

Minutes of the 11<sup>th</sup> Meeting (2016 Series) of the Units Approval Committee (UAC) for EOUs held on 21.10.2016 at 15:30 Hrs at Pipavav Port, Part of Survey No. 42, Post Ucchaiya, via. Rajula, Distt. Amreli, Gujarat under the Chairpersonship of Shri Upendra Vasishth, ndc, Development Commissioner, KASEZ

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Following were present:-

- (1) Shri Krishan Kumar, Joint Development Commissioner, KASEZ, on Conference call
- (2) Shri Rajesh Rai, Assistant Commissioner, Central Excise, Bhavnagar – Representative of Commissioner, Central Excise, Rajkot
- (3) Shri Suvidh Shah, Dy. DGFT, Rajkot.

At the outset, the chairman welcomed all the members of the Approval Committee present in the meeting. Thereafter, the following point in the Agenda was discussed.

**1. Request for Broadbanding of LOP – M/s Reliance Defence and Engineering Ltd., Post of Pipavav, Distt. Amreli.**

The unit vide their letter dated 12-05-2016, requested for broadbanding of their LOP for inclusion of activities of decommissioning/dismantling of topside structure and cutting of structures. In the said letter, the unit had stated that ONGC has invited tender for “Life Extension of Well Platform (Tender-3)” Project for which NPCC, Abu Dhabi will be submitting bid to ONGC. Reliance Defence and Engineering Ltd. intends to participate as a subcontractor of NPCC for the activity of decommissioning/dismantling topside structure and transportation of scrap structure to the premises of 100% EOU for further cutting into smaller pieces. The equipment salvaged and waste and scrap so produced will be sold into DTA.

Observation/Decision of the Committee:

- Sub-contracting by EOU unit for Foreign Party does not permit DTA clearance of any kind under Para 6.14 of FTP and Para 6.21 of HBP. The Committee deliberated on this issue and found that there is no clarity in the proposal, as list of unexplained point remains.
- As per para 6.16 of FTP, EOUs shall be set up with approval of UAC to carryout Reconditioning, Repair, remaking, testing, calibration, quality improvement, upgradation of technology and Re-engineering activities for export in foreign currency. Provisions of 6.08, 6.09, 6.10, 6.13, 6.14 of FTP and para 6.29 of HBP shall not, however, apply to such activities. The Committee felt that the unit may not clear the goods relating to activities of reconditioning, repair, remaking, etc, into DTA.



Shri Debashis Bir, representative of the unit, Pipavav clarified that the unit will do the activity of cutting and repair of topside structure and after repairing, it will be returned. The scrap generated in the cutting and repairing activities, will be cleared into DTA after payment of appropriate duty. After deliberation, the Committee asked the unit to submit detailed modified proposal so that it can be deliberated upon by UAC.

The meeting ended with thanks to all present.



(UPENDRA VASISHTH)  
Development Commissioner  
Kandla Special Economic Zone