

Minutes of the 78th Unit Approval Committee Meeting of Kandla SEZ held on 17.03.2015 at 11:00 hrs under the Chairmanship of Shri Upendra Vasishth, Development Commissioner, KASEZ.

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. Jt. Commissioner of
Income Tax. |
| 4. Shri R.G. Khairkar | : | FDTO, KASEZ, Rep. of Jt. DGFT, Rajkot |

Absentees:

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

Review/Confirmation of the minutes of last meeting (77th UAC) of the Approval Committee:

Minutes of the last meeting of Approval Committee were reviewed. However, Committee decided to correct the minutes with respect of agenda point No.77.2.16 i.e the request made by M/s.Sarthak Warehousing and Trading for carry out manufacturing process on behalf of overseas clients i.e. cut the material in wipers which are left over during the process of their service activity, under Rules 18(6) of SEZ Rules, 2006(read with instruction No.49), as under:

“M/s.Sarthak Warehousing & Trading is an existing unit in KASEZ for warehousing and Trading Activity. Mr. Ajay Godara, Partner appeared before the Committee. The unit proposed to carry out manufacturing process on behalf foreign clients to cut the used clothes into small pieces which are left over during the process of their service activity (warehousing activity). The unit also enclosed a copy of Instruction No.49 dated 12/3/2014 issued by DoC on FTWZ issues, as per which request for allowing cutting, polishing, blending, etc. as a part of authorized operations of FTWZ unit can be considered by the Approval Committee on a case to case basis based on merits of the case.

The Committee after discussing the case decided not to approve the proposal of carrying out manufacturing services under Rule 18(6) and decided to forward the proposal of cutting of clothes under warehousing activities to BoA for consideration.”



78.1 New proposals:

78.1.1 M/s. Jassco Enterprises, Delhi:

The proposal is for setting up a unit in Kandla Special Economic Zone for warehousing Services under Rule 18(5) and 76 of 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. However, proprietor of the said firm vide their E-Mail dated 17.03.2015, informed that, his health is not proper and therefore, he could not travel. He has also requested to consider their case in the next UAC. The Committee after due deliberation decided to deferred the proposal.

78.1.2 M/s. Rama Cylinders Pvt. Ltd., Mumbai:

The proposal is for setting up a new unit in Kandla SEZ for warehousing service activity. Their representative Shri Milind Khadke, Senior Vice President of M/s. Rama Cylinders Pvt. Ltd was appeared before the committee and explained about their proposal. It was clarified that they are an existing unit in KASEZ for manufacture of cylinders and are facing difficulties for export of their products. Their export from the cylinder manufacturing unit was Rs.47 crores during last year as stated by them. Therefore, some portion of unutilized area of existing unit is converted for warehousing activity. As per their project report, FOB value of exports for 5 year period is 306 lakhs with a NFE of Rs.306 lakhs.

The Committee after due deliberation decided to approve the proposal subject to standard terms and condition and also subject to the condition that no second hand used clothes or plastic scrap/waste shall be imported for warehousing activity.

78.1.3 M/s. Ashmeer Global, New Delhi.

The proposal is to set up a new unit in Kandla SEZ for manufacturing of Guthka, Scented Khaini, Flavoured Chewing Tobacco & Pan Masala. Shri Alok Arya, Partner of the said firm was appeared before the Committee. He explained their proposal. He informed that presently they are carrying out said activity at Noida(UP), under the brand name of RAFIQUA 306, which is exported of the major parts of the Globe such as KSA, UAE, OMAN, YEMEN, SOUTH AFTICA etc. During the year 2013-14, their export turnover in the tune of Rs.1100.00 lacs.

After due deliberation, the Committee informed the applicant that as per the Industrial Policy, the activity for which permission is sought, does not fall within the purview of the Approval Committee and the Board of Approval is Competent Authority to approve such activity. It was therefore, decided to refer the proposal to BoA for their approval.

78.2 Broad-Banding request in existing LoA& Miscellaneous cases:

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

M/s. Sujan Oil & Gas Infra Logistics is approved unit of Kandla SEZ vide LoA No. KASEZ/IA/023/2009-10/10374 for Warehousing of Oil Exploration Activity related

Equipments and amended from time to time. Shri Vipin Sharma, DGM of the said firm appeared before the Committee and explained, their proposal for broad-banding of goods attracting anti-dumping duty.

