

Minutes of the 173rd Unit Approval Committee Meeting of Kandla SEZ held on 30.12.2021 at 10:00 hrs. under the Chairmanship of Shri Akash Taneja, Development Commissioner, Kandla Special Economic Zone.

Following were present (via Video Conferencing):

1. Shri. Satyadeep Mahapatra : Joint Development Commissioner, KASEZ.
2. Shri. V. J. Boricha : Additional Commissioner of Income Tax, Rajkot.
3. Shri. Abhishek Sharma : Joint DGFT, Office of Jt. DGFT, Rajkot.
4. Shri. Ranjeet Kumar : Assistant Commissioner, Customs, Kandla, Gandhidham-Representative of Commissioner of Customs Kandla.
5. Shri. Kanak P. Der : General Manager, DIC, Bhuj.

Absentees:-

1. Director (Banking)
2. SDM

173.I Review/Confirmation of the minutes of last meeting (172nd UAC) of the Approval Committee:-

Minutes of the last meeting of Approval Committee were confirmed. Further, the Committee also ratified the following amendment in the minutes of the last meeting:

“In the second para of the Agenda item No. 172.3.2 the words and expression

“Now the said unit has intimated regarding change in address of their registered office.”

may be read as

“Now the said unit has intimated regarding change in address of their registered office and change in name of their company.”



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173.1 NEW UNIT APPLICATION

AGENDA ITEM NO. 173.1.1

Application for setting up of a Trading and Warehousing unit in KASEZ namely M/s. Apstergo International Pvt. Ltd., Office No. S 12, 2nd Floor, Harikrupa Complex, Plot No. 306, Ward 12B, Gandhidham – 370 201.

A proposal was submitted by M/s Apstergo International Pvt. Ltd., Gandhidham for setting up a unit in Kandla SEZ for trading and warehousing service activity.

Shri Kunal Kumar, Managing Director of the company explained their proposal. Shri Kumar stated that they are in the warehousing business in Mundra since last one year and now they propose to set up a trading and warehousing unit in KASEZ.

The Committee noted that the applicants have not given the income tax returns of their company but have only submitted the gross income details of only of one of its Directors which is not commensurate with the projected investment proposal.

Therefore, the Approval Committee after due deliberations decided to defer the proposal with directions applicant to submit the income tax returns of the company alongwith documents regarding their source of funds for financing the proposed project. The applicant was also directed to submit the details of their clients on whose behalf they propose to warehouse items.

AGENDA ITEM NO. 173.1.2

Application for setting up of a Trading and Warehousing unit in KASEZ namely M/s. Green Tradelink, Main Bajar, Durgapur, Durgapur Mandvi Road, Mandvi-Kutch-370465.

The proposal submitted by M/s Green Tradelink, Mandvi, Kutch for setting up a unit in Kandla SEZ for trading and warehousing service activity of confectionery items was considered by the Committee.

Shri Ganesh Naidu, Authorised Representative of the firm explained their proposal. Shri Naidu stated that they are already working in perishable items business in Mandvi and are exporting mangoes and other items to Dubai. Now they propose to set up a trading and warehousing unit in KASEZ. He further stated that for their proposed project of trading and warehousing, they will take ready built shed from KASEZ.



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The Committee asked the applicant regarding the source of finance for financing the proposed project and also how they will store the edible items and perishable items which have short life span and whether they have made any arrangements for cold storage of the same. However, the applicant could not explain the same satisfactorily.

Therefore, the Approval Committee after due deliberation decided to defer their proposal with direction to the unit to submit documents regarding the financial strength/source of funds for financing the proposed project and also to elaborate details of the arrangements proposed for storage of edible and perishable items including steps taken by them to obtain FSSAI approvals.

AGENDA ITEM NO. 173.1.3

Application for setting up of a Manufacturing Activity (Spinning Plant) unit in KASEZ namely M/s. Global Recyclers, House No.-537, Sector-08/B, Chandigarh, Chandigarh-160009.

A proposal was submitted by M/s Global Recyclers, Chandigarh for setting up a unit in Kandla SEZ for manufacturing activity.

Shri Sanjay Mehra, CEO of the firm explained their proposal. Shri Mehra stated that they have their presence in KASEZ and are doing business in the name and style of M/s. Flax Apparels Pvt. Ltd. which is engaged in worn/used clothing reprocessing and they already have spinning permission in their said reprocessing unit. However due to fire hazards they propose to set up a spinning unit separately which will enable them to run the unit for 24 hours a day and the finished products manufactured viz. Cotton Fibres, Wool Fibres, etc. will be exported and also sold in DTA as per their customers' requirement. He further stated that the raw materials required in their manufacturing process will be procured from their sister concern unit M/s. Flax Apparels and other worn/used clothing units of KASEZ and they will not import any raw materials for their proposed project.

