Minutes of the 62nd Approval Committee Meeting of Kandla SEZ held on 3rd December 2013 at 1130 hrs. at KASEZ under the Chairmanship of Shri Mahendra Jain, IAS, Development Commissioner, KASEZ.

Following were present:-

1. Shri Krishan Kumar : Joint Development Commissioner, KASEZ

2. Shri Satyajit Singh : Addl.Commissioner (Cus) -

Rep. of Commissioner of Customs.

3. Shri N.G. Rever : FTDO, KASEZ – Rep. of Jt. DGFT

Absentees:

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1) Director (Banking)

2) Asstt. Collector/SDM

3) Asstt. Commissioner (Income Tax)

4) GM, DIC, Bhuj.

62. Review/confirmation of the minutes of last meeting of the Approval Committee.

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

62.1.1 LOP extension of units dealing in Recycling of Plastic.

The Committee discussed the issue at length and decided to renew LOA of all the 20 units/firms that have been granted in-principle approval by BoA in its 60th meeting held on 08.11.2013 subject to following points:

- 1) Any firm having any rental dues shall not be granted extension of LOA till the time it clears its rental dues.
- The LOA shall be given for the quantity already approved for each unit in the existing LOA. The unit, based on BOA's approval, as given in Rule 18 (4) (b) of the SEZ Rule, 2006, shall submit details of import of plastic waste/scrap made by it since its inception, year-wise. Such statement should be duly certified by a Chartered Accountant and should be accompanied by relevant proof, such as, B/E. CA's certificate should also include a certificate about the verification of such B/E etc.

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The Rule 18(4) (b) read as under:

- "No proposal shall be considered for enhancement of the approved import quantum of plastic waste and scrap beyond the average annual import quantum of the unit since its commencement of operation to the existing units."
- The Committee noted that Show Cause Notices have already been issued to such firms which were NFE negative in the previous completed 5 year block and that the adjudication process will take its own course. The Committee further decided that under the new Policy, now LOP is to be issued for the 5 year block period effective from 01.12.2013. If any unit is NFE negative for the period which starts after completion of the previous 5 year block till 30.11.2013, it shall be required to be not only NFE positive, but NFE positive by at least by the amount for which it is NFE negative during this period.
- 4) The Committee also decided that the proposal received as per Point No.2 shall be referred to Deptt. Of Commerce for approval.

62.1.2 LOP extension of units dealing in Recycling of Worn & Used Clothing.

The Committee discussed the issue at length and decided to renew LOA of all the 14 units/firms that have been granted in-principle approval by BoA in its 60th meeting held on 08.11.2013 subject to following points:

1. The Committee further decided that under the new Policy, now LOP is to be issued for the 5 year block period effective from 01.12.2013. If any firm is NFE negative for the period which starts after completion of the previous 5 year block till 30.11.2013, it shall be required to be not only NFE positive, but NFE positive by at least by the amount for which it is NFE negative during this period.

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- 2. The LOA shall be given for the quantity already approved for each unit in the existing LOA. If a unit wants enhance the quantity, the unit shall make an application which will be forwarded to DoC for suitable decision. Until the capacity is enhanced by DoC, the unit will confine its operation to the quantity approved in the existing LOA.
- 3. The instructions regarding procedure to be followed for export/import and DTA clearance to be issued by KASEZ Administration shall be followed by the units.

62.2 Ratification of inclusion of Rent-a-Cab Scheme Operator's Services in default list of Services for Service Tax Exemption in SEZ.

The Committee ratified the decision taken on file to include Rent-a-Cab Scheme Operator's Service as Default Services for Service Tax Exemption purpose.

(Mahendra Jain) DC,KASEZ.