

Following were present:

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| 1. Shri Krishan Kumar | : | Joint Development Commissioner, KASEZ |
| 2. Shri Niranjana Godara | : | Asstt. Commissioner of Customs, Rep. of
Commissioner of Customs, Kandla |
| 3. Shri Dilip Kumar | : | Income Tax Officer, Rep. of Jt. Commissioner
Of Income Tax, Gandhidham |
| 4. Shri R.G.Khairkar | : | FTDO, Rep. of Jt.DGFT |

Absentees:

1. Director(Banking)
2. SDM
3. GM, DIG, Bhuj.

Review/Confirmation of the minutes of last meeting (81st UAC) of the Approval Committee:

Minutes of the last meeting of Approval Committee were confirmed.

83.1 New proposals:

83.1.1 M/s. Palmon Exports, KASEZ:

The proposal is for setting up a unit in Kandla Special Economic Zone for warehousing service activity. The Chairman asked about their rental dues and it was clarified that an amount of Rs.7.14 lakhs is outstanding towards rental arrears. Their representative appeared before the Committee and explained about their proposal. He stated that they are having two sheds and they will use these premises for warehousing activity also. He was specifically asked as to which shed they will be utilizing, which he could not clarify. As regards the rental dues he stated that the rent will be cleared within two months.

The representative was asked to furnish in writing their plans for rent payment and also as to which shed will be utilized for warehousing. The proposal was deferred.

83.1.2 M/s. Genetic Industries Pvt. Ltd., Vadodara:

The proposal is for setting up a unit in Kandla Special Economic Zone for manufacturing & Trading activity. Mr. Rizwan Aziz, Director appeared before the Committee



and explained about their proposal. He stated that he is one of the Directors in M/s. Creative Free Trade Warehousing Pvt. Ltd., KASEZ. They have many enquiries. The project cost is Rs.3750 lakhs out of which Rs.330 lakhs will be of promoters capital and long term loan. However, based on the income-tax return of the Director, the financial credibility could not be established for such an investment. Further, he was not able to satisfy the Committee about the financial arrangement. The area required was stated to be 4000 sq.mtrs. open land. Committee informed the applicant that KASEZ is and no vacant plot is available with the Authority, apart from SDF building (multi storey buildings). Therefore, such a project cannot be established in KASEZ. The applicant was, therefore, asked to explore the possibility of their establishing the unit in any other SEZs such as Adani Port & SEZ Ltd., Sterling SEZ, Dahej SEZ.

In view of the above, the Committee decided to reject the proposal.

83.1.3 M/s. Central Warehousing & Trading, KASEZ.

The proposal is to set up a new unit in Kandla SEZ for setting up a warehousing service unit under Rule 18(5) & 76 of the SEZ Rules. Representative of the firm appeared before the Committee and explained about the proposal. He stated that they will not import or store any type of second hand goods into the warehouse. Project cost of Rs.17 lakhs will be met from Proprietor's capital. Area requirement is 1000sq.mtrs. and that they are ready to occupy built up space. FOB value of exports projected for 5 year period is Rs.150 lakhs with a NFE of Rs.150 lakhs.

Committee approved the proposal in-principle subject to standard terms and conditions and also on the condition that they shall acquire space in KASEZ within a period of six months, through bidding.

83.2. Broad Banding request in existing LoA & other Miscellaneous cases:

83.2.1 M/s. Jindal International, KASEZ

The request is for change of constitution of the company from Partnership to Private Limited and also for change of the name of the firm M/s.Jindal International to M/s.Kandla

Exim Private Ltd. Mr. Harin Vyas, appeared on behalf of the unit before the Committee. The Committee informed him that an amount of Rs.45.13 lakhs is outstanding as rental arrears and user charges against their unit and that change of constitution of the company and also change of name of the unit can be taken on record only on clearing of dues. They were asked to come up with their plan for immediate clearance of dues. Mr. Harin Vyas agreed to it. Approval Committee decided that Development Commissioner may issue confirmation after rentals are cleared or rental arrears clearing plan is acceptable to office of the Development Commissioner.

