

Minutes of the 36th meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 01-02-2012, at 11:30 hours under the Chairmanship of Shri Pravir Kumar (IAS), Development Commissioner, Dahej Special Economic Zone, in the DC Office, Dahej SEZ, Ahmedabad.

List of Participants is annexed as Annexure-A.

36.1 Confirmation of minutes of 35th Meeting :

As no comments/observations on the draft minutes of the 35th meeting of the Approval Committee of the Dahej SEZ held on 29/12/2011, were received from any member, the same were confirmed.

36.2 Report on actions taken on decision of the 35th Meeting of the Committee.

Letters were issued to:

1. M/s. Fermenta Biotech Ltd. regarding addition of new item & amendment of production capacity of existing items of manufacture.
2. M/s. ISGEC Heavy Engineering Ltd. regarding (i) Job work of DTA units and (ii) Addition of new items in authorized operations.
3. M/s. ONGC Petro Additions Ltd. (OPaL) regarding captive power plant.

Consideration of applications under SEZ Rules, 2006.

36.3 FRESH CASES :

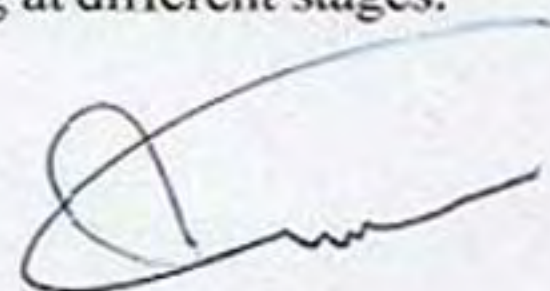
36.3.1 M/S.INDOFIL INDUSTRIES LTD.

Representative from M/s. Indofil Industries Ltd. did not attend the meeting hence the matter was deferred.

36.3.2 M/S.ANUSHAKTI SPECIALTIES LLP

Shri Kirit Mehta, Director and Shri K.K.S. Babu of M/s. Anushakti Specialties LLP appeared before the Approval Committee for interview and put forth the following points:

- M/s. Anushakti Specialties LLP is a Limited Liability Partnership between M/s. Aarti Industries Ltd. and M/s. Aarti Healthcare Ltd.
- M/s. Aarti Industries Ltd. is a leading manufacturer of Specialty Chemicals with diversified end-uses into Pharmaceuticals, Agrochemicals, Polymer Additives, Surfactants, Pigments, Dyes etc.
- M/s. Anushakti Chemicals & Drugs Ltd. was set up in the year 2002-03 with manufacturing unit located at Bhachau, Katch, Gujarat. Under a scheme of arrangement, the manufacturing activity of Anushakti got merged into M/s. Aarti Healthcare Ltd. w.e.f. 01.07.2010.
- There are some Central Excise, Service Tax, Income Tax and Sales Tax cases on both the above mentioned companies. These matters are related to interpretation of Law and Rules; and the cases are pending at different stages.



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Observations/Clarifications of the Committee :

After detailed deliberations, the Approval Committee observed there are many Central Excise, Service Tax, Income Tax and Sales Tax cases against both the companies. Further, the list of cases submitted was not proper and there were some mistakes. The Committee advised the unit to submit the correct details and all documents /factual data in respect of Central Excise, Service Tax, Income Tax and Sales Tax cases to the concerned Central Excise as well as Income Tax Department for scrutiny purpose, under intimation to DC office. The proposal of the unit was **deferred** by the Approval Committee.

36.4 DEFERRED CASES : NIL

36.5 OTHER CASES:

36.5.1 M/S.PANAMA PETROCHEM LTD.

Shri P.V. Nikam, General Manager of M/s. Panama Petrochem Ltd. appeared before the Approval Committee for interview and put forth following points:

- Their request was for permission to import petroleum feeds as Gas Oils from international market.
- All PSUs were falling short of supply of Gas Oils.
- The ITC code of the product is 27101930.
- Gas Oils would be used for manufacturing of various derivatives as per LOA and would not be sold into DTA.

Observations/Clarifications of the Committee :

After detailed deliberation, the Approval Committee **approved** the proposal of the unit, subject to the condition that the unit submits undertaking that raw material i.e. petroleum feeds as Gas oil, would only be used in the authorized operations approved in LOA and the raw material would not be sold in DTA.

36.5.2 M/S.MEGHMANI INDUSTRIES LTD.

Shri Manohar Malheshwari of M/s. Meghmani Industries Ltd. appeared before the Approval Committee and put forth the following points:

- Unit has received an order of 96 KL of Propanil Formulation from M/s. Goodwill Fareast Co. Hongkong. The final product needs to be packed in one liter bottles and ten such bottles need to be packed in one corrugated box. As a sales and business promotion measure, the customer had requested them to put one T-shirt in each of such box carrying ten bottles.



