

Minutes of the 10th (tenth) meeting of Approval Committee for sector specific – Automobile, Automobile Ancillary Special Economic Zone, developed by M/s. HBS Auto and Anc SEZ Pvt. Ltd., held on 05-11-2019 at 11:30 hours under the Chairmanship of Dr. Amiya Chandra, ITS, Development Commissioner, Kandla Special Economic Zone, in the conference room of the Zonal DC's office, Ahmedabad by video conferencing between Ahmedabad and Gandhidham.

List of Participants is annexed as Annexure-1.

A) Other Proposals:-

10-A-01) Proposal/request of M/s. Mahansaria Tyres Private Limited, Mumbai/HBS-SEZ, for broad-banding of existing LOA for inclusion of additional items for manufacturing, trading, and R&D.

Shri Sanjeev Jha, GM – Commercial and Shri Manoj Malpani, CA under authority of applicant company M/s. Mahansaria Tyres Private Limited, appeared before the Approval Committee for personal interview. They explained their proposal for broad-banding of the existing Letter of Approval (LOA) viz. 1) Manufacture and assemble of all types of tyres along-with subsets, etc; 2) Trading activities of all types of tyres, tubes, etc; and 3) Research and Development activities related to all types of tyres.

The Approval Committee was not comfortable with the proposal submitted in generalized way and asked the applicant to submit specific items with complete ITC (HS) Codes of each item required for manufacturing, trading and R&D activities. The applicant submitted letter dated 05-11-2019 before the Approval Committee specifying the items/products to be added to the LOA, as under:-

- 1) Manufacture and Assembly of pneumatic and solid tyres in BIAS & Radial construction for vehicles used for on the road, off the road, agricultural, forestry, construction, mining, rubberized tracks (reinforced with steel and or textile and/or otherwise) etc along with subsets/sub-assemblies with tyres, tubes, flaps, O-rings, rims/wheels, valves, individually or in sets/assemblies or in subsets/sub-assemblies or in any combination thereof. Details of items/products to added as under:-

Sr. No.	Description of items	ITC (HS) Codes	Export/Import Policy in force
1)	Assembly of Radial – Pneumatic tyres for passenger case	4011 10 10	Free
2)	Assembly of others – Pncumatic tyres for passenger case	4011 10 90	Free
3)	Assembly of Radial – Pneumatic tyres for Vehicles (buses & lorries)	4011 20 10	Free
4)	Assembly of Others – Pneumatic tyres for Vehicles	4011 20 90	Free
5)	Assembly of new Pneumatic tyres of rubber for motor cycles	4011 40 10	Free



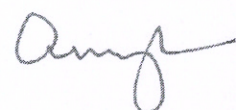
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6)	Assembly of new Pneumatic tyres of rubber for motor scooters	4011 40 20	Free
7)	Assembly of new Pneumatic tyres of rubber for motor scooters/motor cycles	4011 40 90	Free
8)	Assembly of new Pneumatic tyres of rubber of a kind used on agricultural or forestry vehicles and machines	4011 70 00	Free
9)	Assembly of new Pneumatic tyres of rubber of a kind used on construction, mining or industrial handling vehicles and machines	4011 80 00	Free
10)	Assembly of new pneumatic tyres, of rubber – other	4011 90 00	Free
11)	Assembly of solid rubber tyres for motor vehicles	4012 90 10	Free
12)	Assembly of solid rubber tyres for other vehicles	4012 90 20	Free
13)	Assembly of tyres with metal framework	4012 90 30	Free
14)	Assembly of tyres flaps for two wheeler and three wheeler	4012 90 41	Free
15)	Assembly of tyre – other	4012 90 49	Free
16)	Road wheels and part and accessories thereof	8708 70 00	Free

2) Research and Development activities related to pneumatic and solid tyres in BIAS & Radial construction for vehicles used for on the road, off the road, agricultural, forestry, construction, mining, rubberized tracks (reinforced with steel and or textile and/or otherwise) etc including tyres, tubes, flaps, O-rings, rims/wheels, and valves.

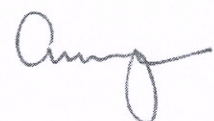
3) Trading activity of - pneumatic and solid tyres in BIAS & Radial construction for vehicles used for on the road, off the road, agricultural, forestry, construction, mining, rubberized tracks (reinforced with steel and or textile and/or otherwise) etc tubes, flaps, O-rings, and related accessories thereof such as rims/wheels, valves, individually or in sets/assemblies or in subsets/sub-assemblies or in any combination thereof and rubber and/or metal components for material handling equipment such as conveyor belts, etc. Details of items/products required for trading as under:-

