Minutes of the 4th Meeting (2014 series) of the Units Approval Committee (UAC) for EOUs held on 31.07.2014 at 11.30 Hrs. in the office Chamber of the Development Commissioner, Administrative Building, Kandla SEZ, Gandhidham under the chairmanship of Shri Vijay N. Shewale, ITS, Development Commissioner, KASEZ.

Following Officers are present:

- (1) Shri Krishan Kumar, JDC, KASEZ
- (2) Shri L.K.Meena, DDC(I/C), KASEZ
- (3) Shri T.Samaya Murali, Dy. Commissioner, Gandhidham
- (4) Shri R.G.Khairkar,FTDO,KASEZ

(i)M/s Ambark Worldwide,Jamnagar:

This proposal is for establishment of a new unit (a Partnership Firm) under EOU Scheme at Plot No. 3890,GIDC,Phase III,GIDC,Jamnagar-361004 for manufacturing and export of ferrous and non-ferrous metal parts,compenents and articles like sanitary bathroom fittings and hardwares.

Shri Annant P.Changani,a partner and Authorized Signatory appeared before the UAC and submitted the following facts:

- -They are having a new unit in the name of M/s Ambark Worldwide registered with District Industries Centre, Jamnagar, Govt. of Gujarat, Jamnagar as a MICRO manufacturing enterprise for manufacturing of all kinds of Brass Parts.
- -They will manufacture Brass Parts for Electrical & Electronic Appratus, Auto Parts, Kichen or other House hold articles, Taps, Cokes & Valves, Brass Pipes etc.
- -The Annual Capacity of the unit is 289.5 MT.
- -They will invest Rs.36.52 lakhs in Plant & Machinery(Minimum investment of Rs. One crore does not apply to the units of Brass hardware sectors).
- -The Proprietor's contribution will be Rs. 86.52 lakhs at initial year only.
- -The projected FOB value of exports for next 5 years period is Rs.5384.17 lakhs.
- -They have declared that they have Ingots/Bars/Piece Casting/Rods making facility along with product manufacturing facility and they propose to achieve Value Addition.

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OBSERVATION/DECISION OF THE UNIT APPROVAL COMMITTEE

- -The partners will submit Income Tax Returns of the family members as a proof of sources of money alongwith their confirmation letters.
- -LOP will be issued on receipt of Antecedent Verification Report of jurisdictional DGFT and from jurisdictional Central Excise Commissionerate.
- -The proposal was considered under the Automatic Approval Route subject to acceptance of Standard Terms and conditions and it was decided that after receipt of ITRs/Verification reports as above, case will be put up on file for seeking approval of DC. After DC's approval, LOP will be issued.

(ii)M/s Deep Recycling Industries, Jamnagar:

M/s Deep Recycling Industries, Jamnagar is a working unit for manufacture and export of Brass components, Sanitary fittings and copper articles, wire, ingots/billets/rods etc. since 2003.

- -The unit have requested for permission for import of Zinc Ingots as a raw material which is an approved product for manufacture and export.
- -The jurisdictional Central Excise Authority has issued NOC in favour of the unit.

OBSERVATION/DECISION OF THE UNIT APPROVAL COMMITTEE

- -The Committee approved the request of the unit with strict compliance of the guidelines as mentioned in the NOC dated 26.06.2014 issued by the Central Excise, Jamnagar.
- -Zinc Ingots is now excluded from the list of items approved for manufacture and export and, henceforth, Zinc Ingots will be a raw material for finished product as shown in LOP, as amended from time to time.

(iii) M/s. Indianic Infotech Ltd., Ahmedabad

This proposal is for conversion of the existing DTA unit into 100% EOU at 3rd Floor Camex House, Stadium Commerce Road, Navrangpura, Ahmedabad, Gujarat. for I.T. related services & software viz. Web Development, Web Designing, E-Commerce Solution, etc.

Shri Pradeep Mundra, COO of the unit appeared before the UAC for personal interview and submitted following facts: -

- The investment is Rs. 392.52 lakhs in plant and machinery.
- They have made 17.56 crores export in the financial year 2013-14.
- On being asked by the Development Commissioner they stated that the main reason of conversion of their existing DTA unit into 100% EOU is the requirement of SOFTEX FORM Registration by IT units with an approved authority, for exports below \$ 25000 also, as per recent RBI Order dated 13.09.2013. SEZs are authorized for registration/countersigning of SOFTEX FORMS. Registration with STPI is a costly affair.

Observation/Decision of the Committee: -

- 1) The projected FOB value of the exports for the next 5 years period is Rs. 10720.60 lakhs with total NFE of Rs. 9648.55 lakhs.
- 2) The investment in Plant & Machinery is Rs. 392.52 lakhs
- 3) The Proposal is meeting with the requirement of approval under EOU Scheme under the Automatic Approval route. The Committee approves the proposal subject to confirmation of approval by the Jurisdictional Central Excise Authority (no one from the Jurisdiction Central Excise attended the meeting). This is further subject to standard terms and conditions.
- (4) On receipt of approval from Central Excise Authority Letter of Permission will be issued with DC's approval on file.

