

Minutes of the 76<sup>th</sup> Approval Committee Meeting of Kandla SEZ held on 21<sup>st</sup> January 2015 at 11:00 hrs. at KASEZ under the Chairmanship of Shri Vijay N. Shewale, ITS, Development Commissioner, KASEZ.

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**Following were present:-**

- 1) Shri Krishan Kumar : Joint Development Commissioner, KASEZ
- 2) Shri T. Samaya Murali : Deputy Commissioner (Cus) –  
Rep. of Commissioner of Customs, Kandla.
- 3) Shri Manoj Kumar Varma: ITO, Income Tax, Gandhidham.

**Absentees:**

- 1) Director (Banking)
- 2) Asstt. Collector/SDM
- 3) GM, DIC, Bhuj.

**Others Present :**

- 1) Shri B.K. Sharma, Dy. Commissioner (Customs).
- 2) Shri R.G. Khairkar, FTDO
- 3) Shri Ashesh Patel, Appraiser

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

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

**76.1 New Proposals to set up units in KASEZ.**

**76.1.1 M/s. Sumit Kishorbhai Acharya, Gandhidham**

The proposal is to set a unit in Kandla Special Economic Zone for warehousing services under Rule 18(5) of the SEZ Rules, 2006, where they can hold the goods on behalf of Foreign Supplier and dispatch the same as per his instruction and charge them the warehousing charge in Foreign Exchange. Nobody appeared before the Committee on behalf of the applicant or any communication received regarding their absence. The Committee also noted about paucity of space in the Zone and not to give priority to the warehousing activity. The Committee therefore decided to reject the proposal.

**76.1.2 M/s. Ashmeer Global, New Delhi.**

The proposal of the party is for setting up a unit in Kandla Special Economic Zone for a Manufacturing of Guthka, Scented Khaini, Flavoured Chewing Tobacco & Pan Masala. Nobody appeared before the Committee on

behalf of the applicant nor any communication received regarding their absence. The Committee therefore decided to reject the proposal. The committee also noted that this was the second time when the applicant did not appear for PH. The Committee, therefore, decided not to consider their proposal for inclusion in at least for another two UACs.

**76.1.3 M/s. Vrinda Exports, Panipat.**

The proposal is for setting up a unit in Kandla Special Economic Zone for warehousing services under Rule 18(5) of the SEZ Rules, 2006. Shri R.G. Chellani, Power of Attorney Holder of the firm appeared before the Committee. He mentioned that M/s. Global Warehousing & Trading, a warehousing unit in KASEZ has agreed to provide space to them to facilitate their operation in KASEZ till they acquire their own plots/sheds by participating in bidding or by getting it transferred from any existing allottee. He requested to issue in-principle approval. The Committee deliberated the proposal and observed that it is not appropriate to allow setting up of a unit without on the condition of acquiring space on temporary arrangement basis as it would create a bad precedent. JDC also mentioned that validity of an In-principle LoA may be six months only. However, the Committee rejected the proposal as warehousing is not to be treated as a priority sector. The Committee also decided if adequate space becomes available in future, warehousing proposals can be considered.

**76.1.4 M/s. Bag Poly International, Panipat.**

The proposal is for setting up a unit in Kandla Special Economic Zone for warehousing services under Rule 18(5) of the SEZ Rules, 2006. Shri R.G. Chellani, Power of Attorney Holder of the firm appeared before the Committee. He mentioned that M/s. Global Warehousing & Trading, a warehousing unit in KASEZ has agreed to provide space to them to facilitate their operation in KASEZ till they acquire their own plots/sheds by participating in bidding or by getting it transferred from any existing allottee. He requested to issue in-principle approval. The Committee deliberated the proposal and observed that it is not appropriate to allow setting up of a unit without on the condition of acquiring space on temporary arrangement basis as it would create a bad precedent. JDC also mentioned that validity of an In-principle LoA may be six months only. However, the Committee rejected the proposal as warehousing is not to be treated as a priority sector. The Committee also decided if adequate space becomes available in future, warehousing proposals can be considered.





