

Minutes of the 66th Meeting of the Approval Committee for Sector Specific Economic Zone for FTWZ of M/s. Arshiya International Ltd. at Village Sai, Tal. Panvel, District Raigad under the Chairmanship of Development Commissioner, SEEPZ-SEZ held on 05.12.2014.

1. Name of the SEZ : M/s. Arshiya International Ltd.
2. Sector : Sector Specific SEZ FTWZ
3. Meeting no. : 66.
4. Date : 05.12.2014.

Members Present:

1. Shri. P. S. Raman, : Member
Jt. Development Commissioner
SEEPZ-SEZ
2. Shri. N. M. Venugopalan, : Nominee Special Invitee
Asstt. Commissioner : Commissioner of Services Tax,
Mumbai.
3. Smt. S. R. Motwani, : Nominee of Zonal Adtl.
Asstt. DGFT, Mumbai : DGFT, Mumbai
4. Shri. K. S. More, : Nominee of Development
Industries Inspector : Commissioner (Industries).

IN ATTENDANCE

5. Shri. M. V. Badari Prasad,
Dy. Commissioner of Customs,
Specified Officer,
Arshiya FTWZ.

Agenda Item No. 1:- Confirmation of Minutes of the Meeting held on 29.10.2014.

The minutes of the 65th Meeting held on 29.10.2014 were confirmed.

Agenda Item No. 2:- Request of M/s. Scope Chemicals Pvt. Ltd., for inclusion of the products in the Letter of Approval.

M/s. Scope Chemicals Pvt. Ltd., have been issued Letter of Approval No. SEEPZ/NEWSEZ/Arshiya-Raigad/57/LOA-61/2011-12/4160, dated 19.03.2012 for warehousing and trading activities. The unit has requested for inclusion of the Products in the LOA vide letter dated 28.10.2014.

Relevant Rule Provision:- Rule 19(2) of SEZ Rules, 2006.

Decision:- The Committee deferred the proposal since the unit didn't attend the Unit Approval Committee Meeting.

Agenda Item No. 3:- Request of M/s. UPL Limited., for inclusion of list of Items for trading activities in the Letter of Approval.

The unit has requested for inclusion of list of Items for trading activities in the Letter of Approval No. SEEPZ/NEWSEZ/Arshiya-raigad/56/LOA-57/2011-12/3275 dated 28.02.2012. The unit has submitted their request vide their letters dated 27.10.2014 and 26.11.2014.

Relevant Rule Provision:- Rule 19(2) of SEZ Rules, 2006.

Decision:- The committee approved the proposal of unit for inclusion of list of Items for trading activities as listed below, in the Letter of Approval.

ITC HS Code	Item Description	UOM	Quantity
28091000	P2O5- Diphosphorus Pentoxide	MT	500
28351090	TiOP - Triisooctyl Phosphite	MT	200
28352690	TIBP - Tri isobutyl Phosphate	MT	400
38089390	Diuron (tech)	MT	200
29209099	DPDP - Diphenyl Isodecyl Phosphite	MT	300
38089390	Glufosinate Technical	MT	180

Agenda Item No. 4:- Request of M/s. Arshiya Limited., for Extension of Letter of Approval for setting up of a unit in Arshiya, FTWZ.

The unit M/s. Arshiya Limited., has been issued Letter of Approval No. SEEPZ/NEWSEZ/Arshiya-Raigad/105/LOA-98/2013-14/13721 dated 05.12.2013 for Trading Activities. The one year period of validity of LOA expired on 05.12.2014. The unit has not commenced business/operations in Arshiya, FTWZ within one year as per Rule 19(4) of SEZ Rules 2006, stating reason as slowdown in global business.

Relevant Rule Provision:- Rule 19(4) of SEZ Rules, 2006.

Decision:- The Committee deferred the proposal since the unit didn't attend the Unit Approval Committee Meeting.

Agenda Item No. 5:- Request of M/s. Arshiya Limited., for Inclusion of the Additional of list of Goods.

M/s. Arshiya Limited., have been issued Letter of Approval No. SEEPZ/NEWSEZ/Arshiya-Raigad/105/LOA-98/2013-14/13721, dated 05.12.2013 for warehousing and trading activities. The unit has requested for inclusion of the additional list of Goods to their LOA vide letter dated 28.10.2014.

Relevant Rule Provision:- Rule 19(2) of SEZ Rules, 2006.

Decision:- The Committee deferred the proposal since the unit didn't attend the Unit Approval Committee Meeting.

Agenda Item No. 6:- Request of M/s. Titan Sea & Air Services Pvt. Ltd., for Extension of Letter of Approval for setting up of a unit in Arshiya, FTWZ.