The Approval Committee noted that this is a forward integration project for their existing re-processing unit which will result in value-addition and employment generation within the Zone and after due deliberation decided to approve the proposal for manufacturing activity. The approval shall be subject to standard terms and conditions: -

- i) Any restrictions on import/export of manufacturing items and its raw materials will apply.



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- ii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
 - iii) Further, the applicant will not be allowed to import any raw materials for the proposed manufacturing activity and the raw materials will only be procured from their own sister concern unit and other worn/used clothing units of KASEZ.
 - iv) Further, purchase of raw material on intra-zone basis will not be counted towards physical export of the supplying unit.
 - v) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
 - vi) Further, the applicant will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
 - vii) Further, the applicant will give an undertaking that none of the items proposed and its raw materials are falling under negative list and are hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.

AGENDA ITEM NO. 173.1.4

Application for setting up of a Manufacturing and Warehousing unit in KASEZ namely M/s. Micro Tech, 201, Royal Palace, 12/2 Palsikar Colony, Indore, Madhya Pradesh-452007.

The proposal submitted by M/s Micro Tech, Indore for setting up a unit in Kandla SEZ for manufacturing and warehousing service activity was considered by the Committee.

Shri Anand Mehta, Authorised Representative of the firm explained their proposal and stated that they intend to set up a manufacturing unit of plastic products and also warehousing facility for plastics and electronics products. He further stated that the proprietor of the firm is having 25 years experience in the field of trading and last year the firm had achieved trading turnover of Rs. 15 crores. Regarding funding of the proposed project, he stated that the same will be funded by the Proprietor and if required, they will get finance from bank also.

The Approval Committee after due deliberation decided to approve the proposal for manufacturing and warehousing service activity subject to furnishing documents supporting financial strength/net worth of the firm/details of bank finance/Profile of Proprietor & KYC of clients on whose behalf they propose to warehouse items and also subject to standard terms and conditions: -



- i) Any restrictions on import/export of manufacturing items and its raw materials will apply.
- ii) The approval is subject to the additional condition that the applicant should seek a prior approval of any additional items they intend to warehouse and submit KYC details of clients to the Office of the Development Commissioner before undertaking the authorised warehousing activity.
- iii) None of the items which are restricted or prohibited will be allowed to be warehoused and any restrictions on import/export of any items will apply unless specifically permitted by the UAC.
- iv) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- v) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
- vi) Further, the applicant will submit separate APR for their manufacturing and warehousing service activities and will submit architectural design for earmarking of space for manufacturing and warehousing activities.
- vii) Further, the applicant will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- viii) Further, the applicant will give an undertaking that none of the items proposed and its raw materials are falling under negative list and are hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.

AGENDA ITEM NO. 173.1.5

Application for setting up of a Trading and Warehousing unit in KASEZ namely M/s. U. S. Clothing India Pvt. Ltd. (Unit-II), Plot No 274 to 281, Sector – IV, Kandla SEZ, Gandhidham – Kutch 370 230.

A proposal was submitted by M/s U. S. Clothing India Pvt. Ltd. (Unit - II), KASEZ, Gandhidham for setting up a unit in Kandla SEZ for trading and warehousing service activity for miscellaneous items of furniture, clothing and edible products.

Shri Bhavesh Mishra, Sr. Manager of the company explained their proposal. Shri Mishra stated that they are in KASEZ and are engaged in worn/used clothing business. Now as the market is slow for worn/used clothing they intend to set up their second unit as Unit-II for trading and warehousing activity. He further stated that they are already having



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separate shed in their existing premises admeasuring 2651.81 sq. mtrs. which will be utilised for the proposed project of trading and warehousing.

The Committee noted that the unit is an existing unit engaged in worn/used clothing operations and for such units no additional activity is being permitted in the existing premises.

Therefore, the Approval Committee after due deliberation decided to defer their proposal with a direction to the applicant to come up with a revised proposal as the space proposed to be used for the new project (Unit-II) is already allotted to their worn/used clothing unit cannot be allotted for their Unit-II and the applicant will have to apply for separate space through bidding process in case their proposal is approved by the Committee.

173.2 REQUEST FOR BROADBANDING/ITEM ADDITION

AGENDA ITEM NO. 173.2.1

Addition of Manufacturing activity in their existing LoA – Request of M/s. Akshaya Marine Suppliers, KASEZ.

M/s. Akshaya Marine Suppliers, KASEZ is an approved unit for Trading Activity vide LoA No. 02/2019-20 dated 16.05.2019, as amended.

The said unit has now requested for addition of manufacturing activity in their existing LoA.

