

Following were present:-

1	Shri Krishan Kumar	Jt. Development Commissioner, KASEZ
2	Shri Manish Godara	Asstt. Commissioner (Cus) - Rep. of Commissioner of Customs.
3	Shri Ashish Porwarl	Asstt. Commissioner (income-tax) - Rep. of Commissioner of Income Tax.
4	Shri R.K. Vasava	GM, District Industries Centre.
5	Shri J.D. Priyadarshi	Regional Officer, GPCB, Bhuj

Absentees:

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

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

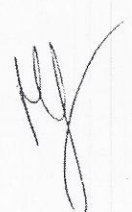
Minutes of the last meeting of the Approval Committee were confirmed.

59.1 New proposals:

59.1.1 M/s. Vishnu Exports, Ahmedabad:

The Proposal was for setting up a unit for manufacture of Pan Masala (ITC HS 21069020) and Pan Masala Containing Tobacco-Gutkha (ITC HS 24039990). Promoter of the company, appeared before the Committee and submitted following facts:-

- They are already in the business and have good export market for the items for which approval is sought for.
- They were earlier having manufacturing facility at NOIDA, U.P. and thereafter shifted to Karnataka on ban of production of such items in NOIDA. Now Karnataka also have banned the production of such items.
- No DTA sale is envisaged by them.



- Investment of Rs.108.11 lakhs, which will be met from own contribution and bank term loan.
- Employment generation 20 persons.
- They require an SDF.
- No import of capital good or raw material is envisaged.

Observation/clarification of the Committee:

- The Committee noted that the Government of Gujarat has extended validity of its Notification No.FSSA/Notification/266/A dated 28/8/2012 upto 10/9/2014, which allows setting up units for export of Pan Masala and Gutka.
- The projected FOB value of exports for next 5 year period is Rs. 10760.00 lakhs with total NFE of Rs.10760.00 lakhs.
- The applicant was informed that the approval shall be subject to the State Government's policy on such items.
- Applicant was also asked to follow all GPCB norms for manufacture and disposal of the waste.
- Committee noted that they are interested to occupy a premises in the SDF Complex. The proposal was approved subject to standard terms and conditions and also subject to the condition that no DTA sale shall be permitted and that the unit shall follow all the rules/guidelines/policy of the Government of India and State Government on manufacturing/export of these products. If at any stage, Govt. of Gujarat withdraws permission for operating of export units for manufacture of Pan masala and Gutka, the firm shall close its operations.

59.1.2 M/s.G.K.Tobacco Industries Pvt. Ltd., Jodhpur:

The Proposal was for setting up a unit for manufacture of Pan Masala (ITC HS 21069020) and Pan Masala Containing Tobacco-Gutkha (ITC HS 24039990) and Zarda (ITC HS 24039910). Promoter of the company, appeared before the Committee and submitted following facts:-

- They are already in the business from Jodhpur and have good export market.
- Due to ban on manufacturing of these items in the State, they intend to set up a unit in SEZ for manufacture and export, as they have already established the export market. They were having annual export of Rs.35-40 crores.
- No DTA sale is envisaged by them.
- Investments of Rs.154.21 lakhs, which will be met from their own capital.
- Employment generation - 40 persons.
- They require an SDF.

Observation/clarification of the Committee:

- The Committee noted that the Government of Gujarat has extended validity of its Notification No.FSSA/Notification/266/A dated 28/8/2012 upto 10/9/2014, which allows setting up units for export of pan masala and Gutka.
- The projected FOB value of exports for next 5 year period is Rs. 6531.84 lakhs with total NFE of Rs.6466.52 lakhs.
- The applicant was informed that the approval shall be subject to the State Government's policy on such items.
- Applicant was also asked to follow all GPCB norms for manufacture and disposal of the waste.

