



Minutes of the 10th (Tenth) meeting of the Approval Committee for the multi-product Dahej - Special Economic Zone held on 27-08-2009, at 16-30 hours at Vadodara under the Chairmanship of Shri S. N. Patil, IOFS, Development Commissioner, Dahej Special Economic Zone, in the conference room of OPAL, VCCI Complex, Makarpura, Vadodara.

Approval Committee constituted by the Central Government vide Notification No. 993 (E), dated 25-04-2008 issued from file No. 1/1/2006-EPZ consists of the following Chairperson and Members, namely:-

01.	Development Commissioner, Dahej Special Economic Zone.	Chairperson, Ex-officio
02.	Director or Deputy Secretary to the Government of India, Ministry of Commerce and Industry, Department of Commerce	Member, Ex-officio
03.	Joint Director General of Foreign Trade, Vadodara.	Member, Ex-officio
04.	Commissioner of Central Excise, having territorial jurisdiction of the Special Economic Zone or his nominee not below the rank of Joint Commissioner.	Member, Ex-officio
05.	Commissioner of Income-Tax having territorial jurisdiction over the SEZ or his nominee not below the rank of Joint Commissioner.	Member, Ex-officio
06.	Director (Banking), Banking Division, Ministry of Finance, Government of India.	Member, Ex-officio
07.	District Collector of the Bharuch District or Additional District Collector or Deputy Collector as his nominee.	Member, Ex-officio
08.	General Manager, District Industries Centre, Bharuch.	Member, Ex-officio
09.	Representative of M/s. Dahej SEZ Ltd., (Developer).	Special Invitee

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The following were present:-

01.	Shri S. N. Patil Development Commissioner, Dahej Special Economic Zone.	Chairman
03.	Shri B. K. Bansal, Commissioner of Central Excise & Customs, Vadodara-II.	Member.
04.	Shri Abhijit Kumar N. Additional Commissioner of Income Tax, Bharuch	Member
05.	Mr. A. V. Vadher, Dy. Collector- Bharuch	Member
06.	Shri R. J. Shah, C.E.O of M/s. Dahej SEZ Ltd. (Developer)	Special Invitee

Absent:-

01	Director or Deputy Secretary to the Government of India, Ministry of Commerce & Industry, Department of Commerce or nominee.
02	Joint Director of Foreign Trade , Vadodara
03	Director (Banking), Ministry of Finance, Banking Division, Government of India.
04	General Manager, Dist. Investment Center, Bharuch.

FRESH CASES :

1. M/S. TORRENT PHARMACEUTICALS LTD.

Shri S. B. Namjoshi , Vice President (Projects) of M/s. Torrent Pharmaceutical Ltd. appeared before the Approval Committee for Personal Interview & explained about the Broadbanding of LOA i.e. inclusion of Pharmaceutical Products – Tablets falling under Ch. 30 of ITC (HS) in the Letter of Approval issued to them. The Applicant were granted Approval for setting up an Unit in Dahej SEZ for manufacture & export of "Active Pharmaceuticals Ingredients (Bulk – Drugs)" falling under Ch. 29 of ITC (HS) for total quantity of 50 MT.

The Applicant had originally proposed to manufacture the Pharmaceutical Formulations mainly for export , at other Plant by using the Active Pharmaceutical Ingredients produced in their SEZ Unit. Later on , the Applicant realized that setting up of formulation plant would help them in avoiding transferring API to other SEZs or to the DTA for conversion into finished dosages form besides cost advantage with common infrastructure. He further stated that by manufacturing Pharmaceutical Products – Tablets from their SEZ plant ,

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they would be able to consume Active Pharmaceutical Ingredients within Unit itself & would be able to produce Value Added Products resulting into High Value Export & Foreign Exchange Earning. The Applicant would incur additional Capital Investment of Rs. 197 Crore for setting up manufacturing facilities for Pharmaceutical Product - Tablets at their SEZ Unit in Dahej. The Approval Committee directed the Applicant to submit the fresh NFE calculation sheet showing the Net Foreign Exchange earning by the Unit.

2. M/S. ONGC PETRO ADDITIONS LTD.

Shri Hiranand , Manager (Taxation) of M/s. ONGC Petro Additions Ltd. appeared before the Committee & justified their request for Approval of Taxable Services which are to be consumed partially or wholly out side SEZ for claiming refund of the same. The Approval Committee approved the following services :

1. Auctioneer's Service
2. Clubs & Associations
3. Credit card , Debit card , Charge card or Other Payment Cards
4. Health & Fitness Centre
5. Internet café
6. Outdoor Caterer
7. Pandal or Shamiana
8. Photography
9. Stock Exchange Service
10. TV & Radio program production service
11. Tour Operator
12. Underwriter

Further , the Applicant withdrawn the request for Approval of following services , as the same is not required by them in the immediate future :