Shri Pradeep Mayapalli, Partner of the firm explained their proposal. Shri Pradeep stated that they are already in KASEZ and doing trading activity for marine and ship supply and now they propose to include manufacturing activity in their existing LoA related to shipping activities.

The Approval Committee after due deliberation decided to approve the proposal for addition of manufacturing activity of 05 items in their existing LoA subject to standard terms and conditions:-

- i) Any restrictions on import/export of manufacturing items and its raw materials will apply.
- ii) The items falling under Chapter 72 & 73 will be subject to compulsory registration under Steel Import Monitoring System (SIMS).
- iii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iv) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.



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- v) The above permission is also subject to further condition that the unit shall maintain separate accounts for Manufacturing and trading activity and earmark separate space for both the activities.
 - vi) Further, the unit will submit separate APRs for both of their Manufacturing and trading activities.
 - vii) Further, the applicant will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
 - viii) Further, the applicant will give an undertaking that none of the items proposed and its raw materials are falling under negative list and are hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.

AGENDA ITEM NO. 173.2.2

Request for addition of new items in Trading activity in their existing Letter of Approval No. 19/2018-19 dated 06.12.2018 issued to M/s Ankita Overseas, KASEZ.

M/s. Ankita Overseas, KASEZ is an approved unit for trading activity vide LoA No. KASEZ/IA/19/2018-19 dated 06.12.2018, as amended.

The said unit has now requested for addition of new items for trading activity in their existing LoA.

Shri Abhinav Abhishek, Authorised Representative of the firm explained their proposal. Shri Abhishek stated that they are a trading unit in KASEZ for tobacco products and now they propose to add filter tobacco and other items in their trading activity. He submitted that the Proprietor of the firm Shri Anil Kumar has a long experience in this trade and is associated with other Group companies also. He further stated that they will procure goods from intra-zone purchase from other gutkha manufacturing units of KASEZ and they will not import the same. The traded goods will be exported to gulf countries and South Africa and they are following the COTPA requirements.

The Approval Committee after due deliberation decided to defer their the proposal with direction to the unit to submit the complete profile of the Proprietor along with details as to in which other companies he is associated as Director/ Partner/Proprietor along with their addresses.



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AGENDA ITEM NO. 173.2.3

Broad banding of Manufacturing Activity (Addition of 06 new product in unit's LoA) - Request of M/s LMP Overseas, KASEZ.

M/s LMP Overseas, KASEZ is an approved unit for Manufacturing activity, Trading activity and warehousing service activity vide LoA No. KASEZ/IA/18/2020-21 dated 09.10.2020, as amended.

The said unit has now requested for broad banding of their manufacturing activity for addition of 06 items in their existing LoA.

Shri Anand Mehta, Authorised Representative of the firm explained their proposal. Shri Mehta stated that they are an agro-processing unit in KASEZ and now they want to include 06 items in their manufacturing activity in their existing LoA. He further stated that they have already invested Rs. 10 crores in Plant and machinery and the raw materials required for manufacturing the said items will be imported to some extent and also procured from DTA.

The Approval Committee after due deliberation decided to approve the addition of 06 items in manufacturing activity in their existing LoA subject to standard terms and conditions:-

- i) Any restrictions on import/export of manufacturing items and its raw materials will apply.
- ii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iii) The above permission is also subject to further condition that the unit shall maintain separate accounts for Manufacturing, trading and warehousing activity and earmark separate space for all the activities.
- iv) Further, the unit will submit separate APRs for their Manufacturing, trading and warehousing activities.
- v) Further, the applicant will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- vi) Further, the applicant will give an undertaking that none of the items proposed are falling under negative list or are hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.



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AGENDA ITEM NO. 173.2.4

Request for additional item for manufacturing activity in their existing Letter of Approval No. 24/2017-2018 dated 01.09.2017 issued to M/s Blossom Trading Corporation (Unit-II) (Now M/s Probity Make Keep & Trades, Unit II), KASEZ.

M/s Blossom Trading Corporation (Unit-II) (Now M/s Probity Make Keep & Trades, Unit II), KASEZ is an approved unit for manufacturing activity of (i) Cold rolled Stainless Steel Sheet (ii) Coils and Circles of different specification (from C.R Sheets and Coils H.S Code- 72193190, 72193390) vide LoA dated 01.09.2017, as amended.

The said unit has now requested for broad banding of their manufacturing activity for addition of 01 item in their existing LoA.

Shri Anand Mehta, Authorised Representative of the firm explained their proposal. Shri Mehta stated that they wish to include "Salt" in their existing manufacturing activity as due to COVID, the market has slowed down in respect of their existing products. He stated that they will import salt in bulk and the finished product including in consumer packs will be exported as well as cleared for DTA sale.

