



Government of India
Ministry of Commerce & Industry
Department of Commerce
Office of the Development Commissioner
Indore Special Economic Zone

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F. No. D-3/ISEZ/2006-07/1864

Dated: 16.01.2020

OFFICE MEMORANDUM

Sub: Forwarding of Minutes of the Fourth Meeting (2019-20 series) of the Approval Committee for Indore SEZ held on 06.01.2020 – Reg.

The undersigned is directed to forward the duly authenticated Minutes of the Fourth Meeting (2019-20 series) of the Approval Committee, Indore SEZ held on 06.01.2020, for perusal and necessary action, if any.

Encl: As above


(Ravi Chhangani)

Asstt. Development Commissioner
For Development Commissioner

To:

1. The Commissioner, Indore Division, Moti Bungalow, Indore (Member representing Govt. of Madhya Pradesh).
2. The Managing Director, MPIDC, Cedmap Bhawan, 16-A, Jail Road, Arera Hills Bhopal (Member representing Govt. of Madhya Pradesh).
3. The Commissioner, Customs, Office of the Commissioner of Customs, Manik Bagh Palace, Indore (Member representing Deptt. of Revenue, Govt. of India).
4. The Commissioner of Income Tax (CIT-I), Office of the Chief Commissioner of Income Tax, Aayakar Bhawan Annexe, Opp. White Church, Indore-1 (Member representing Deptt. of Revenue, Govt. of India).
5. The Addl. Director General of Foreign Trade, Nirman Sadan, Arera Hills, Hoshangabad Road, Bhopal (Member).
6. The Executive Director, MPIDC Regional Office, 1st Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road, Indore (Special Invitee).
7. The Dy. Secretary to the Govt. of India, Ministry of Commerce & Industry, Deptt. of Commerce, SEZ, Udyog Bhawan, New Delhi (Member).
8. The Dy. Secretary (IF-I), Ministry of Finance, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi (Member).
9. The Specified Officer, Indore SEZ (Special Invitee).

INDORE SPECIAL ECONOMIC ZONE

Minutes of the Approval Committee

Meeting No. 04 (2019- 20 series) held on 06.01.2020

The meeting of the Approval Committee constituted by the Govt. of India vide Notification dated 07.02.2007 was held at 11:30 a.m. on 06.01.2020 at the Office of the Development Commissioner, Indore SEZ, Indore. Dr. S.K. Bansal, Development Commissioner, Indore SEZ, joined the meeting through teleconference. Shri N. K. Agarwal, Asstt. Commissioner, Income Tax, Indore (representing the Commissioner, Income Tax, Indore), Shri Shreedhar Ghanekar, Asstt. Commissioner, Customs, Indore (representing the Commissioner, Customs, Indore), Shri Chandra Kant M. Ram, Asstt. DGFT, Indore (representing the Addl. Director General of Foreign Trade, Bhopal) and Shri Anil Arora, Chief General Manager, MPIDC (representing the Executive Director, MPIDC, Regional Office, Indore – Developer & Special Invitee) participated in the meeting.

2. Shri Puneet Arya, Specified Officer (Customs), Indore SEZ assisted the Committee in its deliberations. Shri Ravi Chhangani, ADC (Projects) presented the proposals before the Committee.

The following proposals were placed before the Approval Committee:

Main Agenda:

A. Ratification of the Minutes of the Third Meeting of 2019-20 series.

B. Proposal received from/concerning existing unit(s):-

1. M/s Shree Tirupati Balajee FIBC Ltd., Plot No. AP-14, Apparel Park, Indore SEZ Phase II, Sector 3, Pithampur, Distt. Dhar.
2. M/s Commercial Syn Bags Ltd. (Unit-II), Commercial House, 3-4, Jaora Compound, MYH Road, Indore (M.P.).
3. M/s Sonic Biochem Extraction Pvt. Ltd., Plot No. E-36, SEZ Phase-1, Sector 3, Pithampur, Distt. Dhar - 454 775 (M.P.).

C. Any other proposal, if received - Table Agenda:-

M/s Samyak Computer, 4-A, Royal Gold, LG-8, Y.N. Road, Indore.

Proposal wise decisions taken are as under: -

- A. Ratification of the Minutes of the Third Meeting** – It was informed that no reference suggesting any amendment in the decisions of the Approval Committee Meeting held on 13.11.2019 was received and hence, the Minutes of the Third Meeting (2019-20 series) were ratified.

