

Minutes of the 7th Meeting (2016 Series) of the Units Approval Committee (UAC) for EOUs held on 09.05.2016 at 11:00 Hrs. in the Office Chamber of the Development Commissioner, Administrative Building, Kandla SEZ, Gandhidham under the Chairpersonship of Shri Upendra Vasishth, ndc, Development Commissioner, KASEZ

Following were present:

- (1) Shri Krishan Kumar, JDC, KASEZ
- (2) Shri Rajesh Kumar, DDC, KASEZ
- (3) Shri Sujit P. Gaekwad, Superintendent, Central Excise, Range-V, Division-I, Vadodara-I
- (3) Shri R. G. Khairkar, FTDO, KASEZ

(i) M/s. Kalintis Healthcare Pvt. Ltd., Garadhiya, Savli, Vadodara

The proposal is for conversion of their existing DTA unit into EOU at 52/A, Jarod-Samalaya Road, Village-Garadhiya, Taluka-Savli, Dist. Vadodara – 391 520 for manufacturing of Bulk Drug and Bulk Drug Intermediate (15 items of manufacture).

Shri B. M. Kachhadia, Vice President (R&D) and Shri Shitalkumar Thakkar, General Manager (Finance) of the company appeared before the UAC for personal interview and explained about the proposal. Shri Shital Thakkar gave a brief about their company and stated that in July, 2015 they have incorporated M/s. Kalintis Healthcare Pvt. Ltd., and have taken over a sick unit viz. M/s. Synth Services in December, 2015 as they want to go in API business with plant and machinery of Rs. 2.5 crores held by M/s. Synth Services, a partnership firm.

On being pointed out by the Chairman as to why they want to convert their existing DTA unit into EOU, Shri Thakkar stated that they want to do more exports and 80% of their raw materials are received from China.

The Chairman asked the Superintendent, Central Excise to submit factory inspection report. The Superintendent informed the Committee that he has visited the factory site of the unit and had prepared the verification report of the location. He was asked to send copy of this report by email. However, the Superintendent, Central Excise mentioned about existence of the factory.

The Chairman informed that projects for setting up units in sensitive sectors under EOU shall be approved by the Development Commissioner after personal verification of the Directors and asked the company representatives why their Directors had not appeared before the UAC. The company representatives stated that out of 4 Directors, 3 Directors are in USA and will be visiting India only in July, 2016 and the other Director was unable to attend



due to personal problems. The Chairman directed Deputy Development Commissioner to have a meeting of their Director who is in India and the DDC, KASEZ will make a site visit of the unit at Vadodara and meet the Director of the company. The Committee, however, had a look at ITRs of past three years of the Directors.

Observation/Decision of the Committee:

- Projected Export for the 5 year period is Rs. 5619.89 lakhs
- Investment in Plant and Machinery will be Rs. 200.00 lakhs out of which Rs. 150 lakhs will be imported and Rs. 50 lakhs will be procured indigenously.
- Net Foreign Exchange Earnings projected for the 5 year period is Rs. 2355.24 lakhs.

The proposal meets with the requirement of approval under EOU Scheme under the Automatic Approval Route. The Committee, therefore, decided to approve the proposal subject to standard terms and conditions and personal inspection of Director by the DDC, KASEZ.

(ii) M/s. Shreeji Pesticides Pvt., Manjusar, Savli, Vadodara

The proposal is for partial conversion of existing DTA unit into EOU at Block No. 73 & 76/P, Village Manjusar, Taluka Savli, Dist. Vadodara – 391 775 for manufacturing of Pesticides, Insecticides, Weedicides, Herbicides and Fungicides (10 items of manufacture).

Shri Harishchandra Shirke, Vice President (International Business) and Shri Giriraj Dwarkani, Accounts Executive of the company appeared before the UAC for personal interview and explained about the proposal. Shri Harishchandra Shirke gave a brief about their company and stated that they are having registration in USA business and M/s. Shreeji Pesticides and one Chinese manufacturer are registered there.

On being pointed out by the Chairman regarding registration of their products proposed to be manufactured under the EOU Scheme from Central Insecticides Board, Shri Shirke stated that they are having CIB registration for 6 items and as and when they receive the CIB registration for new product to be manufactured, they will seek for inclusion of the same in the list of item to be manufactured. He has stated that last year's export was to the tune of Rs. 7 crores approximately.

Observation/Decision of the Committee:

- Projected Export for the 5 year period is Rs. 31111.59 lakhs
- Net Foreign Exchange Earnings projected for the 5 year period is Rs. 11308.68 lakhs.
- It was noted that the investment in plant and machinery is Rs. 26.32 crores for the existing unit which includes the portion which



will be converted into EOU and the export of the existing unit as a whole amounted to Rs. 7 crores.

The proposal meets with the requirement of approval under EOU Scheme under the Automatic Approval Route. The Committee, therefore, decided to approve the proposal subject to standard terms and conditions and also subject to physical inspection of factory site by jurisdictional Central Excise office.

The meeting ended with thanks to all present.



(Upendra Vasishth)
Development Commissioner
Kandla Special Economic Zone