The Approval Committee after due deliberation decided to approve the addition of 01 item in manufacturing activity in their existing LoA subject to standard terms and conditions:-

- i) Any restrictions on import/export of manufacturing items and its raw materials will apply.
- ii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iii) Further, the imported raw material from Pakistan, Iran & Afghanistan will be subject to 100% examination at item level by the customs officers of KASEZ at the time of arrival and subsequent unloading of the cargo.
- iv) Further, the applicant will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- v) Further, the applicant will give an undertaking that none of the items proposed are falling under negative list or are hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.



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AGENDA ITEM NO. 173.2.5

Request for addition of items in Trading activity in their existing Letter of Approval No. 29/2019-20 dated 09.12.2020 issued to M/s The Variety Impex and addition of Warehousing Activity in their existing LoA.

M/s. The Variety Impex, KASEZ is an approved unit for Manufacturing activity and Trading activity of (i) In shell Walnuts, (ii) In shell Almonds, (iii) Fresh Kiwi Fruit, (iv) Wet Dates, (v) Cloves and (vi) Cinnamon vide LoA No. KASEZ/IA/29/2020-21 dated 01.09.2017, as amended.

Now the said unit has requested for addition of items in their trading activity and also warehousing service activity in their existing LoA.

Shri Sunil Kumar, Proprietor of the firm appeared before the Committee to explain their proposal. However, due to connectivity issue at his end, he could not explain their proposal. Therefore, the Committee decided to defer their proposal.

AGENDA ITEM NO. 173.2.6

Addition of new items in their LoA for Trading and Warehousing Service Activity – Request of M/s. United Safeway India Pvt. Ltd., KASEZ.

M/s. United Safeway India Pvt. Ltd., KASEZ is an approved unit for Trading and Warehousing service activity in Kandla Special Economic Zone vide Letter of Approval No. KASEZ/IA/35/2020-21 dated 02.02.2021, as amended.

Now the said unit has requested for addition of 08 items in trading activity and also addition of 08 items in warehousing service activity in their existing LoA.

No one appeared before the Committee on the applicant's behalf to explain their proposal. Therefore, the Committee decided to defer their proposal.

AGENDA ITEM NO. 173.2.7

Request for addition of new items in Trading activity in their existing Letter of Approval No. 01/2020-21 dated 29.06.2020 issued to M/s Voltrix Inc., KASEZ

M/s. Voltrix Inc., KASEZ is an approved unit for manufacturing activity of MS Steel Barrels and trading activity of 11 items vide LoA No. KASEZ/IA/01/2020-21 dated 29.06.2020, as amended.



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Now the said unit has requested for addition of new items in their trading activity. The unit has expressed their intention for addition of

Shri Narendrasinh Zala, Proprietor of the firm explained their proposal. Shri Zala stated that they are already having permission for phenol and industrial chemicals for trading activity and now they wish to add glycol and other items in their trading activity.

The Committee noted that the items proposed for trading are inflammable items and require proper storage facility. The Committee asked the proprietor as to whether they have made arrangements for proper handling and storage for the chemical items proposed for trading. Shri Zala stated that they have been allotted plot in KASEZ and construction of building is under progress.

Therefore, the Committee after due deliberation decided to reject their proposal with direction to the unit to first complete the construction work of their building and then come up with details of infrastructure created for storage of chemical items as well as fire clearance before seeking addition of new items in trading activity.

173.3 MISCELLANEOUS ITEMS

AGENDA ITEM NO. 173.3.1

Intimation of change in Partnership deed of M/s. R. R. Exports, KASEZ.

M/s R.R. Exports, KASEZ is an approved unit for manufacturing of Pan Masala, Zarda, Chewing Tobacco, Khaini and Pan Masala Containing Tobacco, Zarda (Gutkha), Shessa Tobacco in Kandla Special Economic Zone, Gandhidham vide LoA No. KASEZ/IA/04/2019-20 dated 13.06.2019, as amended.

Now the said unit has intimated regarding change in partners of the firm wherein one Partner Shri Rajnish Kumar Bajaj has retired from the firm and Shri Sachin Joshi has joined the firm. They have submitted copies of deed of retirement dated 01.06.2021, partnership deed dated 01.06.2021 and Form-G issued by Registrar of Firms, Kachchh District, Gandhidham regarding change in partnership deed.

The Committee decided to call for the details of any cases/ adjudications initiated by any other Departments/Agencies and any dues of other Departments/Agencies pending, if any, against the retiring partner so as to enable the Committee to decide on further course of action to be taken on the proposal for change in Partners of the firm.



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Therefore, the Approval Committee after due deliberation decided to defer their proposal for change in Partners of the firm.