Committee noted that they are interested to occupy a premises in the SDF Complex, the proposal was approved subject to standard terms and conditions and also subject to the condition that no DTA sale shall be permitted and that the unit

shall follow all the rules/guidelines/policy of the Government of India and State Government on manufacturing/export of these products. If at any stage, Govt. of Gujarat withdraws permission for operating of export units for manufacture of Pan masala and Gutka, the firm shall close its operations.

59.1.3 M/s. Sun Products, New Delhi:

The Proposal was for setting up a unit for manufacture of Pan Masala (ITC HS 21069020) Zarda (ITC HS 24039910), Khaini (ITC HS 24039930) and Pan Masala Containing Tobacco-Gutkha (ITC HS 24039990). Shri D.L. Bihani, Promoter of the company, appeared for interview and submitted following facts:-

- They are already in the business from Delhi and have good export market.
- Due to ban on manufacturing of these items in the State, they intend to set up a unit in SEZ for manufacture and export, as they have already established the export market.
- No DTA sale is envisaged by them.
- Investments of Rs.142.96 lakhs, which will be met from own contribution.
- Employment generation 41 persons.
- They require an SDF.

Observation/clarification of the Committee:

- The Committee noted that the Government of Gujarat has extended validity of its Notification No.FSSA/Notification/266/A dated 28/8/2012 upto 10/9/2014, which allows setting up units for export of pan masala and Gutka.
- The projected FOB value of exports for next 5 year period is Rs. 6531.84 lakhs with total NFE of Rs.6466.52 lakhs.
- The applicant was informed that the approval shall be subject to the State Government's policy on such items.
- Applicant was also asked to follow all GPCB norms for manufacture and disposal of the waste.

Committee noted that they are interested to occupy a premises in the SDF Complex, the proposal was approved subject to standard terms and conditions and also subject to the condition that no DTA sale shall be permitted and that the unit shall follow all the rules/guidelines/policy of the Government of India and State Government on manufacturing/export of these products. If at any stage, Govt. of Gujarat withdraws permission for operating of export units for manufacture of Pan masala and Gutka, the firm shall close its operations.

59.2. Broad Banding request in the existing LoA:

59.2.1 M/s. Praj Industries Ltd. (Unit-II), KASEZ.

M/s. Praj Industries Ltd. (Unit-II) is an existing unit for manufacture of machineries and equipments in SS, MS, CS, Copper, Duplex Steel Exotic material, etc. They have requested for broad-banding of LOA for trading of following items:-

1. All type of material handling equipments ITC (HS) Code No.84289090
2. All tye of laboratory instruments/equipment ITC (HS) Code No.84194020
3. All type of laboratory chemicals ITC (HS) Code No.28429090
4. All type of Laboratory glassware ITC (HS) Code No.70179010
and accessories
5. Firefighting equipments and accessories ITC (HS) Code No.84241000
6. UPS & Batteries ITC (HS) Code No.85044090
7. All type of screw conveyors/hoppers/bucket ITC (HS) Code No.84289090
Elevators/bin activators/pre-cleaners/
Sieving machines/ducting
8. All type of chain conveyors ITC (HS) Code No.84282019
9. All type o bag filters/magnetic separators ITC (HS) Code No.84211999
10. Malt mill ITC (HS) Code No.84379090
11. SS Plates/coils ITC (HS) Code No.72191190
12. Vacuum Eductor ITC (HS) Code No.84141000
13. Ballast ITC (HS) Code No.69091990
14. Effluent Treatment plant & accessories ITC (HS) Code No.84212190
15. Hammer mill ITC (HS) Code No.84379090
16. Brewing machinery Iso-mix & all types ITC (HS) Code No.84384000
17. Paints, thinner and accessories ITC (HS) Code No.32099090

Representative of the unit appeared before the Committee. They have stated that they have started the export production activities 1½ years back and the buyers seek accessories also and hence their request. The FOB value of additional items for 5 year period is Rs.350 lakhs with a NFE of Rs.210 lakhs. The proposal of trading activity was approved. Howevedr, Asstt. Commissioner (Cus) stated that the ITC (HS) Code is not matching with some of the products and thus it was decided that the unit may give correct ITC (HS) Code, before issue of the approval letter.