1. Construction of Complex (Residence)
2. Management of Investment under Unit Linked Insurance Plan (ULIP) Service
3. Stock Broker

3. M/S. FIRMENICH AROMATICS PRODUCTION (INDIA) PVT. LTD.

Shri Asit Patel , Managing Director of M/s. Firmenich Aromatics Production (India) Pvt. Ltd. appeared before the Approval Committee & justified their request for Approval of Taxable Services which are to be consumed partially or

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wholly out side SEZ for claiming refund of the same. The Approval Committee approved the following services :

1. Business Support
2. Club or Association Membership
3. Credit card , Debit card , Charge card or Other Payment Cards
4. Photography
5. Pandal or Shamiana
6. Tour Operator
7. Underwriter
8. Installation & Commissioning

The Applicant withdrew their request for Approval of " Construction of Complex (Residence) Service " as the same is not required by them in the near future.

4. M/S. PIDILITE INDUSTRIES LTD.

Shri Ritesh Shah , Section Head (Admin) of M/s. Pidilite Industries Ltd. appeared before the Approval Committee & explained about the requirement for Approval of Taxable Services which are to be consumed partially or wholly out side SEZ for claiming refund of the same. The Approval Committee approved the following services :

1. Business Support
2. Club & Association
3. Credit card , Debit card , Charge card or Other Payment Cards
4. Intellectual Property (Other than Copyrights)
5. Photography
6. Pandal or Shamiana
7. Tour Operator

The Applicant withdrew their request for Approval of " Construction of Complex (Residence) Service " as the same is not required by them in the near future.



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DEFERRED CASES :

1. M/S. BOC INDIA LTD.

Shri Shibaditya Sen , Vice President – Business Development of the Applicant Company appeared before the Approval Committee for personal Interview & explained about the proposed Project in Dahej SEZ. Shri Shibaditya Sen informed that their Company wants to set up an Unit for production of Nitrogen & Oxygen Gases with intention to supply the same to the Units coming up in Dahej SEZ. The Applicant intend to import and procure capital goods worth Rs. 15400.00 Lakhs for the proposed project; there shall very less import of raw materials. FOB value of exports for the 5 years period is projected as Rs. 12750.00 Lakhs with NFE of Rs. 10230.00 Lakhs . The Developer (Dahej SEZ) has agreed to give in principle approval for allotment of plot of about 20,234.5 Sq. Mtrs. in the processing zone of Dahej SEZ for the proposed project in Dahej SEZ for setting up of unit.

The Application was taken up for consideration be the Approval Committee during its 9th meeting held on 04th August , 2009. The matter was deferred as the Applicant could not justified the aspect of Net Foreign Exchange earning by the Unit. Shri Shibaditya Sen , Vice President – Business Development of the Applicant Company submitted before the Approval Committee data regarding the study of the demand of Gases i.e. Nitrogen & Oxygen of the Units coming up in Dahej SEZ Ltd. He further informed the Committee that by supplying Nitrogen & Oxygen to the Units in Dahej SEZ & other SEZs coming up near by such as M/s. Jubliant Infrastructure SEZ Ltd. at village Vagra , Dist. Bharuch ; they will be able to achieve the Net Foreign Exchange for their Unit in Dahej SEZ. The proposal was approved by the Approval Committee subject to standard Terms & Conditions.

2. M/S. TIONG WOON PROJECT & CONTRACTING (INDIA) LTD.

Shri G. Maran , Director of M/s. Tiong Woon Project & Constructing (India) Ltd., appeared before the Approval Committee & explained about their proposal for setting up an unit in the Dahej-SEZ for service activity i.e. supply of Heavy Lifting, Erection, Installation and Commisioning to SEZ Units. He further stated that he intend to import and procure capital goods worth Rs. 5750.00 Lakhs for the proposed project. FOB value of exports for the 5 years period is projected as Rs. 8200.00 Lakhs with NFE of Rs. 1620.00 Lakhs (24.62%). The Developer (Dahej SEZ) has agreed in principle approval for allotment of plot of about

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10,000 Sq. Mtrs. in the processing zone of Dahej SEZ for the proposed project in Dahej SEZ for setting up of unit.

On being asked , regarding the viability of their proposed Project & achievement of NFE the Applicant could not explained the same to the Approval Committee. The Committee directed the Applicant to submit a concrete proposal regarding the operations / objectives of their proposed Unit in Dahej SEZ. The Approval Committee deferred the mater for next UAC meeting.

OTHER CASES :

1. M/S. DAHEJ SEZ LTD.

The Quarterly Progress Report submitted by the Developer in Form - E for the Quarter ending March 2009 & June 2009 regarding procurement & consumption of material were placed before the Approval Committee. The members of Approval Committee perused the same & advised for holding next meeting in Dahej to have on the spot verification of the Development activity carried out by the Developer.

S. B. Patel
1/9/09

Chairman of Approval Committee,
& Development Commissioner,
Dahej Special Economic Zone.