83.2.2 M/s. A.S. Moloobhoy & Sons, KASEZ.

The proposal is for change of constitution of company from partnership to Private Limited in the name and style of M/s. A.S. Moloobhoy Private Limited with 4 Directors and 3 shareholding partners. The Committee decided to take on record the change of constitution. However, the Committee observed that there is change in the majority shares from the existing partnership to private limited and thus the new rent shall be applicable for their premises in KASEZ.

83.2.3 M/s. Inox India Ltd., KASEZ.

M/s Inox India Ltd., KASEZ is an approved unit undertaking manufacturing activity as per LoA dated 20.10.2005. The proposal is for change of constitution of the company from Public Limited to Private Limited. Their representative appeared before the Committee and explained about their proposal.

The Committee noted that already necessary approvals are granted by the Registrar of Companies in this regard. The Committee decided to take on record the change of constitution from Public Limited to Private Limited.

On the other request of the unit for service tax exemption for additional items, after deliberations, the Committee approved following services:-

1. Transport of goods by Coastal Shipping.



2. Management Consultant specifically for ISO certification, Environmental Audit, Energy Audit.

The Committee did not find any justification for exemption from Services Tax for the services of Management Consultant as it is a common type of service for all units. The Unit's representative was not able to explain proposal regarding service "Transport of Goods through Waterways". Hence, the Committee rejected this request also.

83.2.4 M/s. Nakoda Sales Corporation, KASEZ.

M/s. Nakoda Sales Corporation is an approved unit for manufacturing activity of Plastic Batch and filler master Batch, Plastic D-Moisturizing granules, plastic reprocessed granules. The proposal is for change of partners and Registered Office of the firm.

The Committee approved the change of Registered Office of the firm from 321/3, Shanti Nagar Society, Timber Market Road, Pune to Plot No.403, Marshalling Yard, KASEZ and the Partners as under:-

Sr.No.	Name of the Partners	% Share in Profit & Loss
1	Shri Kiran Vasantlalji Lalwani	20%
2	Smt. Manjulaben Kiran Lalwani	50%
3	Shri Hitesh Lalwani	30%

The Committee observed that the proposal did not involve change of majority shares.

83.2.5 M/s. Euro India Cylinders Ltd, KASEZ:

M/s. Euro India Cylinders Ltd. is an existing unit in KASEZ engaged in the manufacturing activity of High Pressure CNG Gas cylinders and Industrial cylinders. Representative of the unit appeared before the Committee and explained about their proposal. He stated that the cylinder industry is facing global recession and it has adversely affected

their export plans. To overcome this situation, they have requested for addition of Industrial Gas cylinder filled with Helium Gas in their existing LoA. They have also requested for trading activity. During the meeting, the Unit submitted a letter dated 23/6/2015 whereby they submitted a list of 9 other items for trading purpose.

Committee noted that they have huge rental arrears amounting to Rs.1.56 crores and Rs.28.93 lakhs towards user charges. The representative stated that due to global recession they could not make the lease rent payment and they will be making the payment on installment basis. The Chairman asked them to give their plans for clearing of dues in writing, which will be considered on file. The Committee observed that in the list of 9 items submitted during the meeting, first three items were such which were to be fitted with cylinders that the unit manufacturing or the items are gases which are to be filled in the cylinders. Thus, the Committee considered the first three items to be considered as manufacturing activity. On this condition, the proposal is approved as under:-

1. Addition of Manufacturing Activity:-
 - (a) Industrial Gas Cylinders filled with Helium Gas
 - (b) All types of High Pressure Industrial, CNG , fire extinguishers, scuba cylinders and kits to be fitted with cylinder/to be filled in cylinder,
 - (c) Cylinder valves, cylinder cap, guard and all other ancillary items which are used with cylinder
 - (d) Cylinders filled with High Pressure permanent & liquefiable gases (Oxygen-28044090, Argon-28042100, Helium-28042910, Hydrogen-28041000, Nitrogen-28043000, Sulphur Dioxide-28112950 and Acetylene-29159010).

2. Trading items:
 - (a) Machine spares, tools, burners, blades, rollers, hoses, PLC & machine instruments, etc.
 - (b) Refined castor oil/commercial castor oil/first special grade castor oil,
 - (c) Oil cake and oil cake meal of castor seeds,
 - (d) FIBC Jumbo bags

- (e) PP & HDPE Tarpaulin
- (f) PP Woven sacks (small bags)

However, the unit shall maintain separate records for manufacturing and trading and also submit APR for both the activity separately.