The unit M/s. Titan Sea & Air Services Pvt. Ltd., have been issued Letter of Approval No. SEEPZ/NEWSEZ/Arshiya -Raigad/84/LOA-86/2013-14/9207 dated 26.08.2013 for Services Activities. The one year period of validity of LOA expired on 25.08.2014. The unit has not commenced business/operations in Arshiya, FTWZ within one year as per Rule 19(4) of SEZ Rules 2006, stating reason as slowdown in global business.

The unit has now requested again for extension of Letter of approval for a period of 6 months i.e. **upto 27.05.2015** stating reason that the 3 months extension for commencement of business in FTWZ, approved in the UAC meeting held on 29.10.2014 was very short and the unit could not commence the business/operations within the stipulated time period.

Relevant Rule Provision:- Rule 19(4) of SEZ Rules, 2006.

Decision:- The Committee approved Extension of validity of the LOA of M/s. Titan Sea & Air Services Pvt. Ltd., till 31st March 2015.

Agenda Item No. 7:- Request of M/s. Varsha Corporation Ltd., for issuance of LOA for setting up of a unit in Sector Specific Special Economic Zone for FTWZ at Sai Village, Taluka Panvel, District Raigad.

The representative of M/s. Varsha Corporation Ltd., has applied for permission to set up Unit for Trading and Warehousing in FTWZ vide their letter dated 28.10.2013.

As per the UAC Meeting dated 12.07.2013, the Committee approved the proposal of the unit for trading items viz. HDPE, LDPE, LLDPE, Polypropylene, PVC Resin and worn clothing and other worn articles viz. Mix Rags, Clothe, Ties and value added services such as warehousing, segregating, sorting, assorting, packing, branding, strapping, consolidation, labeling, tagging, clubbing, crating, pressing, rag cutting, palletisation, shrink wrapping, weightment, quality checking, testing, pallets, containers within Free Trade and Warehousing Zone in terms of Rule 18 (5) of SEZ Rules, 2006 and Instructions issued by Ministry of Commerce & Industry from time to time.

The Ministry vide letter dated 04.10.2013 rejected the proposal stating to refer **"Policy to regulate functioning of worn and used clothing units in SEZs" issued by the Department on 17th September, 2013 and not to grant approval to any such new unit. Further, in future any such clarification from the Department may be obtained prior to grant of approval.**

Vide this clarification from Ministry the proposal of the unit M/s. Varsha Corporation Ltd., was placed in UAC held on 07.02.2014. **"The committee rejected the proposal as the unit was not willing to set up the unit for the other items which were approved in the earlier UAC meeting which was held on 25.06.2013."**

Against this UAC decision the unit filed an appeal to BOA held on 24.07.2014. Vide this 62nd meeting of the BOA, **"The committee approved the proposal for trading of worn/used clothing and other worn articles with a condition that the unit will carry out 100% exports (Vide MOC&I letter dated 12.08.2014 No.D/6/1/2011-SEZ)"**

Thereafter the information from unit was called for space allotment to them by the developer. The unit submitted a unit holder agreement for 5000sq. ft. which was different as compared in the provisional LOI and Form-F. Later information has been received on 25.11.2014 in the form of unit holder agreement for 36,046 sq. ft. (3350sq. meters approx) with the developer M/s. Arshiya International Limited, and they are going to commence business/operation at the earliest.

In the Meeting, Specified Officer stated that while giving the permission to the unit for used cloths, fumigation is necessary while handling the cargo at JNPT. Also precaution is to taken for fumigation and human health hazards so that no person can be affected by the materials. Also the plant should be at separate location, so that no other unit can suffer from the operations of the unit M/s. Varsha Corporation Ltd., for used cloths.

Decision:- In pursuance of decision of the BOA No. 62 dated 24.07.2014 the board approved the proposal for setting up a unit of M/s. Varsha Corporation Limited in the FTWZ with a condition that, for trading of worn/used clothing and other worn articles, the unit will carry out 100% exports.

The Committee decided to issue the LOA for trading items viz. HDPE, LDPE, LDDPE, Polypropylene, PVC Resin and worn clothing and other worn articles viz. Mix Rags, Cloth, Ties and value added services such as warehousing, segregating, sorting, assorting, packing, branding, strapping, consolidation, labeling, tagging, clubbing, crating, pressing, rag cutting, palletisation, shrink wrapping, weightment, quality checking, testing, pallets, containers within Free Trade and Warehousing Zone in terms of Rule 18 (5) of SEZ Rules, 2006 as approved in UAC held on 12.07.2013 and subject to the following conditions:-

- The Specified Officer will inspect the site of the unit (WH No.9, Mezzanine-2, Arshiya-FTWZ) and submit a report for record.
- The unit will comply with all the standard operating procedures as is being followed at JNPT.

The meeting ended with a vote of thanks to the Chair.