AGENDA ITEM NO. 173.3.2

Permission to warehouse goods on behalf of DTA/Foreign client – Request of M/s. Aditya Exports, KASEZ.

The Committee noted that M/s. Aditya Exports, KASEZ has requested permission to warehouse 22 items in their unit on behalf of Foreign/DTA clients.

Shri Sanjeev Roy, Manager of the firm explained their proposal. He stated that they propose to warehouse products on behalf of their clients.

The Committee after due deliberation decided to permit the items to be warehoused by the above unit **except item at Sr. No. 4 of the Agenda** on behalf of DTA/Foreign clients as submitted by the unit subject to the unit fulfilling NFE criteria and submission of KYC of their clients and also subject to following conditions: -

- i) None of the items which are restricted or prohibited will be allowed to be warehoused and any restrictions on import/export of any items will apply unless specifically permitted by the UAC. This clause will have overriding effect for any approval granted in LoA issued now or before.
- ii) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
- iii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iv) Further, the unit will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- v) Further, the applicant will give an undertaking that none of the items proposed are falling under negative list or are hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.



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AGENDA ITEM NO. 173.3.3

Permission to warehouse goods on behalf of DTA/Foreign client – Request of M/s. Bhanji Govindji & Company, KASEZ.

The Committee noted that M/s. Bhanji Govindji & Company has requested for permission to warehouse 01 item on behalf of DTA/Foreign clients.

Shri Anand Mehta, Authorised Representative of the firm explained their proposal. He stated that they propose to warehouse products on behalf of their clients.

The Committee after due deliberation decided to permit the item to be warehoused by the above unit on behalf of DTA/Foreign clients as submitted by the unit subject to the unit fulfilling NFE criteria and submission of KYC of their clients and also subject to following conditions:

- i) None of the items which are restricted or prohibited will be allowed to be warehoused and any restrictions on import/export of any items will apply unless specifically permitted by the UAC. This clause will have overriding effect for any approval granted in LoA now or before.
- ii) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
- iii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iv) Further, the unit will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- v) Further, the applicant will give an undertaking that none of the items proposed are falling under negative list or are hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.

AGENDA ITEM NO. 173.3.4

Permission to warehouse goods on behalf of DTA & Foreign clients – Request of M/s. Commodities Trading (SEZ Warehousing Division), KASEZ.

The Committee noted that M/s. Commodities Trading (SEZ Warehousing Division) has requested for permission to warehouse 5 items on behalf of DTA/Foreign clients.



Shri Devendra Bansal, Partner of the firm explained their proposal. He stated that they propose to warehouse products on behalf of their clients. He further stated that apart from other items they will procure organic soyabean on behalf of their clients and the same will be exported to USA for cattle feed and poultry farming.

The Committee after due deliberation decided to permit the items to be warehoused by the above unit **except items at Sr. No. 1 to 3 of the Agenda** on behalf of DTA/Foreign clients as submitted by the unit and submission of KYC of their clients and subject to the unit fulfilling NFE criteria and also subject to following conditions:

- i) None of the items which are restricted or prohibited will be allowed to be warehoused and any restrictions on import/export of any items will apply unless specifically permitted by the UAC. This clause will have overriding effect for any approval granted in LoA now or before.
- ii) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
- iii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iv) Further, the unit will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- v) Further, the applicant will give an undertaking that none of the items proposed are falling under negative list or are hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.

AGENDA ITEM NO. 173.3.5

Permission to warehouse goods on behalf of DTA client – Request of M/s. Flamingo Logistics, KASEZ.

The Committee noted that M/s. Flamingo Logistics, KASEZ has requested for permission to warehouse 01 item on behalf of DTA/Foreign clients.

Shri Kiran Singh Kochhar, Partner of the firm explained their proposal. He stated that they propose to warehouse one item on behalf of their clients. He further stated that the proposed item is mobile frequency



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tower which they will import and export out of country on behalf of their DTA clients.

The Committee after due deliberation decided to defer their proposal for further examination and also directed the DC office to get clarification from the Import Policy Cell of the DGFT with regard to the import conditions of the said item proposed to be warehoused by the unit.

AGENDA ITEM NO. 173.3.6

Permission to warehouse goods on behalf of Foreign client – Request of M/s. Flamingo Logistics, KASEZ.

The Committee noted that M/s. Flamingo Logistics, KASEZ has requested for permission to warehouse 15 items on behalf of foreign clients.

Shri Kiran Singh Kochhar, Partner of the firm explained their proposal. He stated that they propose to warehouse only one item viz. liquor on behalf of their clients and they do not wish to include other items at present.

