

Government of India
Falta Special Economic Zone
 Ministry of commerce & Industry
 Department of Commerce
 2nd MSO Building, 4th Floor, Nizam Palace
234/4, AJC Bose Road, Kolkata-700 020

Minutes of 124th meeting of the Unit Approval Committee Constituted in terms of Section 13 of Sub Section 1 of the Special Economic Zone Act, 2005 held on 18.11.2020 at 3.00 PM in the Chamber of Development Commissioner, Falta Special Economic Zone 4th floor, 2nd MSO Building, Nizam Palace, 234/4, AJC Bose Road, Kolkata-700 020 through Video Conferencing regarding Falta SEZ, Candor Kolkata and DLF IT/ITES SEZs. List of participants is enclosed at Annexure-I.

Dr. B.K. Panda, Chairman & CEO welcomed all the members present in the meeting and requested to Shri M.K. Anjanaiah, Dy. DC, Falta SEZ to place the agenda before the Committee for discussion.

Item wise decisions taken were as under:

Agenda Item No. 01: Ratification of the minutes of 123rd UAC meeting held on 12.10.2020

Minutes of the 123rd UAC meeting was circulated to all the members of UAC. As no comments were received, the committee ratified the minutes and confirmed the same.

Agenda Item No.2: **Consent to Procure Accessories Back from their subsidiary Company (M/s. Vikram Solar Energy Solutions GmbH to Vikram Solar Limited, FSEZ) Unit-2.**

The Committee has noted the request of M/s. Vikram Solar Limited for procurement of the Office Accessories viz. Office documents & electronic items like Marketing pamphlets, Laptop, T.V. Printer which are unutilized in Europe and are to be utilized in India, i.e. in the Unit-II of M/s. Vikram Solar Limited, located at Falta SEZ, Falta. It was also noted that the said unit has submitted a Certificate from the Chartered Engineer as regards to allow importing of 2nd hand goods from their subsidiary Company (M/s. Vikram Solar Energy Solutions GmbH, Germany) to M/s. Vikram Solar Limited, Unit-II for authorized operation. Appears from the Valuation Report of Fair Market Value of the said items comes to Rs. 7,54,700/-. The Valuation of the products viz. Office Furniture, Computer peripherals etc. have been arrived considering depreciation depending on the year of use, upkeep, maintenance, obsolescence factor, residual life etc. and it was considered 5 to 20 years full life for the aforesaid items and applied for depreciation to arrive the present assessed value is 8591.40 Euro = Rs.7,54,722.43 i.e. say Rs. 7,54,700/-. The authorized representatives of the unit Mr. Sudip Chatterjee and Mr. Maskara appeared before the Committee through VC and deliberated their request.

After detailed deliberation the Committee decided to approve their request to allow importing of 2nd hand goods from their subsidiary Company (M/s. Vikram Solar Energy Solutions GmbH, Germany) to M/s. Vikram Solar Limited, Unit-II for authorized operation. i.e. Office Accessories viz. Office documents & electronic items like Marketing pamphlets, Laptop, T.V. Printer which are unutilized in Europe and are to be utilized in India in the Unit-II of M/s. Vikram Solar Limited, located at

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Falta SEZ, Falta in terms of Rule 27(1) of SEZ Rules, 2006 as one time relaxation with Caution on re-examination of the issue considering their unblemished antecedents and overall performance and also considering that it is a non commercial transaction of small value for them and that they have already shipped their said items from their subsidiary Company (M/s. Vikram Solar Energy Solutions GmbH, Germany) as informed by them through Mail dated 13/11/2020 before obtaining approval from the competent authority for such imports under the SEZ.

Agenda Item No.3: Request for inclusion of additional items viz. "Reprocessed Plastic Granules in the existing LOP No. FSEZ/LIC/S-45/99/4493 dated 10.08.1999 of M/s. Sai Industries Pvt. Ltd, Falta SEZ, Falta in addition to the existing items of manufacture and export.

The Committee has noted the request of M/s. Sai Industries Pvt. Limited for inclusion of additional items viz. Reprocessed Plastic Granules under ITC (HS) Code No. 3902900, in the existing LOP dated 10.08.1999. It was also observed that presently they are engaged for manufacturing of PP/HDPE/Woven Sacks, Jute Hand Bags & Shopping Bags and subsequently they have included the additional items viz. Plastic Lay Flat Tubing/Tube, FIBC Jumbo Bags & Sack and Bag of Polythylene or Polypropylene strip in the existing LOP.