83.2.6 M/s. KKP Petchem Private Ltd., KASEZ:

They are an existing unit for manufacturing of various chemicals and service activity. Their representative appeared before the Committee. Their request is for addition of more items in the existing LoA for trading activity. The Unit in the list of items submitted mentioned that all items fall in free category for import & export.

After deliberations, the Committee approved their proposal subject to their obtaining requisite licences/approvals from the concerned Authorities.

The Committee also approved the Unit's request for manufacture of thinner (ITC HS Code 38140000).

83.2.7 M/s. Dyna Glycols Pvt. Ltd, KASEZ:

An existing unit in KASEZ for manufacturing activity of various chemicals as per LoA dated 5.6.2006, as amended from time to time. Their representative appeared before the Committee. The request is for addition of item ELAT-G (Other Synthetic Latex). The Committee noted that with the additional item, there will be a additional NFE of Rs.72 lakhs. Committee further noted that their performance during 2013-14 was quite good with a NFE of Rs.3575.23 lakhs.

The Committee approved the proposal subject to standard terms and conditions.



83.2.8 M/s. Jiya Exim Company, KASEZ:

It is an existing unit in KASEZ for manufacture of made-ups and readymade garments approved vide LOA dated 9.5.2006. Their representative appeared before the Committee and explained about their proposal. The proposal is for broad banding of their existing LOA for trading activity also. They intend to do trading of PPSupn Bonded Non Woven Fabric, for which they have ready export orders, as stated by their representative. The FOB value of exports projected for 5 years is Rs.240 lakhs with a NFE of Rs.40 lakhs.

The Committee approved the proposal subject to standard terms and conditions.

83.2.9 M/s. Sujan Oil & Gas Infra Logistics, KASEZ.

It is an existing unit in KASEZ for warehousing of oil exploration activity related equipment vide LoA dated 22.10.2009, as amended from time to time. Mr.T.V. Sujan appeared before the Committee and explained their proposal. They have stated that they are undertaking drumming activity. While purchasing the drums, etc. from local market, they have to pay the VAT, etc. Committee directed the DC's office to examine the same on file and issue necessary clarification.

TABLE AGENDA FOR THE APPROVAL COMMITTEE MEETING

Sub:- Transfer of Plot No.448, Sector-II with infrastructure in favour of M/s. Lohadia Warehousing Co., KASEZ.

M/s.K.P. Woven Pvt. Ltd. is issued with LoA No.005/2013-14 dated 13/6/2013 from F.No.KASEZ/IA/005/2013-14 for manufacturing and trading activity of FIBC PP Jumbo bags, PP & HDPE Tarpaulin, PP Woven sacks small bags, PP webbing, LLDPE Liner.

They have requested for transfer the Plot No.448 with infrastructure in favour of M/s. Lohadia Warehousing having LoA dated 25/10/2010, if their request is considered, there shall be no other premises for them to carry out their approved activity as per LoA dated 13/6/2013. The Committee observed that the case cannot be considered under 74A of the SEZ Rules, as the conditions given in this Rule are not met.

The Committee, therefore, rejected the proposal.



General:

Delegation of powers to DC:

1. Broad Banding Requests:

The Committee noted that there are lot of proposal placed before the Committee for broad-banding request from the existing units. The Approval Committee deliberated on this issue. It was felt that sometimes the broad banding requests of the units may be very urgent due to export order in hand and waiting for the Approval Committee will delay approvals of such requests. It was, therefore, decided that henceforth broad banding cases of existing units in KASEZ should be decided on file by the Development Commissioner. However, if any proposal, which requires deliberations in the Approval Committee, may be placed before the Committee. The Committee further decided that the proposals of broad-banding approved by Development Commissioner may be put up in next Approval Committee meeting for ratification whenever its next meeting takes place.

2. Change of constitution, change of name, etc.

The Approval Committee discussed the issue of change of constitution and change of name of the existing units in the Zone. These are basically routine matters and these kind of changes take place after following due legal process. Therefore, to speed up acceptance of such cases, it was decided that the acceptance of the same should be done on file by the DC and may be put up before the next meeting of the Approval Committee for ratification.



(Upendra Vasishth)
Development Commissioner,
Kandla Special Economic Zone.