The Committee after due deliberation decided to permit the items at **Sr. No. 15 only** to be warehoused by the above unit on behalf of Foreign clients as submitted by the unit subject to the unit fulfilling NFE criteria and subject to following conditions. This permission will be also subject to verification report of the Committee of two officers who will inspect the facility created by the unit for storage of liquor and allied items with regard to hygiene, temperature control and security arrangements, etc. The approval for warehousing item will be granted based on the report of the Committee:

- i) None of the items which are restricted or prohibited will be allowed to be warehoused and any restrictions on import/export of any items will apply unless specifically permitted by the UAC. This clause will have overriding effect for any approval granted in LoA now or before.
- ii) In case of any discrepancy/mismatch between the above 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iii) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
- iv) Further, the applicant will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- v) Further, the applicant will give an undertaking that none of the items proposed are falling under negative list and are not



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- hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.
- vi) Further, in order to ensure genuine warehousing business in this commodity, the Committee directed the applicant that the unit should have confirmed warehousing orders of the items within 3 months of granting of this approval. The Committee further directed that periodical review regarding functioning of the unit with regard to the above approved warehousing items may be conducted every six months as they are sensitive in nature.
- vii) Further, the above permission is also subject to condition that the same will be supplied to customs bonded warehouse/Foreign Going Ship/Foreign Embassy and foreign bound vessels calling at Indian Ports & Exports and also an Affidavit that no DTA sale of any warehoused goods even if damaged or otherwise will be allowed and if the warehoused goods are found to be sold in DTA penal action will be initiated against them and will be liable for cancellation of the above approval of warehousing activity.

AGENDA ITEM NO. 173.3.7

Permission to warehouse goods on behalf of Overseas/DTA client – Request of M/s. OSGL Overseas, KASEZ.

The Committee noted that M/s. OSGL Overseas has requested for permission to warehouse 10 items to be warehoused in KASEZ on behalf of DTA/Foreign clients.

Shri Swarup Shetty, Partner of the firm explained their proposal. He informed that they propose to warehouse products on behalf of their clients.

The Committee after due deliberation decided to permit the items to be warehoused by the above unit **except items at Sr. No. 2, 8 & 11 of the Agenda** on behalf of DTA/Foreign clients as submitted by the unit and submission of KYC of their clients and subject to the unit fulfilling NFE criteria and also subject to following conditions:

- i) None of the items which are restricted or prohibited will be allowed to be warehoused and any restrictions on import/export of any items will apply unless specifically permitted by the UAC. This clause will have overriding effect for any approval granted in LoA now or before.



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- ii) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
 - iii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
 - iv) Further, the unit will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
 - v) Further, the applicant will give an undertaking that none of the items proposed falls under negative list or is hazardous or requires environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.

AGENDA ITEM NO. 173.3.8

Permission to warehouse goods on behalf of DTA client/Foreign Client - Request of M/s. Shriji Overseas, KASEZ.

The Committee noted that M/s. Shriji Overseas has requested for permission to warehouse 6 items to be warehoused in KASEZ on behalf of DTA/Foreign clients.

The Committee after due deliberation decided to permit the items to be warehoused by the above unit on behalf of DTA/Foreign clients as submitted by the unit and subject to the unit fulfilling NFE criteria and submission of KYC of their clients and also subject to following conditions:

- i) None of the items which are restricted or prohibited will be allowed to be warehoused and any restrictions on import/export of any items will apply unless specifically permitted by the UAC. This clause will have overriding effect for any approval granted in LoA now or before.
- ii) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
- iii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iv) Further, the unit will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- v) Further, the applicant will give an undertaking that none of the items proposed falls under negative list or is hazardous or requires environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.



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AGENDA ITEM NO. 173.3.9

Permission to warehouse goods on behalf of DTA/Overseas Clients - Request of M/s. Shiv Trading Co., a unit for trading and warehousing activity, KASEZ.

The Committee noted that M/s. Shiv Trading Co., KASEZ has requested for permission to warehouse 06 items on behalf of DTA/Foreign clients.

Shri Bishan Singh, Proprietor of the firm explained their proposal. He stated that they propose to warehouse 06 items on behalf of their clients.

The Committee noted that a case has been booked by the DRI against the unit and asked the Proprietor to explain the status of the case booked by the DRI. The Proprietor stated that the case booked by the DRI has been closed.

The Committee after due deliberation decided to permit the items to be warehoused by the above unit on behalf of DTA/Foreign clients as submitted by the unit subject to confirmation of closure of the DRI case and subject to the unit fulfilling NFE criteria and submission of KYC of their clients and also subject to following conditions:

- i) None of the items which are restricted or prohibited will be allowed to be warehoused and any restrictions on import/export of any items will apply unless specifically permitted by the UAC. This clause will have overriding effect for any approval granted in LoA now or before.
- ii) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
- iii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iv) Further, the unit will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- v) Further, the applicant will give an undertaking that none of the items proposed falls under negative list or is hazardous or requires environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.