**76.1.5 M/s. GKN Enterprises, Tamil Nadu.**

Their proposal is for (i) Manufacturing of Pipe Adhesive and (ii) Trading in all items except prohibited items & second hand goods. Mr. Sreenivasan N., Proprietor of the firm appeared before the Committee and explained about their proposal. The Committee deliberated upon the proposal and approved the proposal for manufacturing activity only. However regarding their proposal for Trading, the Committee asked the firm to come up with list of specific items which they intend to trade in. The proposal then will be put up to Development Commissioner on file for his approval.

**76.1.6 M/s. Global Multi Chem, Chandigarh.**

Their proposal is for setting up a unit in KASEZ for manufacturing of Mica, Nut Plugs & Drilling Mud and for trading activity of various products. Mr. Rohit Garg, Proprietor of the firm appeared before the Committee and explained about their proposal. The project cost is Rs.157.20 Lacs. The FOB value of export projected for 5 years period is Rs.30430 Lacs against foreign exchange outgo of Rs.23412 Lacs with N.F.E achievement is Rs.7018 Lacs. Their requirement was for a space of 4000.00 Sq.Mtr. to implement the proposed project. However, as there is a space crunch in KASEZ, Mr. Rohit Garg has agreed that they can start their manufacturing activities in a space of 1000 to 2000 sq.mtr. Accordingly, the Committee after due deliberation agreed to issue in principle approval for manufacturing activity only. The Committee did not approve their proposal for Trading activity in KASEZ.

**76.1.7 M/s. SRB Foods India, Panipat.**

Their proposal is for setting up a unit in Kandla Special Economic Zone for Manufacturing of Guthka (ITC HS Code:24039990), Khaini, Filter Khaini and Pandarpuri Khaini (ITC HS Code:24039910 & 24039920), Zarda (ITC HS Code: 24039930) Pan Masala (ITC HS Code:21069020) Shessa Tobacco (ITC HS Code: 24039990). Mr. Sanjay Singla Partner & Mr. Anand Bathija, CEO of the firm appeared before the Committee. The Committee noted that Mr. Anand Bathija has mentioned about his long experience in this field. The FOB value of export of Rs. 6531.84 Lakhs, against foreign exchange out go of Rs. Nil with an NFE of Rs.6531.84 Lakhs. The Committee approved the proposal for issue of in principle LoA subject to the party getting space through bidding process or by getting space transferred on regular basis from any existing units in the KASEZ. This is also subject to following conditions:

1. The finished goods shall be 100% physically exported.
2. No DTA sale shall be allowed at any circumstances. If Govt. of Gujarat withdraws permission for operating of export units for manufacture of Pan Masala & Gutka, the operation of the unit in KASEZ will cease therefrom.





3. They shall follow all the GPCB norms for manufacture and disposal of the waste.
4. The Applicant shall submit an undertaking regarding no offence case booked against them by DRI, Income Tax and Central Excise Authorities.
5. They shall register themselves with NSDL for SEZ online services and obtain RCMC from EPCES.

**76.1.8 M/s. Landmark Warehousing & Logistics, Gandhidham.**

Their proposal is for setting a unit for warehousing services. Mr. Sheetal Jain, Proprietor of the firm and also Partner of M/s. Shreeji Polymers, KASEZ appeared before the Committee. He informed that M/s. Shreeji Polymers, their sister concern in KASEZ has agreed to transfer Plot No.269/A in Sector-IV. The Committee after due deliberation, approved the proposal for issue of in principle LoA subject to the condition that Plot No.269/A, Sector-IV is transferred in the name of M/s. Landmark Warehousing & Logistics on regular basis and applicability of new lease rent and transfer fee. The approval will also be subject to the condition that prohibited, canalized items and second hand goods shall not be warehoused in the proposed unit.