The Committee noted that in the 72nd UAC of Kandla SEZ, held on 04/09/2014, allowed goods attracting anti dumping duty for trading activity. Therefore, after due deliberation, the Committee approved the request of M/s.Sujan Oil & Gas Infra Logistics subject to standard terms and conditions in such cases.

78.2.2 M/s. Timbmet Door Solutions Pvt. Ltd., KASEZ.

M/s. Timbmet Door Solution Pvt. Ltd. is approved unit of Kandla SEZ for manufacturing activity of (a) Doors made of particle Board, MDF Board, Veneers and (b) Doorsets made of Particle Board, MDF Board, Veneers vide LOA No. KASEZ/IA/036/2006-07/13351 dated 22.03.2007 as amended/ extended from time to time.

Shri R.P.Mahendu, General Manager of the said unit appeared before the Committee and explained that, following five persons are required to be added as Directors in the company for administrative purposes only. Further, it is also informed that, there is no change in the share holding pattern.

- 1.Mr. John Jeffries
- 2.Mr. Mahadev Kirshanaji Joshi
- 3.Mr. Michael Lumsden
- 4.Mr. Kalyan Dutt Roy
- 5.Mr. Craig Clement

After due deliberation, the Committee approve the request of the unit.

78.2.3 M/s. Royal Petro-Chem, KASEZ.

M/s Royal Petro-Chem, KASEZ is approved unit for manufacturing of Automotive and Industrial lubricants, Brake Fluid, Petroleum Jeelly, Open Gearcompound/Creosote Oil, Pour Point Depressants, Coolants etc. vide LoA No. KASEZ/IA/026/2006-07/10544 dated 12.12.2006 as amended/ extended from time to time.

However, the unit vide their E-Mail dated 17.03.2015, informed that, all the directors of their firm are staying out of Gandhidham and it would not be possible to make themselves present for the said meeting, as they received intimation regarding meeting on 16.03.2015. They have also requested to consider their case in the next UAC. The Committee after due deliberation decided to deferred the proposal.

78.2.4 M/s. Oswal Extrusion Ltd., KASEZ.

M/s. Oswal Extrusion Limited is approved unit for manufacturing of all types of Jumbo Big Bags, Tarpaulin, Tablet Salt/Softening Salt, Gold Jewellery, Garbage Bags, Granules, HDPE/PP Woven Sacks, Fabric, LDPE/LLDPE Films, Processing of Sesame, Sesame Seeds, Garbage Bags etc. vide LoA No. KASEZ/IA/032/2004-05/9378 dated 04.03.2005 as amended/ extended from time to time.

Shri Jagdish Hirun, Commercial Manger of said unit appeared before the Committee and explained their proposal. He informed that, they required to addition of Business Auxiliary Service in the list of default Services list for Service Tax exemption. This pertains to levy of service charges on the bills raised by the shipping line for documentation and for container leasing charges. The Committee decided to find out as to what happens in the case of other units for similar issue. The proposal may be placed in the next meeting of the Approval Committee after ascertaining the details from other units.

78.2.5 M/s. Zen Fastners, KASEZ.

M/s. Zen Fastners, KASEZ is an approved unit for Assembling/Trading and Manufacturing of Anchors, Fasteners, Threaded Rods, Nut, Bolt, and Screw Washers & Other Hardware products vide LoA No. KASEZ/IA/019/2008-09/13081 dated.31.12.2008.

However, the unit vide their letter dated 16.03.2015, requested that, they are withdrawing their application for change in implementation agency and they will apply for new application in the name of M/s.Pefect Enterprises. The Committee noted their request.

78.2.6 M/s. Palmon Exports, KASEZ.

M/s Palmon Exports is an approved unit and has been allowed extension/renewal of their LoA for a further period of 5 years from 01.11.2010 to 31.10.2015 vide this office letter dated 05.08.2014. Their authorised operations/activity under the extended period of LoA is for manufacture of all types of ready-made garments and made-ups and also for trading activities of items as per list of items attached with their renewal letter dated 05.08.2014.

Shri Mukesh Joshi, representative of the said unit appeared before the Committee and explained their proposal. He also explained that for the last couple of years no activity is going on. They have recently exported/cleared the old stocks with them. The LoA was renewed only on 5.8.2014 for a period of 5 years i.e. from 01.11.2010 to 31.10.2015. Therefore, he requested to approve the items mention in the list attached with their letter dated 27.02.2015 for trading activity. The Committee after due deliberation decided that IA-I Section will thoroughly examine the items given by the unit and wherever items are free as per ITC HS Code, such items will be permitted for trading.



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