

Minutes of the 6th Meeting (2015 Series) of the Units Approval Committee (UAC) for monitoring of performance of EOUs held on 07.10.2015 at 1230 hours in respect of Surat-I, Surat-II and Bharuch Commissionerates at Circuit House, Athwa Lines, Surat under the Chairpersonship of Shri Krishan Kumar, Joint Development Commissioner, KASEZ

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Following were present:

- (1) Shri Rajendra Nagar, Additional Commissioner, Central Excise, Surat-I
- (2) Shri K. S. Mishra, Additional Commissioner, Central Excise, Surat-I
- (3) Shri L. K. Meena, DDC(I/C), KASEZ
- (4) Shri Sambhaji Chavan, Dy. DGFT
- (5) Shri J. S. Bholra, Assistant Commissioner, Central Excise, Bharuch

A list of unit's representative is enclosed as Annexure-I.

Monitoring of performance of 100% EOUs:

Monitoring of performance of EOUs falling under the jurisdiction of following Commissionerates were taken up for review:

1. Surat-I Commissionerate – For the period 2009-10 to 2013-14
 2. Surat-II Commissionerate – For the period 2012-13 & 2013-14
2. It was noted that none of the units which completed 5 years block period during the years of review was NFE negative for the 5 year block as a whole or for the first 4 year of 5 year block period. So on account of NFE, none of the unit was required to be issued SCN as per the instructions.
3. The Additional Commissioners present raised following issues: -
- (1) It was mentioned that the monitoring meeting should take place regularly. In this regard, para 7(a) of Appendix 6F was quoted which mentions as under: -

“The performance of EOUs would be reviewed by the Unit Approval Committee on six monthly basis i.e. April-September each year to be completed in the following quarter on the basis of QPRs/APR to be furnished by the EOUs. The formats of QPR/APR have been prescribed in the LUT at **APPENDIX-6E.**”
 - (2) It was mentioned that sample check of import of raw materials and goods produced, outgo of goods (export/DTA Sale) with reference to documentation should be made by KASEZ office and the Audit Party also. It was mentioned by JDC, KASEZ that matter would be examined with regard to Rules.
 - (3) It was also pointed out that a copy of any Show Cause Notice issued by DC office should be endorsed to Central Excise Office also. It was pointed by JDC, KASEZ that we are marking a copy of Show Cause Notice to concerned Central Excise office; however, this point will be strictly followed.
 - (4) It was also pointed out that EOUs should be asked to send a copy of QPRs and APRs to concerned Central Excise office also. It was decided to write a letter to all EOUs to act accordingly. It was also decided that if any EOU does not send copy of report to Central Excise office, Development Commissioner Office will forward a copy of the same to the concerned Central Excise office.

4. During the meeting it was noticed that instead of two Commissionerates viz. Surat-I and Surat-II, now there are three Commissionerates viz. Surat-I, Surat-II and Bharuch Commissionerates and some of the units falling in one Commissionerate now fall under the jurisdiction of other Commissionerate. The position with regard to jurisdiction of units was reconciled with Central Excise office.

5. It was pointed out by JDC, KASEZ that the information analysed did not include details of pending foreign exchange realisation. Then the Committee decided that this aspect may be looked into by O/o. Development Commissioner, Kandla SEZ and appropriate action may be taken in the matter. This matter can be then discussed in the next meeting which takes place for review of performance of EOUs for the year 2014-15.

6. JDC, KASEZ also mentioned that now O/o. Development Commissioner, Kandla SEZ is getting the APRs of the units internally audited from an independent Chartered Accountant firm with reference to achieving of NFE. The Committee commended this action of Development Commissioner's Office.

7. Representatives of EOUs present raised issues concerning them. Most of the issues raised pertained to procedural matters relating to Central Excise. The issues raised by the units were addressed by the Central Excise officers present there and the units were explained the right procedure and the requisite actions on their part.

8. The main point raised by units was relating to problem in getting refund of Cenvat Credit. It was mentioned that sometimes the units have to procure raw materials from authorised dealers; they always charge Central Excise duty. EOUs avail Cenvat Credit on such duty paid; however, they are not able to utilise the Cenvat Credit in their account as many of them are primarily engaged in export of goods. As a result the Cenvat Credit in their account is piling up and they are finding it difficult to get the refund also. JDC, KASEZ mentioned that Development Commissioner Office will make a reference to Department of Commerce for taking up the issue with CBEC in case of any policy issue. However, the units concerned were asked to send a detailed note on the issue.

The meeting ended with a vote of thanks to all.


Joint Development Commissioner,
Kandla Special Economic Zone.

07-10-2015

SURAT

ANNEXURE-2 380

List of representatives of EOUs attending the 7th UAC meeting for EOUs on 09-10-2015 for monitoring the performance of EOUs, at Conference Room, OPAL, Mānjālpur, Vadodara under the Chairmanship of the Jt. Development Commissioner, Kandla Special Economic Zone.

Sr. No.	Name of the unit	Name of the Representative.	Designation	Signature
1	Heubach colours P. Ltd	Ranjith. M.G.	Sr. Manager	
2	Galaxy Surfactants Ltd.	Mangesh Vishwakarma	Sr. Officer	
3	Lexus Soft+mac	Dhish Jaiswala	Sr. Manager	
4	L.A. Foods (I) Pvt Ltd	H.R. Kumsara A.T. Dubey	Director	
5	Sejjan India Ltd.	P.K. Shevastava / Mohul Sheth	Sr. M. (Comm) Manager (SA)	
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