**76.1.9 M/s. Naman Marketing, Veraval.**

Their proposal is for setting up a unit in KASEZ for warehousing services. Mr. Kamlesh Patel, proprietor of the firm appeared before the Committee and explained about their proposal. He informed that they will not be dealing in/or warehousing any used or second hand items and the main products that they will deal in are, salt, raw materials for pharmaceuticals and various types of papers. He further informed that their sister concern viz. M/s Keval Exports, in KASEZ, has agreed to transfer an area of 4300 Sqm to them. The Committee after due deliberation, approved the proposal for issue of in-principle LoA. For warehousing of items i.e. salt and raw material for pharmaceutical only. The committee rejected the proposal for warehousing of various types of papers. The approval is subject to the condition that M/s. Keval Exports transfer the said area in their favour on regular basis and on applicability of new lease rent and transfer fee. The approval will also be subject to the condition that prohibited, canalized items and second hand goods shall not be warehoused in the proposed unit.





76.1.10 **M/s. Jassco Enterprises, Delhi.**

Their proposal is for setting up a unit for warehousing services in KASEZ where they can hold the goods on behalf of Foreign Supplier and dispatch the same as per buyer's instruction and obtain charges from their end in Foreign Exchange. Mr. Mahinder Pal Singh, Proprietor of the firm appeared before the committee and explained about their proposal. He mentioned that M/s. Euro Shipping Pvt.Ltd, KASEZ agreed to provide them space to facilitate their authorised operation in KASEZ till they acquire their own plots/sheds by participating in bidding or by getting it transferred from any existing allottee.

The Committee deliberated the proposal and observed that it is not appropriate to allow setting up of a unit without on the condition of acquiring space on temporary arrangement basis as it would create a bad precedent. JDC also mentioned that validity of an In-principle LoA may be six months only. However, the Committee rejected the proposal as warehousing is not to be treated as a priority sector. The Committee also decided if adequate space becomes available in future, warehousing proposals can be considered.

76.1.11 **M/s. Stash Barn Enterprises, Delhi.**

Their proposal is for setting up a unit in Kandla Special Economic Zone for Warehousing & Trading services. Mr. Rakesh Bansal, Proprietor of the firm appeared before the Committee. He informed that their sister concern in KASEZ viz. has agreed to transfer Plot No.272-C to them for their warehousing activity. The Committee after due deliberation, approved the proposal for issue of in principle LoA subject to the condition that Plot No.272-C is transferred in the name of M/s. Stash Barn Enterprises on regular basis and on applicability of new lease rent and transfer fee. The approval will also be subject to the condition that prohibited, canalized items and second hand goods shall not be warehoused in the proposed unit. However, the Committee did not approve their proposal for Trading and asked the firm to come up with a list of specific items to be traded by them which will then be submitted on file for approval of the Development Commissioner.

76.1.12 **M/s. GTMC Exports, Delhi.**

Their proposal is for setting up a unit in Kandla Special Economic Zone for manufacturing activity of Khaini Tobacco and any other Tobacco (ITC HS 2403 9910). The said item is in the free category.

Shri M. Baweja, Director & Shri R.R. Dave of the firm appeared before the Committee and explained about their proposal. They informed that M/s. High End Packacing, KASEZ has agreed to transfer them space for carrying out their authorised operation in KASEZ. They also explained that they have considerable experience in this field. The Committee after due deliberation,



approved the proposal for issue of in principle LoA subject to the condition that M/s. High End Packaging, KASEZ transfer their premises in the name of M/s. GTMC Exports on regular basis and on applicability of new lease rent and transfer fee.

This is also subject to following conditions:

1. The finished goods shall be 100% physically exported.
2. No DTA sale shall be allowed at any circumstances. If Govt. of Gujarat withdraws permission for operating of export units for manufacture of Pan Masala & Gutka, the operation of the unit in KASEZ will cease therefrom.
3. They shall follow all the GPCB norms for manufacture and disposal of the waste.
4. The Applicant shall submit an undertaking regarding no offence case booked against them by DRI, Income Tax and Central Excise Authorities.
5. They shall register themselves with NSDL for SEZ online services and obtain RCMC from EPCES.

**76.1.13 M/s. Esskay Niryat Corporation, Mumbai.**

Their proposal is for setting up a unit in Kandla Special Economic Zone for manufacturing activity of Pan Masala (ITC HS Code 21069020), Pan Masala with Zarda (Gutka) (ITC HS Code 24039990). The said items are in the free category.

