

MINUTES OF THE 26th MEETING (2014 SERIES) OF THE UNIT APPROVAL COMMITTEE MEETING HELD ON 11th FEBRUARY, 2015 AT 11.00 AM UNDER THE CHAIRMANSHIP OF DEVELOPMENT COMMISSIONER, SEEPZ SEZ.

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The following were present:-

- (1) Shri. P. S. Raman, Joint Development Commissioner, SEEPZ-SEZ.
- (2) Shri. K. K. Srivastav, Specified Officer, SEEPZ-SEZ.
- (3) Smt. S. R. Motwani, Assistant DGFT, O/o Additional DGFT, Mumbai
- (4) Shri. Sukhvinder Singh, Asstt. Commissioner of Central Excise, Belapur.
- (5) Shri. D. D. Kadam, Asstt. Commissioner of Central Excise, Pune-I.
- (6) Shri. G. S. Bhandari, UDC, SEEPZ-SEZ.

**I. Confirmation of the Minutes of the 16<sup>th</sup> Meeting held on 05.12.2014.**

The Minutes were confirmed.

**2. Application for setting up of EOU.**

**1) M/s. Advansys (India) Pvt. Ltd.,**

M/s. Advansys (India) Pvt. Ltd., Pune-I were issued LOP No. IL:52(2003)/SEEPZ/EOU/57/2003-04/1391 dated 23.03.2004 for manufacture and export of Healthcare Leisure Products Equipment Device, Heating Appliances (Non-Conventional), Heating Appliances (Electrical), Power control for electronic electric devices, electronic/electric ballast, Fabricated goods of MS/SS aluminium like grill extrusion etc. components for automobile and construction industry.

The unit vide letter dated 03.03.2014 submitted application for renewal of LOP for further period of 5 years. The application was scrutinized and it was noticed that there was no export/import during the period 2012-13 & 2013-14. The unit was asked to clarify the reason for the same.

The unit vide letter dated 02.12.2014 has stated the following :-

- i) Their factory has been closed since May 2009 due to exit of collaboration with their exclusive customer from UK.
- ii) They had very minor activity in 2011 that too re-export of some raw materials as they could not pay their suppliers and they suggested to send the material back to Italy.
- iii) They have incurred huge losses due unfortunate closure, since 2009 there has been no production activity in their factory.
- iv) Late last year dispute with their foreign buyers was finally settled and agreements are being signed next month.
- v) This give them an opportunity to restart their EOU and they already in process of signing new contracts with their buyers from Germany and Belgian customers.
- vi) In order to prepare for the visits of these large foreign customers, they have in last month started activities of reviving the unit.
- vii) All this was possible as they received bank funding and infused some fresh capital to restart the unit.

- viii) They unfortunately have lost last 5 years due to bad collaboration.
- ix) Also, they have filed ER2 with excise authorities that there is no production activity. The returns filed are NIL for over 4 years now.
- x) They have to place orders for lot of machineries and tools and start work on sample production for which they have received designs from their buyers.
- xi) They are under lot of pressure from their bank to start the unit within January. They have already manufacturing contract getting finalized in with their German customers later this month. Also, before their visit to India, they need to procure lot of machineries and streamline their infrastructure.

**Decision:** - The Committee after detailed deliberation approved the proposal of continuation of EOU Status for five years w.e.f. 01.04.2014 to 31.03.2019 with fresh projection for the period 2014-15 to 2018-19 subject to condition that the performance of the unit shall be reviewed every year.

**2) Joint Monitoring Performance of EOUs falling under the jurisdiction of Mumbai-I Commissionerate, for the year 2011-12 & 2012-13.**

The performance of the EOUs falling under jurisdiction of Mumbai-I Commissionerate for the year 2011-12 & 2012-13.

**Decision:** - The Committee deferred the proposal as jurisdictional Excise representative was not present.

**3. Supplementary Agenda**

**1) M/s. Sandoz Pvt. Ltd.,**

M/s. Sandoz Pvt. Ltd., Navi Mumbai were issued LOP No. PER:14(2004)/SEEPZ-SEZ/EOU/IA-II/20/04-05/4546 dated 25.06.2004 for manufacture and export of All types of Pharmaceuticals finished dosage forms such as Capsules, Tablets, Effervescents, Pellets and Powders/Granules for Oral Suspensions at Plot No. 8-A/2, 8-B, TTC Industrial Area, Kalwe Block, Digha Village, Navi Mumbai - 400 708.

The unit vide letter dated 25.11.2014 submitted the application for additional location at M/s. Parzelsus India Pvt. Ltd., C-16, TTC Industrial Area, Village Dighe, Navi Mumbai - 400 708 for warehousing the raw material and finished goods. The Assistant Commissioner of Central Excise, Thane was requested to inspect the proposed location.

The Assistant Commissioner of Central Excise, Belapur-V Division, vide letter dated 12.01.2015 has submitted the Inspection Report and stated the following :-

- i) The premises is on lease basis & the lease is for one year.
- ii) The Plot area is 4196 Square Meter.
- iii) The proposed location is only for warehouse purpose for storage of raw material and finished goods.

- iv) The nature of building is concrete construction.
- v) The Source of Power is Electric & Generator.
- vi) There is a separate entry available.
- vii) The proposed plan of premises/building is suitable for necessary permission under section 58 & 65 to be issued by Central Excise & Customs authority.

The unit has also submitted the registered service agreement executed with M/s. Parazelsus India Pvt. Ltd. for providing the services and space for a period of one year i.e. 10.12.2015.

**Decision:** - The Committee approved the proposal for additional location to warehouse the goods for a period of one year.

Meeting ended with vote of thanks to the Chair.



CHAIRMAN - CUM- DEVELOPMENT COMMISSIONER