

Minutes of the 48th meeting of Approval Committee/Kandla SEZ held on 13/09/2011 at 1130 hrs. at KASEZ, under the Chairpersonship of Shri Pravir Kumar, IAS, Development Commissioner, KASEZ.

Following were present:-

Dahej SEZ Office, Ashram Road, Ahmedabad(via Video Conference)

1	Shri S.N. Patil	JDC Dahej SEZ
2	Shri A.N. Mishra	JDGFT, Ahmedabad
3	Smt. Gita Murty	Asstt. DGFT, Ahmedabad

Kandla SEZ Office, KASEZ, Gandhidham

1	Shri Pravir Kumar	DC, KASEZ
2	Shri Upendra Vasishth	Jt. Development Commissioner
3	Shri Pankaj K. Singh	Addl. Commissioner (Cus), Kandla
4	Shri Ashish Porwal	Asstt. Commissioner of IncomeTax, Gandhidham

Absent:

- (1) Director (Banking)
- (2) Asstt. Collector/SDM
- (3) GM, DIC

The meeting was originally kept for 3.30 P.M. However, the time was subsequently changed to 11.30 A.M. and was communicated to all concerned including to the applicants well in time. The agenda was taken up for discussions as under:-

48.1 Review/confirmation of the minutes of last meeting of the Approval Committee:

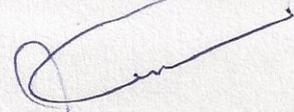
Minutes of the last meeting of the Approval Committee were confirmed.

48.2. Action Taken Report:-

Deferred proposals:-

48.2.1 M/s. E-Waste Solutions:

The proposal was deferred in the 46th meeting of Approval Committee held on 1/7/2011. The party was asked to give the name and addresses of their potential buyers with clarification whether those countries would be willing to accept this e-waste and also from where they will get the raw material. The applicant vide their letter dated 12/07/2011 submitted the details. It was noted that they are going to source the e-waste from domestic



market only and no import of e-waste was planned. It was discussed that since there was no import of e-waste and the e-waste is planned to be sourced from domestic market only which will be exported after disassembling, the proposal needed to be encouraged as it will recycle e-waste of our country. Addl. Commissioner (Cus) stated that the applicant have to get the clearances from MOEF, etc. and also follow the Board's instructions in this regard. Proposal was approved subject to unit obtaining necessary approvals from GPCB/MoEF. It was also decided that DTA clearance, if any, shall be subject to circular No 27/2011-12-Cus dated 4/7/2011 and such other regulatory provisions as required.

48.2.2 M/s. Icon Trading & Services:

The proposal was deferred in the 46th Approval Committee meeting held on 11/7/2011, as there were 6 applications for the warehousing activity pending for approval, which required allotment of premises. It was also decided that only those applicants, to whom in principle allotment of premises has been done by the Developer, would be taken up before the Approval Committee. Shri Ajay Kothary, Promoter appeared for hearing and clarified that they do not require any land or building from KASEZ Authority as they are in negotiation with Official Liquidator to take over a sick unit in KASEZ. Committee, therefore, approved the proposal subject to the condition that no land will be allotted to them and the unit will get approval of OL/Court within 6 months.

48.2.3 M/s. S.R.S.S. Food, Delhi:

Committee noted that the proposal stood referred to BOA for consideration and decided to await for the decision from the BOA. Deferred.

48.3 New Proposals to set up units in KASEZ:

48.3.1 M/s. Shebro Manufacturing Company, Mumbai:

The proposal was to set up a unit for manufacturing of Non Alcoholic Perfumery Compound and Industrial Perfumery Compound. Promoter's duly authorized representative appeared for interview. He explained that they are a group company of M/s. MESO Pvt. Ltd. an existing unit in KASEZ for manufacture of perfumes, with same promoters. The products will be exported to Gulf and African countries. The Committee noted that MESO was an



existing unit with good track record. FOB value of exports projected for 5 year period was Rs.3400 lakhs with a NFE of Rs.1165 lakhs. It was noted that the applicant had been offered a land area of 324 sq. mtrs by Kandla SEZ Authority. Proposal was approved subject to standard terms and conditions.

48.3.2 M/s. Ketul Chem Pvt. Ltd., Mumbai.

Proposal was for setting up of a unit for Trading activity of Chemicals and Solvents. Promoter appeared for interview. It was informed by the representative that they were already handling these items in DTA, and in the SEZ they would bring all these items in liquid form, in bulk and they would be unloaded in tanks and repacking would be done in drums/plastic carboys and then exported. Addl. Commissioner (Cus) asked as to why did they intend to set up the unit KASEZ when these products were allowed in DTA and they were already doing the same in DTA on which Promoter stated that the refilling facility was not available outside and the same will be carried out in SEZ. Further, the Addl. Commissioner (Cus) stated that some of the products carried anti dumping duty and they have to make the payment of anti dumping duty while clearance in DTA. Addl. Commissioner (Cus) sought some time to study the proposal, as it was needed to be understood as to how diversion and mis- declaration could be avoided, therefore the proposal was deferred. It was further decided to get the antecedent verification done, by making special efforts.