Shri S.K. Shetty, Proprietor of the firm appeared before the Committee and explained about their proposal. He mentioned about his ten years experience in the relevant field. The Committee approved the proposal for issue of in principle LoA subject to the party getting space through bidding process or by getting space transferred on regular basis from any existing units in the KASEZ. This is also subject to following conditions:

1. The finished goods shall be 100% physically exported.
2. No DTA sale shall be allowed at any circumstances. If Govt. of Gujarat withdraws permission for operating of export units for manufacture of Pan Masala & Gutka, the operation of the unit in KASEZ will cease therefrom.
3. They shall follow all the GPCB norms for manufacture and disposal of the waste.



4. The Applicant shall submit an undertaking regarding no offence case booked against them by DRI, Income Tax and Central Excise Authorities.
5. They shall register themselves with NSDL for SEZ online services and obtain RCMC from EPCES.

**76.1.14 M/s. Radiant Recycler LLP. Mumbai.**

Their proposal is for setting up a unit in Kandla Special Economic Zone for Recycling of used lubricating oil and Gas Oil. Mr. Deepak Bharadwaj, Partner and Mr. Hemant Shah, Partner of the firm appeared before the Committee and explained about their proposal. They explained that regeneration process for manufacturing of lubricating oil & gas oil is based on Zero waste concept. They also informed that after obtaining lubricating oil & gas oil from the used oil the fuller earth (sand) will remain as a waste which will be used for making bricks and also used for construction, land filling etc. and therefore their project is a zero waste concept. They informed that they have already identified a premises in the Zone and requested the Committee to issue in principle LoA. They also informed that their Sister concern M/s. Radiant Lubes Pvt.Ltd., Nagpur, Maharashtra are in the same business who have already obtained NOC from Ministry of Environment & Forest, New Delhi for import of used oil. They informed that they will also apply for NOC from Ministry of Environment & Forest, New Delhi after they receive in principle approval from KASEZ.

The Committee approved the proposal for issue of in principle LoA subject to the party getting space through bidding process or by getting space transferred on regular basis from any existing units in the KASEZ. This is also subject to condition that 100% of their finished products will be exported and no DTA sale/clearance will be allowed. Before commencement of their production they shall obtain NOC from Ministry of Environment & Forest, New Delhi. They shall also register the unit with NSDL for SEZ online and obtain RCMC from EPCES.

**76.2 Broad-banding request in existing LoA.**

**76.2.1 M/s. Yash Polyplast, KASEZ.**

Their proposal is for –

- i) Broad banding to Warehousing Service Activity &
- ii) Broad banding for manufacturing Activity in their existing LoA.



Mr. Vipul Sanghvi, Partner of the firm appeared before the Committee and explained about the proposal. The Committee discussed their proposal and approved broad banding of Manufacturing activity, i.e. Plastic Ropes (ITC 5607 9090) & Plastic Twin Ropes (ITC 3926 9080). However, the Committee rejected their proposal for Warehousing Service Activity of plastic items and other OGL items.

**76.2.2 M/s. Palmon Exports, KASEZ**

Their proposal is for broad banding for addition of more items for trading activity. Mr. Sunil Lahori, Proprietor of the firm appeared before the Committee and explained about their proposal. The Committee observed that many items requested for trading activity are already approved at the time of renewal of their LoA vide office letter dated 05.08.2014. The Committee after due deliberation directed the JDC & DC (Customs) KASEZ to examine the proposal on file and submit the same in the next UAC. Therefore the Committee deferred the case.

**76.2.3 M/s. Zetts Cosmetics Pvt. Ltd., KASEZ.**

Their proposal is for addition of manufacturing process in their existing LoA – i.e. to include additional process of glass bottle coating/ printing process being done in-house in order to improve and widen their product penetration with quality products as well as to reduce the costs of packing materials. Mr. Vivek Milak, Authorised representative of the firm appeared before the Committee and explained about the proposal. The Committee after due deliberation approved the additional process of manufacturing in their existing LoA.