(iv) M/s Hidden Brains Infotech Pvt. Ltd, Ahmedabad

This proposal is for conversion of the existing DTA unit into 100% EOU at 405, Baleshwar Square, Opposite Iskon temple, S.G. Road, Satellite, Ahmedabad, Gujarat for I.T. related services & software viz. Web Development, Web Designing, E-Commerce Solution, etc.

Shri Vikash Chawchharia, Director of the company appeared before the UAC for personal interview and submitted following facts: -

- The investment is Rs. 730.44 lakhs in plant and machinery.
- They have made 21.61 crores export in the financial year 2013-14.
- On being asked by the Development Commissioner they stated that the main reason of conversion of their existing DTA unit into 100% EOU is the requirement of SOFTEX FORM Registration by IT units with an approved authority, for exports below \$ 25000 also, as per recent RBI Order dated 13.09.2013. SEZs are authorized for registration/countersigning of SOFTEX FORMS. Registration with STPI is a costly affair.

Observation/Decision of the Committee: -

- 1) The projected FOB value of the exports for the next 5 years period is Rs. 13195.81 lakhs with total NFE of Rs. 11876.23 lakhs.
- 2) The investment in Plant & Machinery is Rs. 730.44 lakhs
- 3) The Proposal is meeting with the requirement of approval under EOU Scheme under the Automatic Approval route. The Committee approves the proposal subject to confirmation of approval by the Jurisdictional Central Excise Authority (as no one from the Jurisdiction Central Excise attended the meeting). This is further subject to standard terms and conditions.
- 4) On receipt of approval from Central Excise Authority Letter of Permission will be issued with DC's approval on file.

(v) M/s Intech Creative Services Pvt. Ltd., Gandhinagar

This proposal is for conversion of their existing DTA unit into 100% EOU at 05, Ground Floor, Info Tower-1, Infocity, Airport Road, Gandhinagar-382009. Gujarat for I.T. related services & software viz. Web Development, Web Designing, E-Commerce Solution, etc.

Shri Dhiren Sanghadia, Director of the company appeared before the UAC for personal interview and submitted following facts: -

- The investment is Rs. 63.21 lakhs in plant and machinery.
- They have made 02.81 crores export in the financial year 2013-14.
- On being asked by the Development Commissioner they stated that the main reason of conversion of their existing DTA unit into 100% EOU is the requirement of SOFTEX FORM Registration by IT units with an approved authority, for exports below \$ 25000 also, as per recent RBI Order dated 13.09.2013. SEZs are authorized for registration/countersigning of SOFTEX FORMS. Registration with STPI is a costly affair.

Observation/Decision of the Committee: -

- 1) The projected FOB value of the exports for the next 5 years period is Rs. 1716.60 lakhs with total NFE of Rs. 1544.94 lakhs.
- 2) The investment in Plant & Machinery is Rs. 63.21 lakhs
- 3) Since this proposal is for establishment of a service unit, the minimum investment of Rs. 1 crore in Plant and Machinery is not applicable in terms of Para 6.6.2 of FTP. Hence, the Proposal is meeting with the requirement of approval under EOU Scheme under the Automatic Approval route. The Committee approves the proposal subject to confirmation of approval by the Jurisdictional Central Excise Authority (as no one from the Jurisdiction
- Central Excise attended the meeting). This is further subject to standard terms and conditions.
- 4) On receipt of approval from Central Excise Authority Letter of Permission will be issued with DC's approval on file.

(vi) M/s Elsner Technologies Pvt. Ltd., Ahmedabad.

This proposal is for conversion of their existing DTA unit into 100% EOU at 305, 306, Iscon Centre, Shivranjani Cross Road, Satellite, Ahmedabad, Gujarat for I.T. related services & software viz. Web Development, Web Designing, E-Commerce Solution, etc.

Shri Harshal Shah, Director of the company appeared before the UAC for personal interview and submitted following facts: -

- The investment is Rs. 98.14 lakhs in plant and machinery.
- They have made 04.71 crores export in the financial year 2013-14.
- On being asked by the Development Commissioner they stated that the main reason of conversion of their existing DTA unit into 100% EOU is the requirement of SOFTEX FORM Registration by IT units with an approved authority, for exports below \$ 25000 also, as per recent RBI Order dated 13.09.2013. SEZs are authorized for registration/countersigning of SOFTEX FORMS. Registration with STPI is a costly affair.

Observation/Decision of the Committee: -

- 1) The projected FOB value of the exports for the next 5 years period is Rs. 2879.71 lakhs with total NFE of Rs. 2591.74 lakhs.
- 2) The investment in Plant & Machinery is Rs. 98.14 lakhs
- 3) Since this proposal is for establishment of a service unit, the minimum investment of Rs. 1 crore in Plant and Machinery is not applicable in terms of Para 6.6.2 of FTP. Hence, the Proposal is meeting with the requirement of approval under EOU Scheme under the Automatic Approval route. The Committee approves the proposal subject to confirmation of approval by the Jurisdictional Central Excise Authority (as no one from the Jurisdiction Central Excise attended the meeting). This is further subject to standard terms and conditions.
- 4) On receipt of approval from Central Excise Authority Letter of Permission will be issued with DC's approval on file.

(Vijay. N. SHEWALE)
Chairman of Approval Committee
& Development Commissioner
Kandla Special Economic Zone