Mr. Jeloka, Director of the unit appeared before the UAC through VC and he has expressed their willingness to include the additional items with a clarification that they would like to manufacture Reprocessed Plastic Granules from the wastage of fabric material which is being generated from production process. Even the Reprocessed Materials (Granules) will be used mostly in their factory for further production for export. However, some Reprocessed Plastic Granules will be sold in DTA. After detailed deliberation, during the course of discussion, it is felt that at the time of assessment of the aforesaid item it is not possible to segregate the reprocessed plastic granules, going to be manufactured from the wastage of fabric material, being generated from production process since the said unit are importing Granules (Virgin) as a Raw material for the purpose of production of their original item. Therefore the Committee decided that the Reprocessed Plastic Granules by way of broad banding in terms of SEZ Rules, 2006 may be granted on the condition that Bills of Entry for DTA Sale be assessed provisionally pending a Test Report from the CIPET after drawing the sample of the said item in every consignment of DTA Sale of the Reprocessed Plastic Granules – LDPE and P.P. Granules, classifiable under CTH 3901 and 3902 respectively.

Agenda Item No.4: Request for extension of Letter of Permission holding LOA No. FSEZ/LIC/O-8/2012/150 dated 09.04.2012 for a further period of six months beyond 16.11.2020 applied by M/s. Ostern Pvt. Ltd to expedite the de-bonding process.

The Committee has noted the request of M/s. Ostern Pvt. Limited for grant of extension of validity of LOP for further period of 6 months beyond 16.11.2020 to expedite the de-bonding process.

After deliberation the Committee decided to grant of extension of validity of LOP for a further period of 6 months beyond 16.11.2020 to expedite the process of de-bonding subject to fulfillment of necessary conditions and clearance of all their dues.

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Agenda Item No.5: Ratification – Inclusion of items in the existing LOP No. MKSEZ/LIC/S-16/2014/34 dated 20.05.2014 issued to M/s. Shrey Creations, a unit in Manikanchan SEZ.

The Committee has noted for Inclusion of items in the existing LOP No. MKSEZ/LIC/S-16/2014/34 dated 20.05.2014 issued to M/s. Shrey Creations, a unit in Manikanchan SEZ.

After due deliberation, the committee ratified the same for inclusion of items in the existing LOP NO. MKSEZ/LIC/16/2014/34 dated 20.05.2014 as "one time basis" to meet up the foreign buyer pertaining for this export order as a special case and no further permission will be granted against this lot. The committee noted the same.

Agenda Item No.6: Ratification-De-bonding of M/s. IBM India Pvt. Limited, a unit located at DLF IT/ITES SEZ.

The Committee has noted for De-bonding of M/s. IBM India Pvt. Limited located at DLF IT/ITES SEZ. The matter was also discussed with the representative of the unit through Video Conferencing during the course of discussion in the UAC.

After due deliberation, the committee ratified the same for De-bonding of M/s. IBM Pvt. Limited, a unit located at DLF IT/ITES SEZ, as applied by unit for de-bonding/exit from SEZ scheme as per Rule 74 of SEZ Rules, 2006. The committee noted the same.

Agenda Item No.7: Request of M/s. Sankalp Semiconductor Pvt Ltd for setting up of a SEZ unit at Candor Kolkata One Hi-tech Structures Pvt. Ltd IT.ITES, SEZ, Rajarhat.

The request of M/s. Sankalp Semiconductor Pvt. Limited for setting up of a SEZ unit at Candor Kolkata One Hi-tech Structures Pvt. Ltd IT/ITES SEZ, Rajarhat was discussed at length. The matter was also discussed with the representative of the unit through Video Conferencing during the course of discussion in the UAC.

After due deliberation, the Committee, decided to approve their proposal for setting up a new unit at Candor Kolkata One Hi-tech Structures Pvt. Ltd IT/ITES SEZ, Rajarhat, Kolkata based on their application in Form F and along with project profile as submitted by the firm in terms of provision in Rule 18 of SEZ Rules, 2006.