**76.2.4 M/s. Narayan Marine Tech Pvt.Ltd., KASEZ.**

The proposal is for broad banding for warehousing service & trading and trading of all kinds of machinery/spares activities in existing LoA. Shri Hetal Shah, CMD of the firm appeared before the Committee and explained about their proposal. He informed that M/s. Narayan Marine Tech Pvt.Ltd., has an area of 5000 sq.mtr. and out of which they can earmark space for the broad banding of warehousing and trading activities. The Committee after due deliberation informed them that they may separate the premises by constructing a concrete wall for warehousing and trading activities as a Unit-II and then apply for separate LoA. Accordingly the Committee deferred the case.





76.2.5 **M/s. International Warehousing & Trading, KASEZ.**

Their proposal is for warehousing & segregation of non-ferrous metal in their existing warehouse on behalf of foreign principal (supplier) and after segregation to export 100% of the products as per instruction of their foreign principal.

Shri Kiran Singh, proprietor of the firm appeared before the Committee and explained about their proposed activity. The Development Commissioner informed that there was a meeting of the Development Commissioners on the matter of processing of ferrous & non-ferrous metal scrap at New Delhi and the DCs' Committee has sent suggestions regarding the policy for segregation of non-ferrous metal scrap to the Ministry, which is under consideration. Therefore till a decision on the matter is taken by the Ministry, the Committee decided not to take any decision and therefore rejected the proposal at this stage.

76.2.6 **M/s. R.B. Industries, KASEZ.**

The proposal is for change of constitution of the firm, i.e. from Proprietorship to Partnership. Shri Anil Gangadharan, GM of the firm appeared before the Committee and explained their proposal. The Committee observed that LoA to the said unit is issued recently and therefore the rent etc. are applicable as per the new rate. Therefore, the Committee approved the change of constitution of the firm from Proprietorship to Partnership which may be taken on record after receipt of proof about registration of Partnership Deed.

**76.3 Miscellaneous**

76.3.1 **M/s. Om Siddh Vinayak Impex Pvt.Ltd., KASEZ.**

The proposal of the unit is for addition of new Director, Mr. Hardeep Singh Uppal in the company.

Shri Hardeep Singh Uppal appeared before the Committee. However, the committee observed that till date UAC has not approved addition of new Director, Shri Hardeep Singh Uppal and therefore he cannot appear before the Committee in the capacity of Director. Therefore the Committee deferred the case and informed that existing director should appear before the Committee for presenting their case.





76.3.2 **M/s. Timbmet Door Solutions Pvt.Ltd. KASEZ**

The Committee deferred the case as nobody on behalf of the company appeared in the meeting.

76.3.3 **M/s. V. Milak Enterprises, KASEZ.**

Their request is to include two additional services, i.e.

- (i) Business Auxiliary Services and
- (ii) Business Support Services for availing service tax exemption.

Mr. Vivek Milak, Partner of the firm appeared before the Committee and explained about their proposal. The Committee observed that out of above two services Business Support Services was already approved in the 71<sup>st</sup> meeting of UAC, KASEZ held on 31.7.2014 as a Default Service. However, for the service – Business Auxiliary Service, the committee discussed the issue at length and advised the party to come up with a write up on the exact nature of the services they are availing in relation to their export and import activities alongwith documents such as, Contract with the Shipping Line, Bills/Invoices etc.

76.3.4 **M/s. V. Milak Warehouses, KASEZ.**

Their request is to include two additional services, i.e.

- (i) Business Auxiliary Services and
- (ii) Business Support Services for availing service tax exemption.

Mr. Vivek Milak, Partner of the firm appeared before the Committee and explained about their proposal. The Committee observed that out of above two services Business Support Services was already approved in the 71<sup>st</sup> meeting of UAC, KASEZ held on 31.7.2014 as a Default Service. However, for the service – Business Auxiliary Service, the committee discussed the issue at length and advised the party to come up with a write up on the exact nature of the services they are availing in relation to their export and import activities alongwith documents such as, Contract with the Shipping Line, Bills/Invoices etc.

The meeting ended with vote of thanks to all.



(Vijay N. Shewale)  
Development Commissioner  
Kandla Special Economic Zone