

Minutes of the 21st Meeting (2016 series) of the Units Approval Committee for EOUs held on 21.12.2016 at 1130 Hours, under the Chairpersonship of Shri Upendra Vasishth, ndc, IOFS, Development Commissioner, KASEZ at the Office of Development Commissioner, Kandla SEZ, Gandhidham.

Following were present:-

- (1) Shri Krishan Kumar, Joint Development Commissioner, KASEZ.
- (2) Shri Rajesh Kumar, Deputy Development Commissioner, KASEZ.
- (3) Shri Manjuanatha T., Deputy Commissioner, Central Excise, Jamnagar.
- (4) Shri Gajraj Singh M. Rawat, Assistant Commissioner, Central Excise, Customs & Service Tax, Daman.
- (5) Shri Ramdas G. Khairkar, FTDO, KASEZ.

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.

M/s Euro Steel Recycling, Jamnagar, Gujarat

The proposal is for establishment of new unit under 100% EOU scheme at Survey No. 89/2/3, Jamnagar Rajkot Highway, Opp. Hotel Mansi, Khijadiya Bypass, Village-Khijadiya, Taluka-Jamnagar-361120, for manufacturing of Brass parts for electrical & electronic apparatus for switching, making connections, protecting electrical circuits, like switch, plugs, sockets, junction box, etc.; Compressor parts; Brass builder hardware like bolts, nuts, screws, screws hook, rivets washers, anchors, etc.; Sanitary ware, fittings, kitchen fitting, etc.; Parts and accessories of motor vehicles; Brass hand tools; Casted/extruded/rolled bars, rods, profile, section, sheets, etc; Ingots, billets, granules made from brass, copper, zinc, aluminium, stainless steel, MS from all types of ferrous and non ferrous metals; Electrical insulating fitting; and Turning Scrap, Slag (By product).

Director of the company appeared before UAC for personal interview and explained about the proposal.

Observation/Decision of the Committee:

As per para 6.06 of FTP 2015-20, only projects having a minimum investment of Rs. 1 Crore in plant & machinery shall be considered for establishment as EOUs. However, this shall not apply to existing units, units in EHTP / STP / BTP, and EOUs in Handicrafts / Agriculture / Floriculture / Aquaculture / Animal Husbandry / Information Technology, Services, Brass Hardware and Handmade jewellery sectors. BOA may allow establishment of EOUs with a lower investment criteria.

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The applicant has proposed to invest Rs. 48.00 lakhs in Plant & Machinery (Indigenous) which is below the limit of Rs. One crore mentioned in Para 6.08 of FTP. The applicant proposes to manufacture not only brass hardware but also other articles/metals like Sanitary ware, fittings, kitchen fitting, etc.; Parts and accessories of motor vehicles; Brass hand tools; Casted/extruded/rolled bars, rods, profile, section, sheets, etc; Ingots, billets, granules made from brass, copper, zinc, aluminium, stainless steel, MS from all types of ferrous and non ferrous metals, etc; which can not be approved by the Committee with lower investment in Plant & Machinery. Therefore, the Committee rejected the proposal having lower investment in Plant & Machinery.

M/s Taj Mahal Vision Chemicals Pvt. Ltd., Umbergaon, Dist. Valsad, Gujarat

The proposal is for establishment of new unit under 100% EOU scheme at GIDC, Umbergaon, Dist. Valsad, Gujarat, for manufacturing of Sildenafil Citrate, Tadalafil, Vardenafil, Caffeine, Sibutramine, Rimonabant, Avanafil, Tramadol, Dapoxetine, Ephedrine, Filbanserin, Nicotine, Vitamins B12, Vitamin D.

Director of the company appeared before UAC for personal interview and explained about the proposal.

Observation/Decision of the Committee:

- (1) The Committee observed that there is difference in Paid up Capital mentioned in Column no. XI(i) and XI(ii) of ANF - 6A and directed to clarify. Column no. XI(i) and XI(ii) of ANF - 6A is reproduced below:

XI. Equity including Foreign Investment

XI. Equity including Preference Shares		
(i)	(US \$ Thousand)	(Rs. lakhs)
(a) Authorized	153.84	100
(b) Subscribed	78.46	51
(c) Paid up Capital	49.23	32
(ii)	Pattern of share holding in the paid-up capital (Amount in Rs.)	
	(Rs. in lakhs)	(US \$ Thousand)
(a) Foreign holding	45	69
(b) Non Resident Indian company/ Individual holding		
(i) Repatriable	_____	_____
(ii) Non-repatriable	_____	_____
(c) Resident holding	5	8
(d) Total (a+b(i+ii)+c) equity	50	77
(e) (iii) External commercial Borrowing	200,00,000	

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(2) The Committee took note of report of Central Excise and found that many issues were raised by the Central Excise Office. The Committee directed the company to comply/clarify the issues raised by the Central Excise.

In view of above, the Committee deferred the proposal of the M/s Taj Mahal Vision Chemicals Pvt. Ltd., Umbergaon, Dist. Valsad, Gujarat.

The meeting ended with thanks to all present.



(UPENDRA VASISHTH)
Development Commissioner
Kandla Special Economic Zone