48.3.3 M/s. Somaiya Agencies Pvt. Ltd., Mumbai:

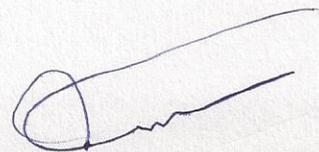
Deferred for the reasons stated at Sr. No.48.3.2.

48.3.4 M/s. Sunrise Internationals, KASEZ:

Proposal was to set up a unit for Service activity of Warehousing Activity. The promoter did not turn up for interview and sought extension, therefore the proposal was deferred.

48.3.5 M/s. Monarch Infraprojects Pvt. Ltd., Indore:

Deferred for the reasons stated at Sr.No.48.3.2.



48.3.5 M/s. Trigon Antioxidants Pvt. Ltd., Mumbai.

Proposal was deferred for the reasons stated at Sr.No.48.3.2

48.4 Note for consideration of Approval Committee on subject of Certificate to be issued to KASEZ Units to avail Exemption/Refund of Service Tax:

The request of M/s. Inox India Ltd., a unit in KASEZ, for some more taxable services like Erection, Commissioning or Installation, Survey and Map Making, Club or Association, Works Contract, Design Services, Information Technology, Software Services and Legal Consultancy Service required in relation to their authorized operations, was approved subject to the condition that the exemption for Club or Association will be applicable only to the unit and not for the individual. Chairman informed that in Dahej SEZ there was an exhaustive list of services approved, which may be obtained and may be adopted in KASEZ also.

48.5 Ratification of Broad Banding/Change of name permissions:

The Committee noted the broad banding permission and change of name/constitution to the following units:-

(1) M/s. Marvel Fragrances Company:-

The Committee noted the broad banding permission given to M/s. Marvel Fragrances Company for undertaking trading activity of "Incense Sticks, Incense Cones, Fragrance Oil bottles, Perfumery Compounds, Fragrance Diffusers, Dry Flowers, Pot pourries, Fragrance Sachets, Candles, Scented candles, Accessories like Burners Holders, Candle burners."

(2) M/s. AmritPlastoChem Pvt. Ltd:-

The Committee noted the change in Board of Directors – addition of Shri Darpan Sushil Mehta and cessation of Shri Ashok Vijaisingh Mehta and also that henceforth the Board of Directors would remain as Shri Amritkumar Mehta and Shri DarpanSushil Mehta.



(3) M/s. Global Warehousing & Trading:

The Committee noted the broad banding permission given to M/s. Global Warehousing & Trading for undertaking trading of "Flaxi Tank Containers falling under ITC HS Code 39232990".

(4) M/s. Oswal Extrusion Ltd.:-

The Committee noted that M/s. Oswal Extrusions Ltd. were permitted to take over unit namely, M/s. Parekh Polymers, KASEZ, which was also in the same line of production with a reason that both the units are a group company of the Champalal Parekh group, along with its assets and liability.

(5) M/s. Presto Industries (Exports):

The Committee noted that M/s. Presto Industries (Exports) were permitted to take over unit namely, M/s. Presto Manufacturing & Trading, KASEZ, which was also in the same line of products alongwith all its liability.

(6) M/s. Garden Foods Corporation

The Committee noted the broad banding permission granted to them for "trading and manufacturing of various items of Spices".

48.6 General discussions:

The Committee noted that in the 46th Approval Committee held on 11/7/2011 it was decided that as in other SEZs, only those applications, to whom in-principle allotment of premises was done by the Developer, would be taken up for approval by the Approval Committee. The Kandla SEZ Industries Association has requested Approval Committee to review this decision considering the fact that in KASEZ there was scarcity of land and if in-principle allotment of premises was insisted, no new project will be approved. This issue was discussed in detail and it was felt that KASEZ being a Govt. SEZ and also being the oldest



SEZ and the Development Commissioner having dual powers, it was decided not to insist for prior in-principle allotment of premises. However, EMD should be submitted by the applicant for allotment of premises, as decided earlier.

Further, with the permission of Chair, following point was discussed:-

The Chairman informed the members about the two cases of clandestine removal of used cloths mis-declaring these as mutilated cloths, which were detected by SIB, Kandla. It was further informed that this issue was discussed in the 46th Approval Committee meeting and Development Commissioner was authorized to take necessary and suitable action on this issue. It was informed that accordingly an additional condition was incorporated in all the LOAs of individual units of used clothing of KASEZ as under:-

“The imported material/goods are to be un-baled either at area demarcated for the purpose near the KASEZ Check Post or at such approved storage area/space maintained by the unit, which is distinctly and physically away from the working/processing area of the unit. The material/goods shall be taken to the working/processing area in loose condition and after segregation only material meant for export will be baled and other material which is meant for DTA clearance will be baled inside the working/processing area of the unit and will be presented to the Customs officials for 100% examination, in the designated area, in loose condition only. Consequently, at any point of time the working/processing area of the unit shall not have any material in baled condition except goods which are meant for export”.

Committee took note of the above.

Meeting ended with a vote of thanks to all present.



(Pravir Kumar)
DC, KASEZ