



Minutes of the 11th (Eleventh) meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 18-09-2009, at 15-00 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
02.	Smt. Lata Shukla, Joint Director General of Foreign Trade, Vadodara	Member
03.	Shri V.K.Agrawal, Addl. Commissioner of Central Excise & Customs, Vadodara-II.	Member.
04.	Ms. Smiti Samant, Joint Commissioner of Income Tax, Vadodara-III	Member
05.	Shri U.K.Vasava, Dy. Collector & Special LAO, Bharuch	Member
06.	Shri M.R.Pathan, Sr. Industries Inspector, DIC, Bharuch	Member
07.	Shri N.C.Modi, Nodal Officer, M/s. Dahej SEZ Ltd.	Special Invitee

Absent:-

01	Director or Deputy Secretary to the Government of India, Ministry of Commerce & Industry, Department of Commerce or nominee.
02	Director (Banking), Ministry of Finance, Banking Division, Government of India.

FRESH CASES :

1. M/S. CHEMETALL LITHIUM INDIA PVT. LTD.

Shri Serge Justin Dominique Fritz , Managing Director of M/S. CHEMETALL LITHIUM INDIA PVT. LTD. appeared before the Approval Committee for personal Interview & explained about the proposed project in Dahej SEZ. He informed that they intend to manufacture Fine Chemicals-n-Butyllithium (falling under Ch-29 of ITC {HS}) in their SEZ Unit & the said product will be supplied / exported to Pharmaceuticals EOUs / SEZ Units. The Applicant intend to import and procure capital goods worth Rs. 2800.00 Lakhs for the proposed project; there shall import of raw materials worth Rs. 19000.00 Lakhs. FOB value of exports for the 5 years period is projected as Rs. 49020.00 Lakhs with NFE of Rs. 7841.00 Lakhs (19.04%). The Developer (Dahej SEZ) has agreed in principle approval for allotment of plot of about 15,000 Sq. Mtrs. in the processing zone of Dahej SEZ for the proposed project in Dahej SEZ for setting up of unit.

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The Applicant has apprx. 1000 customers worldwide in its Lithium business & 700 customers worldwide in its metal based specialty chemicals products business. Fine Chemicals' customers of Lithium products include Bayer Cropscience, Kraton Polymers U.S. LLC, Energizer Holdings, INC. and DSM N.V. The proposal was approved by the Approval Committee subject to standard terms & conditions.

2. M/S. DIC FINE CHEMICALS PVT. LTD.

None of the Directors of Applicant or their representative appeared before the Approval Committee. The Approval Committee approved the following Taxable services which are to be consumed partially or wholly out side SEZ for claiming refund of the same.

1. Telephone
2. General Insurance
3. Courier Agency
4. Consulting Engineer
5. Custom House Agent
6. Steamer Agent
7. Manpower Recruitment Agency
8. Management Consultants
9. Practicing Chartered Accountants
10. Practicing Company Secretaries
11. Practicing Cost Accountants
12. Private Security Agencies
13. Scientific & Technical Consultancy Services
14. Port
15. Cargo handling
16. Technical Testing & Analysis
17. Maintenance & Repair Services
18. Commission & Installation Services
19. Transport of Goods by Road
20. Transport of Goods by Air Services
21. Construction of Complex (Industrial) Services
22. Dredging Services
23. Business Support Services
24. Intellectual Property Right Services
25. Packing Services
26. Business Auxiliary Services

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DEFERRED 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. As directed by the Approval Committee during its 10th Meeting , Shri S. B. Namjoshi submitted fresh calculation sheet regarding achievement of NFE , subsequent to approval of Broadbanding of LOA.

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 , they would be able to consume Active Pharmaceutical Ingredients within Unit itself & would be able to produced 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 proposal was approved by the Approval Committee subject to the standard terms & conditions.

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

The proposal was taken up for consideration by the Approval Committee during its 10th Meeting wherein , the Applicant was directed to justify the achievement of NFE & the operations / objectives of their proposed Unit in Dahej SEZ.

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

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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%). Shri G. Maran further explained that they will supply Heavy Lifting , Erection , Installation & Commissioning to the SEZ Unit of Dahej SEZ & various SEZs in India. The Applicant will export these Heavy Equipments / Machineries after following required customs formalities , in case the same is required by their Customers outside Dahej SEZ. The Developer (Dahej SEZ) has agreed in principle approval for allotment of plot of about 10,000 Sq. Mtrs. in the processing zone of Dahej SEZ for the proposed project in Dahej SEZ for setting up of unit. The Approval Committee approved the project of the Applicant subject to standard terms & conditions.

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