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AGENDA ITEM NO. 173.3.10

Permission to warehouse goods on behalf of DTA Importer/Foreign Clients-Request of M/s. Vishvajoti Packaging, a unit of Warehousing activity & Packaging service activity, KASEZ.

The Committee noted that M/s. Vishvajoti Packaging has requested for permission to warehouse 04 items to be warehoused in KASEZ on behalf of DTA/Foreign clients.

The Committee after due deliberation decided to permit the items to be warehoused by the above unit on behalf of DTA/Foreign clients as submitted by the unit subject to submission of specific details of the items proposed to be warehoused, the unit fulfilling NFE criteria and submission of KYC of their clients and also subject to following conditions: -

- i) None of the items which are restricted or prohibited will be allowed to be warehoused and any restrictions on import/export of any items will apply unless specifically permitted by the UAC. This clause will have overriding effect for any approval granted in LoA now or before.
- ii) Further, the items will be subjected to the Policy Conditions specified in DGFT's ITC HS Code wherever applicable.
- iii) In case of any discrepancy/mismatch between the 'Description of Goods' as provided by the Unit & 'Description of goods as per DGFT Import Policy', the later will prevail.
- iv) Further, the unit will obtain registration/clearance/any other mandatory requirement prescribed under any Act/Rules from concerned agencies before undertaking of such activities.
- v) Further, the applicant will give an undertaking that none of the items proposed are falling under negative list or are hazardous or require environmental clearance for storage/transmission/handling and if the items are found in negative list or hazardous in nature, penal action will be initiated against them.

AGENDA ITEM NO. 173.3.11

Permission to warehouse goods on behalf of DTA/Overseas Clients - Request of M/s. Vrinda Export, a unit for warehousing service activity, KASEZ.

The Committee noted that M/s. Vrinda Export has requested for permission for one item to be warehoused in KASEZ on behalf of DTA/Foreign clients.

Shri Atul Jindal, Partner of the firm explained their proposal. He informed that they propose to warehouse waste (including noils, yarn waste



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and garneted stock) of man-made fibres/synthetic fibres/others. The Committee noted that import of waste material is prone to misuse and after due deliberation decided to reject the proposal.

AGENDA ITEM NO. 173.3.12

Request of M/s. Cadila Pharmaceuticals Limited, KASEZ for renewal of their LoA for further period of five years.

The Committee noted that M/s. Cadila Pharmaceuticals Ltd. has submitted a request for renewal of their LoA dated 22.09.2000 which was extended up to 01.11.2021 for a further five years period.

The Committee further noted that the unit has not carried out any authorised operation since issuance of LOA including during their last five year block period 2016-17 to 2020-21.

Therefore, the Approval Committee directed the Development Commissioner, KASEZ to issue Show Cause Notice to the unit and also authorised the Development Commissioner, KASEZ to adjudicate the case for Nil NFE during the five year block period.

AGENDA ITEM NO. 173.3.13

Letters of Approval issued to KASEZ units who have been evicted from KASEZ/not applied for renewal of LoAs/LoAs already expired.

The Committee was informed that in several communications received from the Department of Commerce it has been conveyed that LoAs of several units have lapsed but have not been subsequently cancelled which have subsequently led to legal complications.

The Committee noted that the UAC is the authority for issuance of LoA and therefore, the UAC may take a decision for cancellation of such LoAs also.

The Committee also noted that the list of such units given in the Agenda is not exhaustive since the Kandla SEZ is a very old SEZ set up in the year 1965 and therefore there may be several LoAs which have expired but have not been explicitly cancelled. In view of the same, the Approval Committee after due deliberations decided that LOAs of all units including the ones listed in the agenda, which have expired on or before 31.12.2020 and who have not applied for renewal, except those where cases are pending in any court of law/tribunal etc., will be deemed to have been cancelled and the Development Commissioner shall not consider the same for renewal in terms of Rule 19 (6A)(2) of the SEZ Rules 2006.



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AGENDA ITEM NO. 173.3.14

Request of M/s S. R. Warehousing & Trading Co. (Unit-II), KASEZ for amendment in the LoA conditions imposed at the time of renewal of their LoA vide letter dated 22.04.2021 and restoration of conditions of original LOA No. KASEZ/IA/012/2011-12/3181 dated 17.06.2011.

M/s S. R. Warehousing & Trading Co. (Unit-II), KASEZ is an approved unit vide LOA No. KASEZ/IA/012/2011-12/3181 dated 17.06.2011, as amended, for warehousing service activity.