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- The promotional material (T-Shirt) would be supplied by their customer and the same would be packed at the time of packing of the material meant for export. The customer would bear the cost and M/s Meghmani Industries Ltd. would not avail any tax benefit on the promotional material.

Observations/Clarifications of the Committee :

After detailed deliberation, the Approval Committee observed that the promotional material (T-Shirt) is to be supplied by the foreign customer through local supplier and the Local supplier may take benefits of export. Therefore, the proposal of the unit was **approved** by the Approval Committee subject to the condition that M/s. Meghmani Industries Ltd. would add the notional value of the promotional material (T-Shirt) in the NFE earnings calculations.

36.5.3 M/S.FERMENTA BIOTECH LTD.

Shri Amit Athavle, Asstt. G.M. of M/s. Fermenta Biotech Ltd. appeared before the Approval Committee and put forth the following points:

- Fermenta Biotech Ltd. (FBL) was issued the LOA for manufacture of Vitamin D3 and other products. The key starting material for manufacturing of Vitamin D3 is Cholesterol which is currently imported by them from overseas suppliers.
- They have initiated the backward integration of development of Cholesterol successfully and are now planning to scale-up this process at Dahej plant by taking four trial batches. The input required for these plan trials would be procured without availing any fiscal benefits available under SEZ Rules and the Cholesterol obtained from trial batches would be consumed in manufacturing of Vitamin D3 at their Dahej plant only. This would result in considerable savings in foreign exchange outflow.
- No further capital investment is required for this one time trial run.
- Based on this plant level result of Cholesterol manufacturing process, they will take commercial decision about establishment of new plant.

Observations/Clarifications of the Committee :

After detailed deliberation, the proposal of the unit was **approved** by the Approval Committee as the proposal would result in saving of foreign exchange.



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36.5.4 M/S.TORRENT ENERGY LTD.

Shri N.R. Waghela, G.M. (T) of M/s. Torrent Energy Ltd. appeared before the Approval Committee and put forth following points:

- M/s. Torrent Energy Ltd.(TEL) has submitted an additional lists of goods required for their authorized operations vide letter dated 27.12.2011 and 28.01.2012.
- Both the lists were certified by the Chartered Engineer.
- All the materials mentioned in both the lists would be procured indigenously and no material would be imported.

Observations/Clarifications of the Committee :

As both the lists of materials were required for authorized operations, after deliberations, the proposal was approved by the Approval Committee.

36.5.5 M/S.DAHEJ SEZ LTD.

Shri Hitesh Jadav, Asstt. Manager of M/s.Dahej SEZ Ltd., appeared before the Approval Committee and put forth following points:

(i) Regarding approval for additional list of goods required for authorized operations:

- The list contains the civil materials for construction of
(A) Administrative Building with other infrastructure work for Dahej SEZ Part-I and Part-II
(B) Under Ground SUMP and Pump House of 40 Lakh liters capacity.
- The list was certified by the Chartered Engineer.

(ii) Regarding submission of Quarterly Progress Report:

- The Quarterly Progress Report was for the period from October-2011 to December-2011.
- During the quarter material worth ₹ 5,86,176.00 was procured and all the material was consumed during the quarter. At the end of the quarter i.e. on 31.12.2011, material worth ₹ 41,25,272.50 remained as balance.



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Observations/Clarifications of the Committee :

After detailed deliberations, the Approval Committee approved the list of materials required for authorized operations took note of the Quarterly Progress Report.

36.5.6 M/S.GUJARAT STATE PETRONET LTD.

M/s. Gujarat State Petronet Ltd. submitted Quarterly progress report for the quarter October-11 to December-11.

The Approval Committee took a note for the same.



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

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Annexure-A

List of Participants in the 36th meeting of the Approval Committee:-

The following were Present:-

01.	Shri Pravir Kumar(IAS), Development Commissioner, Dahej Special Economic Zone.	Chairman
02.	Shri S. N. Patil Joint Development Commissioner, Dahej Special Economic Zone : Nominee of Ministry of Commerce & Industry, Department of Commerce.	Member
03.	Shri B.P. Bunker, Joint DGFT, Vadodara (Through Video Conference)	Member
04.	Shri C.N. Patel, Dy. Commissioner of Central Excise & Customs, Div. Bharuch.	Member
05.	Shri D.R. Patel, Nominee of District Industries Centre, Bharuch.	Member
06.	Shri G.N. Patel, Scientific Officer, Gujarat Pollution Control Board, Bharuch.	Member
07.	Shri Hitesh Jadav, Asst. Manager – Dahej SEZ Ltd. (Developer)	Special Invitee

Absent:-

01.	Director (Banking), Ministry of Finance, Banking Division, Government of India.
02.	Commissioner of Income-Tax
03.	Collector, Collector Office, Bharuch