B. Proposal received from/concerning existing unit(s):-

1. **M/s Shree Tirupati Balajee FIBC Ltd. - Permission for trading of plastic granules i.e. PP granules – 6000 MT, LDPE/LLDPE – 1500 MT, Master Batches viz. Color Master Batch – 300 MT, UV Stabilizer – 300 MT and Additive Master Batch – 300 MT – Approved.** The Committee deliberated in detail on the contents of the Agenda. The unit was represented by Shri Binod Kumar Agarwal, Managing Director, who presented their proposal to the Committee. The Committee noted that the unit is holding LoA dated 13.11.2009 for manufacturing and export of Jumbo Bags (FIBCs). After deliberations, the Committee approved the request of the unit for inclusion of trading activities as authorized operations in the LoA dated 13.11.2009 for the items namely plastic granules i.e. PP granules – 6000 MT, LDPE/LLDPE – 1500 MT, Master Batches viz. Color Master Batch – 300 MT, UV Stabilizer – 300 MT and Additive Master Batch – 300 MT, in terms of the provisions of Rule 18 read with Rule 19(2) and Rule 76 of SEZ Rules, 2006. The permission is subject to the condition that the unit shall maintain separate records for trading and manufacturing activities.
2. **M/s Commercial Syn Bags Ltd. (Unit-II) - Permission for trading of plastic granules – 1000 MT - Approved.** The Committee deliberated in detail on the contents of the Agenda. The unit was represented by Shri V.S. Pamecha, Whole Time Director, who presented their proposal to the Committee. The Committee noted that the unit is holding LoA dated 02.12.2016 for manufacturing and export of Jumbo Bags (FIBCs), PP/HDPE Woven Sacks/Bags, PP/HDPE Woven Fabric & HDPE/PP Tarpauline. After deliberations, the Committee approved the request of the unit for inclusion of trading activities as authorized operations in the LoA dated 02.12.2016 for the items namely plastic granules – 10000 MT, in terms of the provisions of Rule 18 read with Rule 19(2) and Rule 76 of SEZ Rules, 2006. The permission is subject to the condition that the unit shall maintain separate records for trading and manufacturing activities.
3. **M/s Sonic Biochem Extraction Pvt. Ltd. - Request for addition of new item of manufacture in the LoA dated 16.11.2006 – Broad-banding of LoA - Approved.** The Committee deliberated in detail on the contents of the Agenda. The unit was represented by Shri Sanjay Gandhi, Manager and Shri Rajul Mehta, Manager, who presented their proposal to the Committee. The Committee noted that the unit is holding LoA dated 16.11.2006 for manufacturing of various items viz. choline 35, phosphatidyl/Choline-70, soya /sunflower lecithin powder/granules, soya/ sunflower lecithin liquid and soya/ sunflower crude oil. After deliberations, the Committee approved the request of the unit for broad-banding of LoA dated 30.05.2017 by inclusion of additional items of manufacture namely, 'Jem Growth Booster' to be included in the LoA along with other approved items i.e. soya / sunflower crude oil having the overall annual capacity of 950 MT as the Jem Growth Booster will be made out of either soya or sunflower lecithin, in terms of the provisions of Rule 19(2) of SEZ Rules, 2006.



C. Any other proposal, if received – Table Agenda:-

M/s Samyak Computer - Setting up of a Repairing / re-engineering unit of (i) Computer and Laptop; (ii) Printer; (iii) CPU; (iv) Parts and components of Computer, CPU and Printer; (v) LCD Screen of Computer; (vi) Motherboard and RAM in Indore SEZ – Rejected. The Committee deliberated in detail on the contents of the Agenda. The Committee noted that the applicant is a proprietorship firm and has proposed to set up a repairing / re-engineering unit wherein the firm proposes to import used computers, laptop, CPU, printers, mother board and RAM, LCD screen, parts and components of computers etc. for repairing / re-engineering or minor addition of parts. The unit was represented by Shri Arpit Kanthali, Proprietor who intimated the Committee that after importation they will examine the goods and select the goods which can be exported after repairing / re-engineering, minor addition of parts, denting, painting etc. and then re-export the same. The parts / components used during repairing / re-engineering will be sourced from domestic tariff area.

The representative informed that many specialized works viz. mother board repairing, painting, repairing of body damage, denting etc. which cannot be performed in SEZ will be sent outside the SEZ for sub-contracting. It was stated that compliance with the provisions of Rule 18(4) (d) of SEZ Rules, 2006 would be done and if any machine is found unfit for export, the same shall be disassembled and the useful parts/components will be taken out and exported after minor processing/repairing and in case if any machine/parts/components is found unusable the same shall be exported back as scrap/remnant. The representative stated that one to one correlation of goods will be maintained. With regard to e-waste it is informed that the goods will be checked at the stage of importation and hence there is no possibility of importation of e-waste.

The Committee deliberated on the submissions and after deliberations concluded that : (i) the firm has proposed an investment of Rs. 3.84 crores in the project, out of which Rs. 3.54 crores is proposed to be financed from Bank, whereas the Income tax Returns of the Proprietor submitted with the application shows an yearly income of Rs. 6.52 lacs, Rs. 7.25 lacs and Rs. 8.45 lacs for the years 2016-17, 2017-18 and 2018-19, respectively, which is very low in comparison to the funds proposed to be infused in the project through finance; (ii) the firm is not having any agreement with any overseas suppliers in respect of the proposed business; (iii) the possibility of importation of e-waste cannot be negated; (iv) the unit has proposed an investment of Rs. 1.71 crores in indigenous plant & machinery and considering the types of activities to be carried out under re-pairing/ re-engineering, the purpose of carrying out sub-contracting outside the Zone is not clear and moreover, one to one correlation of the subcontracted goods is a voluminous task in the existing setup; (v) the Specified Officer has informed that after re-conditioning/re-pair/re-engineering of used imported goods one to one correlation in terms of the provisions of Rule 18(4)(d) of SEZ Rules, 2006 is not possible as the said work is highly voluminous.



and will require additional staff and infrastructure; (vi) the representative of the Developer stated that creation of additional infrastructure etc. for a single unit will not be possible and moreover the zone is not equipped in terms of security arrangements for such type of units. Accordingly, after deliberations, the Committee rejected the proposal.



(Dr. Sunil Kumar Bansal)
Development Commissioner