Agenda Item No.8: Request for inclusion of additional items viz. "Wood in the rough slicing veneer cants/logs, Wood grilling planks, conveyor or transmission belts or belting, wood conditioning tank" in the existing LOA No. FSEZ/LIC/H-20/2015/2026 dated 30.09.2015.

The Committee has noted for inclusion of additional items viz. "Wood in the rough slicing veneer cants/logs, Wood grilling planks, conveyor or transmission belts or belting, wood conditioning tank" in the existing LOA No. FSEZ/LIC/H-20/2015/2026 dated 30.09.2015. . The matter was also discussed with the representative of the unit through Video Conferencing during the course of discussion in the UAC.

After deliberation the Committee decided the following:

1. Wood in the rough slicing veneer cants/logs – to complete formality and obtain certificate from the Directorate of Plant Quarantine, D/O ACFN, Ministry of ACFN.
2. Rest of items i.e. Wood grilling planks, HSN-4418, conveyor or transmission belts or belting, HSN-4010 and wood conditioning tank, HSN-7301 are allowed.

Agenda Item No.9: Request for setting up of a new unit for Processing & Recycling of Non Ferrous Metals applied by M/s. RIPL Components Pvt. Ltd.-regarding.

A new application for setting up of a SEZ unit at Falta SEZ, Falta for manufacture and export of Lead Oxides/Copper Anodes/Cathodes/Copper Ingots/Billets/ Brass Ingots/copper Bars/Rods/Wire s/Articles/Castes etc. was placed before the 123rd UAC Meeting and after deliberation the committee decided to defer the matter with a reason for necessary clarification from the firm subject to comply that the firm should apply before the WBPCB for their NOC and number of requisite information/documents, has to be produced as per the Check list.

M/s. RIPL Components Pvt. Limited, vide a mail reply dated 13/10/2020, has replied with a clarification that the rule [Rule 18(4)(d) of SEZ Rules, 2006] talks about "other used goods which is not what they are seeking, they are looking to import of Non Ferrous Metal scrap which is generated from manufacturing process, end life or is a part/component of any goods cannot be re-used unless recycled for example copper wires taken out of burnt motors/aluminium components or Automobiles/broken pieces of Brass Components etc.

The matter was again placed before the 124th UAC Meeting held on 18/11/2020 for suitable decision for early disposal of the case. Shri Bhanu Mahajan, the representative of the firm appeared before the UAC through VC and submitted their request before the UAC in detail. The committee has noted their intention for production of proposed items out of raw materials as a Scrap items and it was also observed that the firm intends to import of various scrap items from abroad as a Raw Materials, as reflected in the Project Report. In terms of



provision of SEZ Rules, 2006 (Rule 18(4)(d) that no proposal shall be considered for import of other used goods for recycling. Provided that reconditioning, repair and re-engineering may be permitted subject to the condition that exports shall have one to one correlation with imports and all the reconditioned or repaired or re-engineered products and scrap and remnants or waste shall be exported and none of these goods shall be allowed to be sold in DTA or destroyed.

In the light of the above provisions of SEZ Rules, 2006 the clarifications preferred by M/s. RIPL during the period after the 123rd UAC as well as the submissions made in person by Shri Mahajan through VC during the 124th UAC need to be gone through in detail. Their clarifications and submission that the scrap sought to be imported by them for melting purposes are other than 'used goods' are meant to exclude their proposal from falling under purview of the prohibition for UAC to consider any proposal for import of used goods for recycling envisaged under Rule 18(4)(d) of SEZ Rules, 2006. They have also presented clarification about how the scrap intended to be imported by them get generated, from where it transpires that such scrap get generated after use / end of life of various kinds of motors, equipments, components, coils etc. They have also explained that some scraps sought to be imported by them get generated from prime materials during a manufacturing process, but not specified any approved existing mechanism/nominated agency for certification of such metal scraps as virgin scraps and other than used goods. The scraps intended to be imported are any way to be melted for casting/manufacture of various metal products for export, as explained by the proposer. Such process also does not fall under the category of processes, namely 'reconditioning, repair and re-engineering' permitted subject to conditions under the 2nd Proviso to Rule 18(4)(d) of SEZ Rules, 2006. It is also seen from their proposal that in the list of material sought to be imported by them as raw materials, there are certain scraps of restricted category as ITC(HS) Code for Import and Export, permitting imports of which in SEZ does not fall within the capability of UAC. Thus, a detailed examination of all the aspects of subject proposal of M/s RIPL, with their new clarifications/submissions brought before the 124th UAC, needs to be undertaken vis-à-vis the existing SEZ Rules provisions and other statutory provisions and practices, which would require some more time, and, therefore, the committee decided to defer the proposal further till the next meeting so that the above-mentioned exercise is completed towards a decision on the matter. Decision on the proposal thus stands deferred.