Sr.	Description of items	ITC (HS)	Export/Import
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No.		Codes	Policy in force
1)	Radial – Pneumatic tyres for passenger case	4011 10 10	Free
2)	Others – Pneumatic tyres for passenger case	4011 10 90	Free
3)	Radial – Pneumatic tyres for Vehicles	4011 20 10	Free
4)	Others – Pneumatic tyres for Vehicles	4011 20 90	Free
5)	New Pneumatic tyres of rubber for motor cycles	4011 40 10	Free
6)	New Pneumatic tyres of rubber for motor scooters	4011 40 20	Free
7)	Others - new Pneumatic tyres of rubber for motor scooters/motor cycles	4011 40 90	Free
8)	New Pneumatic tyres of rubber of a kind used on agricultural or forestry vehicles and machines	4011 70 00	Free
9)	New Pneumatic tyres of rubber of a kind used on construction, mining or industrial handling vehicles and machines	4011 80 00	Free
10)	New pneumatic tyres, of rubber – other	4011 90 00	Free
11)	Solid rubber tyres for motor vehicles	4012 90 10	Free
12)	Solid rubber tyres for other vehicles	4012 90 20	Free
13)	Tyres with metal framework	4012 90 30	Free
14)	Tyres flaps for two wheeler and three wheeler	4012 90 41	Free
15)	Tyre flaps for vehicles other than two wheeler and three wheeler – other	4012 90 49	Free
16)	Tubes for motor car	4013 10 10	Free
17)	Tubes for lorries & buses	4013 10 20	Free
18)	Tubes for motor cycle	4013 90 20	Free
19)	Off the road vehicles tubes	4013 90 30	Free
20)	Tubes for tractor (rear tubes)	4013 90 41	Free



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21)	Others – tubes for tractor	4013 90 49	Free
22)	Tubes other	4013 90 90	Free
23)	Rubber Ring (O-ring)	4016 93 20	Free
24)	Rubber seals (oil seals and the like)	4016 93 30	Free
25)	Part machine	8433 90 00	Free
26)	Road wheels and part and accessories thereof	8708 70 00	Free
27)	Parts	8709 90 00	Free
28)	Parts and accessories of trailers	8716 90 10	Free

The Approval Committee after due diligence and deliberation approved the project proposal for broad-banding to manufacture additional items, trading and R&D activities, subject to standard terms and conditions of the SEZ Rules, 2006, and compliance of all required mandatory/statutory Regulatory approvals/permissions for the said project, **further no second hand tyres shall be allowed for import for any activities viz. Manufacture and Assembly; Research and Development; and trading activity.**

10-A-02) Proposal/request of M/s. Mahansaria Tyres Private Limited, Mumbai/HBS-SEZ, for share-holding pattern of the company (SEZ unit).

Shri Sanjeev Jha, GM – Commercial and Shri Manoj Malpani, CA under authority of applicant company M/s. Mahansaria Tyres Private Limited, appeared before the Approval Committee for personal interview. They informed their proposal for share-holding pattern of the company, that International Finance Corporation (IFC), an arm of the World Bank group is acquiring 13.91% of the total share-holding as Foreign Holding, for which they do not require any approval of regulatory agency and comes under Automatic Approval route of RBI. The applicant was asked to submit a declaration/undertaking, which they have given vide letter dated 05-11-2019, details as under:-

- That their unit falls under “Tyre Industry” and the inward remittance in form of shareholding in such industry is permitted under “Automatic Approval” as per the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 issued by Ministry of Finance vide Notification No. S.O. 3732 (E), dated 17-10-2019;



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- The new investor coming in is “International Finance Corporation” (IFC), a World Bank group organization, the said entity is investing in the company and the funding is clean;
- They shall comply with all the regulation w.r.t. foreign inward remittance and they shall be liable/responsible for any non-compliances pertaining to this aspect.

The Approval Committee after due diligence and deliberation approved the project proposal for change in share-holding pattern of the company in terms of DOC's Instructions Nos. 89 & 90, and provisions under the SEZ Act, 2005 and SEZ Rules, 2006, and compliance of all required mandatory/statutory Regulatory approvals/permissions for the said purpose and submission of declaration/undertaking by the applicant that the source of funding shall be clean in all aspects, and clearance of MHA (Ministry of Home Affairs) if any required.

10-A-03) Submission of Quarterly/Half yearly Reports by the Developer M/s. HBS Auto and Anc SEZ Private Limited, for monitoring/review.

No representative from the Developer's side appeared before the Approval Committee for explanation of the submitted reports. Therefore, the Approval Committee decided to defer the same for next meeting.



(Dr. Amiya Chandra)
Chairman of Approval Committee,
& Zonal Development Commissioner,
Kandla Special Economic Zone.

Annexure-1

The following members were present:-

01.	Dr. Amiya Chandra, ITS, Zonal Development Commissioner, Kandla Special Economic Zone.	Chairman
02.	Shri Satyadeep Mahapatra Joint Development Commissioner, Kandla – SEZ.	Nominee for the Director – SEZ, MOC&I, DOC.
03.	Shri H. N. Mevada,	Members

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	GM, DIC, Bharuch.	
04.	Smt K. N. Mistry, FTDO, O/O Jt. DGFT, Vadodara.	Nominee of the Jt. DGFT, Vadodara.
05.	Shri R. C. Parmar, Specified Officer, HBS-SEZ, Panoli.	Special Invitee – representing the DC, Kandla-SEZ.