JDC, KASEZ briefed the Committee on the issue of restoration of original conditions of LoA which was discussed in the 152nd UAC meeting held on 10.01.2020 wherein the Committee allowed 5 warehousing units of KASEZ for warehousing of worn/used clothing unit subject to the condition that such worn/used clothing can be warehoused only on behalf of one Worn/used clothing unit based on the legal opinion obtained from the legal consultant M/s. Tandon & Associates.

The Committee noted that the issue of warehousing units was discussed in the 152nd UAC meeting held on 10.01.2020 wherein it was decided that there will be no change in the warehousing LoAs and the same shall be renewed at the time of their renewal with original conditions and accordingly Committee amended the decision taken in the 116th Committee meeting by further restricting to the extent that the warehousing of only one worn/used clothing unit will be allowed in each warehouse (apart from other items) and the warehousing units will submit an undertaking to that effect, in order to maintain clarity of accounts in terms of worn clothing to 5 such warehousing units.

The Committee also noted that similar permissions were granted to 3 other warehousing units and restricting the permission only to the extent that the warehousing of only one worn/used clothing unit will be allowed in their warehouse (apart from other items) by the UAC in its 160th meeting held on 04.08.2020.

Therefore the Approval Committee after due deliberation decided to keep the additional imposed condition of restricting warehousing services to the extent that the warehousing services to only one worn/used clothing unit will be allowed in their warehouse (apart from other items) and the warehousing unit will submit an undertaking to that effect, in order to maintain clarity of accounts in terms of worn clothing. The Approval Committee after due deliberation decided that there will be no change in the warehousing LoAs and the same shall be renewed at the time of their renewal with original conditions.



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AGENDA ITEM NO. 173.3.15

Request of M/s Shreeji Exports, KASEZ for warehousing of plastic scrap/waste and worn used clothes in their existing LOA No. FTZ/IA/1563/95/5561 dated 20.07.1995, as amended vide Letter No. KASEZ/ IA/1563/94/Vol.I/1319 dated 07.09.2020.

The Committee noted that there is a case of violation of the mandatory condition that all warehousing charges are to be received in convertible foreign currency only, against the unit. The unit was issued show cause notice dated 31.08.2020 for violation of Rule 18(5) of SEZ Rules, 2006 for collecting warehousing charges in Indian rupees and the same was adjudicated vide O-I-O dated 18.12.2020 with direction to the unit to henceforth accept warehousing service charges in convertible foreign currency only as per the provisions of Rule 18(5) of SEZ Rules, 2006. However, the unit has failed to do so despite the last renewal granted to them and have started collecting warehousing charges in foreign currency only from April, 2021. Therefore, an inquiry is going on against the unit with regard to warehousing service charges received by the unit despite conditions imposed at the time of last renewal.

The Approval Committee after due deliberation decided to defer their request for further examination.

AGENDA ITEM NO. 173.3.16

Request of the unit M/s V. Milak Enterprises, KASEZ for consideration of decision of the 152th UAC meeting held on 10/01/2020 regarding restoration of original conditions of LOA No. 1721/98 dated 21.07.1998 and permission to warehouse of worn/used clothing as there was no restriction in original LoA.

The Committee observed that the decision taken as recorded in 173.3.14 above holds good here also.

AGENDA ITEM NO. 173.3.17

Request of M/s Maruti Exports (Warehousing Unit), KASEZ for warehousing of worn used clothes and plastic scrap in their existing LOA No. KASEZ/IA/032/2010-11 dated 29.11.2010, as amended vide Letter No. KASEZ/ IA/032/2010-11/10896 dated 22.01.2018.

The Committee noted that a case is booked in respect of their sister concern which is a worn and used clothing unit for attempt to clear the restricted goods into DTA without proper mutilation.

The Approval Committee after due deliberation decided to defer their request for further examination.



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AGENDA ITEM NO. 173.3.18

Request of M/s Skyline Tradelink (Earlier known as M/s. Anchor Enterprises), KASEZ for warehousing of worn used clothes in their original LOA No. KASEZ/ IA/033/2010-11 dated 29.11.2010.

The Committee observed that the decision taken as recorded in 173.3.14 above holds good here also.

Notwithstanding to the decisions of the Committee, if the DC Office/Approval Committee notices any instance of default in rent or pending legal proceedings as on date of decision of the Committee or any legal proceedings that may be initiated after the decision of the Committee against the unit/firm/company and/or its Proprietor/Partner/Director, which has a bearing on the decision taken/LoA issued to the firm in any manner, the LoA granted will be liable for action, including cancellation under the FT (D&R) Act and necessary action will be taken against such units in terms of applicable provisions of law.

The meeting ended with vote of thanks of the Chair.



(Akash Taneja)
Development Commissioner
Kandla Special Economic Zone

