

MINUTES OF THE 9th MEETING (2015 SERIES) OF THE UNIT APPROVAL COMMITTEE FOR EXPORT ORIENTED UNIT HELD UNDER THE CHAIRMANSHIP OF DEVELOPMENT COMMISSIONER, SEEPZ SEZ ON 27.10.2015 AT 11.00 A.M.

The following were present:-

1. Shri. P. S. Raman, Jt. Development Commissioner, SEEPZ-SEZ.
2. Shri. V. P. Shukla, Dy. Development Commissioner, SEEPZ-SEZ.
3. Shri. K. K. Srivastav, Specified Officer, SEEPZ-SEZ.
4. Smt. S. R. Motwani, Assistant DGFT, O/o Additional DGFT, Mumbai.
5. Shri. K. S. More, Industrial Inspector, DIC, Chhunabhatti.
6. Shri. P. K. Borkar, Superintendent of Central Excise, Khopoli Division, Raigad.
7. Shri. M. R. Mohanty, Additional Commissioner of Central Excise, Raigad
8. Shri. Suresh A. Patil, Assistant Commissioner of Central Excise, Thergaon Division, Pune I Commissionerate.
9. Shri. Dilip Choudhari, Assistant Commissioner of Central Excise, Pune II Commissionerate
10. Shri. G. S. Bhandari, UDC, SEEPZ-SEZ.

I. Confirmation of Minutes of the 8th Meeting (2015 Series) held on 14.09.2015.

The Unit Approval Committee ratified the minutes of its 7th meeting held on 14.09.2015.

1. M/s. Jaihind Curio Pvt. Ltd.

After detailed deliberation, the Committee approved the proposal of M/s. Jaihind Curio Pvt. Ltd., for Conversion of Existing DTA unit into EOU unit for manufacture and export of Plastic Molded Toys and Parts & Accessories thereof, Electronic Toys and Parts & Accessories thereof, Polymer Toys and Parts & Accessories thereof, Soft Toys and Parts & Accessories thereof, Fabric Toys and Parts & Accessories thereof at Gat No. 162/2, Ambethan, Chakan, Taluka Khed, District Pune - 410 501.

2. M/s. KCN Exports Ltd.

The Committee was informed that in the meeting held on 10.08.2015, the proposal of the unit for manufacture and export of **Spice Powder/Blends (Crushing/Grinding/Sterilization) of following Spices** : Black Pepper, Cardamom, Cumin Seeds, Caraway Seeds, Ginger Dry, Corriander Seeds, Fenugreek Seeds, Chillis, Long Pepper, Cassia Torea was approved by the Committee. As regards other products proposed for export, the Committee directed that detailed manufacturing processes of each items may be obtained from the applicant company and the same may be approved if the activity to be carried out on the proposed items are covered under definition of manufacturing activity. Since the description of item of manufacture and export was not clear, the proposal was now placed before the Committee.

The Committee after detailed deliberation directed the applicant company to submit the description of the items to be exported so as to distinguish the item of import and export. The Committee directed that on receipt of the information called for the same may be examined and approved in file.

3. M/s. Qualigens Pharma Pvt. Ltd.,

The Committee approved the proposal of M/s. Qualigens Pharms Pvt. Ltd., for Broad Banding of items as requested by the unit, enhancement of capacity of items, and Revised Projection excluding Capital Goods for the period of 5 years.

4. M/s. Ferring Therapeutics Pvt. Ltd.,

The Committee approved the proposal of M/s. Ferring Therapeutics Pvt. Ltd. for Broad Banding of items viz. "5 Aminosalicyclic Acid" with revised projection for the period of 5 years.

5. M/s. ION Exchange (India) Ltd.,

The representative of the unit did not attend the meeting. The Committee has deferred the matter.

6. M/s. BEC Chemicals Pvt. Ltd.,

After detailed deliberation, the Committee approved the proposal for additional location of bonded warehouse to store ideal capital equipment, finished goods, raw material and stores etc. at Gat No. 22/1, Plot No. 4 (Assessment 153.70), Gat No. 171, Plot No. 7 (Assessment 131.50), Village Dhatav, Taluka Roha, District Raigad (Total area 2706 Sq. Ft.) subject to furnishing the Lease for a Period of 5 years with the plot owner.

7. M/s. Ravechi Floritech Pvt. Ltd.,

The representative of the unit stated that they are exporting their products. They have submitted the list of prospective buyers and Flow chart of Cut Flowers and Micro Green Vegetables as directed by Unit Approval Committee. Recently, Central Excise Authority has visited the premises and they have been provided the documents of exports.

The members of the Committee noted that though the LOP of the unit has been expired, the unit is still exporting the product. The owner of the unit has confirmed that they are under process of getting registration with the auction house abroad. The export will get increase as soon as they get approval from all concerned agencies as it will help them to raise funding. They have exported approx 24-26 lakhs from 01.04.2015. The members of the Committee held the view that the unit may be granted approval for continuation of LOP so that they can continue their export activity and fulfill the condition of FTP/HBP subject to condition that they should not be allowed import of CG/RM.

The Additional Commissioner, Central Excise, Raigad, opined that the unit has been granted LOP in 1998 and till today there is negligible value of export which appears to very poor performance. The unit does not have viable project and they will not be able to achieve positive NFE. Show Cause Cum Demand Notice has been issued by them and revenue of Rs. 3.37 is locked up. Since, the unit does not have viable project, the extension of LOP to the unit should not be granted.

The Committee also noted that the Principle Commissioner, Central Excise vide letters dated 24.08.2015 & 09.09.2015 has also stated that the performance of the company is very poor, the machineries are on non working condition. In these circumstances, it is felt that the Assessee may not be capable to achieve the positive NFE if further extension of LOP is considered. Hence, the assessee request may not be considered.

The Committee noted that as per SEZ Act, "in case the Approval Committee is unable to decide any matter by a general consensus, such matter shall stand referred to the Board of Approval for its decision". As there was no consensus on grant of renewal of LOP, the Committee applied the same principle as stipulated in SEZ Act and decided that the proposal may be forwarded to BOA for consideration.

8. M/s. Jell Pharmaceuticals Pvt. Ltd., A division of Pan Aromas.

The representative of the unit did not attend the meeting. The Committee deferred the matter.

9. M/s. Precision Camshafts Ltd.,

The Committee after detailed deliberation directed that the Show Cause Notice may be issued to the unit under FTDR Act.

10. M/s. Cikautxo India Pvt. Ltd.,

The Committee noted that the unit has submitted application for Exit from EOU Scheme. The performance of the unit for the period 2012-13, 2013-14 & 2014-15 for the block period 2012-13 to 2016-17, the unit has achieved positive NFE during the period 2012-13, 2013-14 & 2014-15. The Committee also noted that the unit has not completed 10 years in EOU and therefore not eligible for amortization in terms of Para 6.9.4 of HBP. The unit has achieved positive NFE without amortization.

II. SUPPLEMENTARY AGENDA

1. M/s. Cipla Ltd.,

The representative of the unit did not attend the meeting. The Committee deferred the matter.

2. M/s. Cosmos Imaging Pvt. Ltd.,

The Committee deferred the proposal as the Inspection Report was not received from the Central Excise Authority.

Meeting ended with vote of thanks to the Chair.


CHAIRMAN – CUM- DEVELOPMENT COMMISSIONER