59.2.2 M/s. Zest Marine Services Pvt. Ltd, KASEZ:

M/s. Zest Marine Services Pvt. Ltd. KASEZ was given approval for authorized operations for trading activities of Lubricants, Marine Chemicals, Wire Ropes and Plastic Ropes, Hatch sealing tapes, ship spares, paints and navigation equipment for ships. They have requested for broadbanding of their LOA with additional item "Cigarettes and filter cigarettes of various brands (ITC HS Code 240220, 24022010, 24022020, 24022030, 24022040, 24022050 and 24022060)".

Shri Sharad Shetty, MD appeared before the Committee. He stated that presently they are supplying lubricants, etc. to vessels. There is export market for the items for which broad banding is sought. They will import the cigarettes from Singapore, etc. He also stated that they have no DTA unit.

The projected FOB value of export of additional items for 5 year period is Rs.595.00 lakhs with a NFE of Rs.59.00 lakhs. The proposal of trading activity was approved subject to standard terms and conditions.

59.2.3 M/s. Bajaj Warehousing Services, KASEZ:

M/s. Bajaj Warehousing Services, KASEZ is an existing unit in KASEZ for "Warehousing Service Activity". Their present request is for broad-banding of LOA for following items:-

For Trading purpose:

1. Shoddy Blankets

ITC (HS) Code No.63012000



- | | |
|--------------------------|---------------------------|
| 2. Mink Blankets | ITC (HS) Code No.63019090 |
| 3. Shoddy Synthetic Yarn | ITC (HS) Code No.51061010 |
| 4. Cotton Yarn | ITC (HS) Code No.5205 |
| 5. Polyester Yarn | ITC (HS) Code No.5402 |
| 6. Home furnishing | ITC (HS) Code No.6913 |

For manufacturing purpose:

- | | |
|--------------------|---------------------------|
| 1. Shoddy Blankets | ITC (HS) Code No.63012000 |
| 2. Mink Blanket | ITC (HS) Code No.63019090 |

Item required for manufacturing:-

1. Shoddy Blankets – Required raw material is shoddy yarn, Polyester Yarn and Cotton yarn.
2. Mink Blankets – Required raw material is Pile fabric in its unfinished form in Rolls.

Representative of the Applicant was present at the meeting. He stated that presently they are doing warehousing activities. They now intend to do manufacturing and trading of above items, as diversification. The FOB value of exports for trading activity for 5 year period is Rs.1488.00 lakhs with a NFE of Rs.1042.00 lakhs. The FOB value of exports for manufacturing activity for 5 year period is Rs.6787.00 lakhs with a NFE of Rs.1486.04 Lkhs. The Committee deferred the proposal.

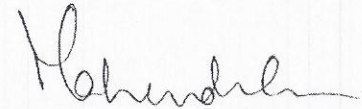
59.2.4 M/s. Link International, KASEZ:

M/s. Link International, KASEZ, is an existing unit in KASEZ for manufacturing activity of Plastic Injection Molding and also approved for trading activity. They have requested for broad-banding of their LOA with additional item "Furnace Oil (ITC (HS) Code No.27101950) and High Speed Diesel (ITC (HS) Code No.27101930)". In the meeting held on 19.10.2012 the Committee had deferred the proposal.

Representative of the unit appeared before the Committee. He stated that presently they are in the business of supply of chemicals and lubricants and now they want to supply HSD/Fuel Oil to foreign going vessels and to other SEZ/EOU units. The FOB value of exports projected by the firm for 5 years period from Trading activity is Rs.744 lakhs with NFE of Rs.149 lakhs.

The Committee approved the proposal subject to all relevant provisions/rules and usual terms & conditions.

The Committee also decided that no DTA sale of these items will be allowed to the firm.



(Mahendra Jain)

Development Commissioner
Kandla Special Economic Zone