Agenda Item No.10: Request of M/s. A & I Exim for setting up of a new unit in Falta SEZ, Falta.

The request of M/s. A & I Exim for setting up of a new SEZ unit at Falta SEZ, Falta was discussed at length. The matter was also discussed with the representative of the unit through Video Conferencing during the course of discussion in the UAC.

After due deliberation, the Committee, decided to approve their proposal for setting up a new unit at Falta SEZ, Falta based on their application along with project profile as submitted by the firm in terms of provision in Rule 18 of SEZ Rules, 2006.

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Agenda Item No.11: Request for approval of Service to be procured for authorized operations for Candor Kolkata One Hi-tech Structures Pvt. Ltd IT SEZ, Newtown.

The request for approval of service to be procured for authorized operations for Candor Kolkata One Hi-tech Structures Pvt. Ltd IT SEZ was discussed at length. Mr. Sibhaji Chatterjee on behalf of the company appeared before the committee and explain their case for consideration their proposal through video conference during the course of discussion.

After due deliberation, the committee decided that items under default list of authorized services for operation, Nomenclature to be made as per the listed list.

Monitoring of Annual Performance of SEZ Units (Private SEZ)

Agenda No.	Name of the Unit	Year of Monitoring	Remarks
01.	M/s. Ostern Private Limited	FY 2016-17(4 th year of 1 st Block) FY 2017-18(5 th year of 1 st Block) FY 2018-19 (1 st year of 2 nd Block)	(+) NFE taken note off
02.	M/s. Kariwala Industries Ltd. (Unit-III)	FY 2018-19 & 2019-20 (3 rd Block 2 nd & 3 rd Year)	Letter to be issued for pending realisation.
03	M/s. Krypton Industries Ltd	FY 2017-18, 2018-19 & 2019-20(6 th Block 1 st , 2 nd & 3 rd Year)	Letter to be issued for pending realisation.

This issues with the approval of Development Commissioner.

M.K. Anjanaiah
(M.K. Anjanaiah)

Deputy Development Commissioner

File No. 1(43)/124th UAC/2020/1439

Dated 23/11/2020

The Joint Commissioner,
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Central Goods Service Tax and Central Excise, Kolkata Zone,
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The Additional DGFT,
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Dr. P.K. Sarkar
Assistant Commissioner of Customs,
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Shri M.K. Anjanaiah, Dy. Development Commissioner, FSEZ

Shri Lakshmi Kanta Halder, Dy. Development Commissioner, FSEZ

Shri M.R. Kumar, IRS, Deputy Commissioner of Customs & Specified Officer, Falta SEZ

Shri P.K. Agrawal, Superintendent of Customs, Falta SEZ

Shri D.N. Bhattacharya, Assistant Development Commissioner, Falta SEZ.

Shri Ratan Nandan, Assistant Development Commissioner, Falta SEZ

Shri Devreen Bhakta, Assistant Development Commissioner, Falta SEZ.

Shri Subhranil Bhattacharjee, Assistant Development Commissioner, MKSEZ.

THE FOLLOWING OFFICERS ATTENDED IN THE 124th UAC MEETING HELD ON 18th November, 2020 AT 3.00 P.M.

Sl No	Name of the Officer	Name of the Office/Department
1.	Shri Madhuranjan Kumar	Dy. Commissioner of Customs
2.	Shri T.K. Biswas, Executive Engineer(EE)	WBPCB,
3.	Shri Asok Ghosh, Advisor(Project)	WBIDC
4.	Shri Sumanta Pal	Air Cargo Complex, Custom
5.	Shri A.Dasgupta	WBPCB
6.	Shri D.Chakraborty,	DGFT
7.	Shri Lakshmi Kanta Halder	Dy,DC, FSEZ
8.	Shri M.K. Anjanaiah	Dy,DC, FSEZ
9.	Shri P.K. Agarwal	Superintendent of Customs, Falta SEZ