	Jt. Development Commissioner, KASEZ
2	Shri Neeraj Choubey	Dy. Commissioner (Cus)
3	Shri Ninama	General Manager, DIC
4	Shri R.G. Khairkar, FTDO	Rep. Jt, DGFT

Absentees:

- (1) Director (Banking)
- (2) Addl. Commissioner (Income-Tax)
- (3) Asstt. Collector/SDM

58. Review/confirmation of the minutes of last meeting of the Approval Committee:

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

58.1 New proposals:

58.1.1 M/s. Swaaa Corporation Pvt. Ltd. (Unit-II), KASEZ.

The proposal is to set up a unit for manufacturing activity of Medical Kits alongwith Medicines and Disposables(Chapter Head No.90). Applicant appeared for discussions. He explained the following:-

- An existing unit in KASEZ for manufacture of Soaps. Yet to be started.
- They will bring various items required for the kit, as per buyers' requirement, and export.
- Investment Rs.30 lakhs.
- Employment 20-25 persons in the first phase.
- Required pollution clearance will be obtained.
- They will operate from the SDF.
- FOB value of exports projected for 5 year period Rs.5900 lakhs with NFE of Rs.4425 lakhs.

The proposal was approved subject to standard terms and conditions.

58.2. Broad Banding request in the existing LoA:

58.2.1 M/s. IFGL Exports, Ltd., KASEZ.

M/s. IFGL Exports Ltd. is an existing unit for manufacture of Refractories. They have requested for broad-banding of LOA for trading of following items:-

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| 1. Refractories | ITC (HS) Code No.6903 |
| 2. Castables (Refractory cements, Mortars, Concretes and similar compositions, other than Products of heading 3801. | ITC (HS) Code No.3816 |
| 3. Accessories for use along with above items | ITC (HS) Code No.8454 |

Representative of the unit appeared for discussions. The Refractories are tailor made, consumable items, for steel plants. They have started commercial production in May, 2012. Last year, they made an export of Rs.6.00 crores, mainly to Europe. They require broad-banding of above items, which are ancillary to their existing line of manufacture. The proposal was approved.

58.2.2 M/s. Meghmani Organics Limited, KASEZ:

M/s.Meghmani Organics Ltd. KASEZ was given approval for authorized operations for trading activities of all items (except restricted/prohibited/canalized items) including pigments and ITS intermediates, basic/fine chemicals & ITS derivatives agrochemicals. They have sought broad-banding of their LoA by including Insecticides items. From the existing approval, they have exported to the tune of Rs.3-4 crores. Their representative came for discussions. These items will be imported from China. It was stated that the products are not banned/refused registration or restricted for use under the Insecticides Act, 1986 and rules. It was clarified that the LOA does not entitle them to import items which require licence. The broad-banding proposal was approved subject to the condition that they shall obtain necessary approvals/clearances from other Departments and that they will not import any restricted items, for which licence is required.

58.2.3 M/s. Ocean Power, KASEZ:

M/s. Ocean Power is an existing unit in KASEZ for manufacturing activity of repairing, re-conditioning and overhauling of marine machinery of specialized nature. They have started their activity from 8/3/2007. Their present request is for broad-banding of LOA for warehousing activity also. Applicant was present at the meeting. He stated that at presently they are bringing old marine equipment from Alang and Bangladesh ship breaking yards and do repairing and then export. Last year their export was to the tune of Rs.3 crores and are NFE positive. They wanted to warehouse the related items and also extend the warehousing services to the existing units in KASEZ. Committee after detailed deliberations decided that the broad-banding of warehousing activity should be given for the related products only, in case of manufacturing units, as they are not approved for logistics activity. If there is excess area, the applicants

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may be asked to surrender the excess area available with them. This should be a standard operating procedure.

58.3 Miscellaneous cases:

58.3.1 M/s. Texool Spinners, KASEZ:

Deferred, as the applicant did not turn up for discussions.

58.3.2 M/s. Renew Plastics, KASEZ:

It was informed to Committee that the proposal for change in the Partners was deferred in the 55th meeting till the Policy on Plastics recycling units was finalized by the MOC. Since the Policy has not yet been finalized, it was decided to defer the proposal.

58.3.3 M/s. Shell Exports (Kandla), KASEZ:

They are an approved unit for manufacture of made-ups. Their request is for change of their name from "M/s. Shell Exports (Kandla)" to M/s.Shell Fine Linen Exports". Committee approved their request of change of name from "M/s. Shell Exports (Kandla)" to M/s.Shell Fine Linen Exports".

58.3.4 M/s. Swaaa Corporation, KASEZ:

The unit is approved for manufacture of Beauty Toilet Soap, as amended from time to time. Their request is to change the constitution of the firm from a Partnership to Pvt. Ltd. company. Representative of the unit came for discussion and explained the reason for conversion of their Partnership firm to Pvt. Ltd. Company. They have submitted copy of Certificate of Incorporation and Memorandum of Article. The Directors of the Company are – (i) Shri Hanubhai Ramjibhai Sangani and (ii) Shri Kaushik Arvindbhai Sangani. Committee approved their request for change of constitution of the company from "M/s. Swaaa Corporaiton" to "M/s. Swaaa Corporation Pvt. Ltd."

58.3.5 M/s.Global Commodities Trading, KASEZ:

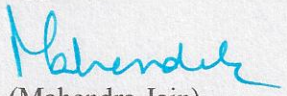
The unit is approved for trading activity of HSD, FO, SKO (Kerosene) & other Petroleum products and lubes for supply to EOU/SEZ units. Applicant came for discussions. It was stated that at present they are supplying Diesel to foreign going vessels. They intend to do third party exports. Rule 46(10) permits third party exports only by manufacturers and traders are not allowed third party exports Hence, the

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proposal was rejected. Their request to seek a clarification from the Ministry for allowing third party exports by trading units also may be referred to the MOC.

58.4 Certificate to be issued to KASEZ Units to avail exemption/refund of Service Tax:

It was informed to the Committee that as per the provisions of Notification No.12/2013-ST dated 01/07/2013, as amended, every unit is required to submit the list of Specified Services approved by Approval Committee to getting exemption/refund of Service Tax. The default list is approved based on the Notifications issued from time to time in the past also. Accordingly, the default list is approved.


(Mahendra Jain)
DC, KASEZ