

Minutes of the 31st meeting of the **Approval Committee for the multi-product Dahej – Special Economic Zone** held on **08-07-2011**, at **11-30 hours** under the Chairmanship of **Shri Pravir Kumar (IAS), Development Commissioner, Dahej Special Economic Zone**, in the Office of DC, Dahej SEZ, Ahmedabad.

List of Participants is annexed as Annexure-A.

31.1 Confirmation of minutes of 30th Meeting :

As no comments/observations on the draft minutes of the 30th meeting of the Approval Committee of the Dahej SEZ held on 03/06/2011 were received from any member, the same were confirmed.

31.2 Report on actions taken on decision of the 30th Meeting of the Committee.

Following actions were taken:

Letters were issued to:

1. M/s. Arora Sales Agency granting Letter of Approval (LoA).
2. M/s. Rallis India Ltd. for approval of additional items to be manufactured.
3. M/s. Sapthagiri Hospitality Pvt. Ltd. for approval of list of goods required for authorized operations.
4. M/s. Dahej SEZ Ltd. for approval of list of goods required for authorized operations.
5. M/s. ONGC Ltd. for approval of temporary resting facility.

Consideration of applications under SEZ Rules, 2006.

31.3 FRESH CASES : -

31.3.1 M/S. FERNAS CONSTRUCTION INDIA PVT. LTD.:

Shri Rohit Singhal, Director and other officials of M/s. Fernas Construction India Pvt. Ltd. appeared before the Approval Committee for interview and put forth following points.

- The Fernas group was established in 1982 and 15 companies are there in the group. The company was awarded a project worth ₹1815 Crore by OPaL, a unit in Dahej SEZ.



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- Total cost of project was ₹ 21.30 Crore, out of which ₹ 4.43 Crore would be arranged through promoters and ₹ 16.87 Crore through loan from group company.
- FOB value of projected exports for 5 years was ₹ 2965.27 Crore and projected NFE earnings for 5 years period were ₹ 2600.28 Crore.
- It was confirmed that there was no case against the company of Central Excise, Customs and Income-tax Department.

Observations/Clarifications of the Committee :

After detailed deliberations, the proposal was approved and accepted subject to standard terms & conditions.

31.4 DEFERRED CASES : NIL

31.5 OTHER CASES:

31.5.1 M/S.OIL AND NATURAL GAS CORPORATION LTD.

Shri V.K. Ramesh from M/s. Oil and Natural Gas Corporation Ltd. (ONGC) appeared before the Approval Committee. He submitted the following:

- (i) ONGC was issued a list of services for exemption approved by DC office vide letter No. KASEZ/P&C/6/09/06-07 dated 18.03.2010. While scrutinizing the 'appeal submission' for refund of Service Tax, the Commissioner (Appeals), Central Excise & Customs, Vadodara has taken a view that the exemption was effective from the date of issue of approval letter i.e. from 18.03.2010. Therefore M/s. ONGC requested to amend the letter to the extent that the exemption may be made effective w.e.f. 03.03.2009 (The date of issue of Service Tax Notification No.09/2009-ST) and not from the date of approval letter.
- (ii) Three services are not covered under the default list of services approved by the DC, Dahej SEZ. So necessary approval may be given to their unit for inclusion of following services in the list for claiming exemption:
 - Transport of goods by pipeline (00440302).
 - Servicing of Motor Vehicles (00440181).
 - Goods Transport Services (00440067).



Observations/Clarifications of the Committee :

- (i) It was observed by the committee that any unit in the SEZ is eligible for availing exemption from various taxes as per SEZ Act, 2005 and SEZ Rules, 2006. As regards the issue of date from which the benefits would be admissible, it was felt that it should be given either from the Date of issue of Letter of Approval or from the date of issue of Service Tax Notification No.09/2009-ST, whichever is later. However, it would be preferable to seek clarification from Ministry of Commerce in this regard. Accordingly, it was decided to refer the matter to MoCI for seeking clarification.
- (ii) It was observed by the Committee that the service of “Transport of Goods other than water, through pipeline and other conduit service” would be required by most of the units in SEZ; hence it may be included in the default list of services for all the units. As regards the “Servicing of Motor Vehicles”, the Committee decided not to approve this service as it would not be availed inside SEZ. Regarding service of “Goods Transport Services”, it was pointed out that it was already covered under the approved default list of services.

31.5.2 M/S. FIRMENICH AROMATICS PRODUCTION (I) LTD.:

Shri Sanjay Kalyankar from M/s. Firmenich Aromatics Production (I) Ltd. appeared before the Approval Committee. He submitted the following:

- (i) Unit would like to manufacture additional products at their site, as per list attached with their request letter. The unit confirmed that they were not doing any additional investment to manufacture these new products and also not increasing environment load. On the basis of the above, he requested to give them permission to manufacture the additional items by necessary amendment in the LoA.
- (ii) They intend to avail the service of “Transport of Goods other than water, through pipeline and other conduit service” for their authorized operations.

Observations/Clarifications of the Committee :

- (i) It was observed by the Committee that the full code of 8 digit should be given by the unit for all the additional items they intend to manufacture. The proposal of the unit was approved subject to the condition that the unit would submit the new list with proper code.
- (ii) The service of “Transport of Goods other than water, through pipeline and other conduit service” was approved as default service.



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31.5.3 DEFAULT LIST OF SERVICES:

The Approval Committee noted that the default lists of services had been sent to M/s. The Saraswati Industrial Syndicate Ltd., M/s. Torrent Pharmaceuticals(Dahej), M/s. Hindustan M-I Swaco Ltd., M/s. Sarju Impex Ltd., M/s. Sigachi Cellulos Pvt. Ltd., M/s. Indofil Industries Ltd.(Dahej SEZ Unit).

31.5.4 Dahej SEZ Ltd

M/s Dahej SEZ ltd (Developer) submitted an additional list of goods required for their authorized operations in Dahej SEZ. The list contained 23 items.

Observations/Clarifications of the Committee :

After detailed deliberation the list was approved except for following items:

1. Tea Premix
2. Stationary items

The meeting ended with thanks to all concerned.



(Pravir Kumar)
Chairman of Approval Committee,
& Development Commissioner,
Dahej Special Economic Zone.