

Minutes of the 42<sup>nd</sup> meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 04-09-2012, at 15:30 hours under the Chairmanship of Shri S.N. PATIL, Development Commissioner(I/C), Dahej Special Economic Zone, in the Dahej Special Economic Zone, Dahej, Ta.Vagra, Dist.Bharuch.

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List of Participants is annexed as Annexure-A.

#### **42.1 Confirmation of minutes of 41<sup>st</sup> Meeting :**

As no comments/observations on the draft minutes of the 41<sup>st</sup> meeting of the Approval Committee of the Dahej SEZ held on 27/07/2012, were received from any member, the same were confirmed.

#### **42.2 Report on actions taken on decision of the 41<sup>st</sup> Meeting of the Committee.**

Following actions were taken:

Letters were issued to:

1. M/s.Meghmani Industries Ltd. –Letter send to BoA for further necessary action.
2. M/s.Chemetall Lithium India Pvt. Ltd. – reg. change of name.
3. M/s.Torrent Energy Ltd. – reg. approval of additional lists of goods.

#### **Consideration of applications under SEZ Rules, 2006.**

#### **42.3 FRESH CASES :**

##### **42.3.1 M/S.BABAJI SHIVRAM CLEARING & CARRIERS PVT. LTD.**

Shri Abdul J. Qureshi and Shri Mukesh Vastawat of M/s.Babaji Shivram Clearing & Carriers Pvt. Ltd.(M/s.Babaji) appeared before the Approval Committee for interview and put forth following points:

- (i) M/s.Babaji is Mumbai based logistics company with an international presence.
- (ii) The company is ISO 9000:2008 & OHSAS 18001:2007 accredited and a turnover of US\$ 66.67 Million (2010-11).
- (iii) The company has strong network across the globe with presence in Singapore & strategic tie ups at key locations.
- (iv) The company has 15 warehouses at strategic locations in India with proximity to the ports and business centers.
- (v) Company's main activity in Dahej SEZ would be to provide service of warehousing and its supporting activities to their clients.
- (vi) NFE earning would be ₹ 280.53 Lac in period of five years.
- (vii) There is no case of any type viz. Central Excise, Customs, Income-tax etc. against the company or its directors.

#### **Observations/Clarifications of the Committee :**

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The company's main objective is to provide warehousing service to its clients. Therefore after detailed deliberation the committee **approved** the proposal to provide Warehousing service by the company subject to standard terms and conditions.

#### **42.4 DEFERRED CASES :**

##### **42.4.1 M/S.MEGHMANI INDUSTRIES LTD.**

As the proposal of M/s. Meghmani Industries Ltd. was forwarded to the Board of Approval meeting for necessary permission/approval.

#### **42.5 OTHER CASES :**

##### **42.5.1 M/S.FIRMENICH AROMATICS PRODUCTION (I) PVT. LTD.**

Shri Sanjay Kalyankar, of M/s.Fernas Aromatics Production (I) Pvt. Ltd. appeared before the Approval Committee for interview and put forth following points:

- (i) Regarding process changes of certain items, it was stated that the final products would be same as approved under authorized operations. Only the raw material and its proportion would be changed in six items. Detailed list of raw materials to be used and process chart were submitted.
- (ii) There is a change in Board of Directors and the company submitted Form No.32 showing change of Directors of the company.
- (iii) (a.) For the hardware maintenance (computer /any electronic item) it was stated that as the company is multinational and as they have global contract with vendor the replacement component is first couriered to them and then the damaged component is sent to the vendor by them.  
(b.) They have to declare a nominal value, pay duty and then send out waste material to GPCB authorized Hazardous Waste Treatment Storage and Disposal facility. They did not earning from the said disposal. Even though they have to declare nominal value and pay the duty.
- (iv) Sometimes as per global demand, the company has to export Crude form of finished goods and different Isomers of their products listed in the approved list of products.
- (v) It is requested to give necessary permission for Research and Development facility in their Dahej SEZ unit for flavor and fragrance products. The facility would be used for, developing routes for new molecules identified by their basic research team in Switzerland; optimizing routes for existing molecules being manufactured at various sites; troubleshooting of products and piloting as an intermediate scale between lab scale and commercial scale. The additional investment would be ₹ 32 Crores and direct employment would be 30 persons and indirect employment would be 20 persons for the said R&D facility. NFE would be negative as the products manufactured by the R&D has no commercial value and the same may be sent back to their main plant in Switzerland. This would effect marginal decrease in their total NFE earnings in Dahej SEZ unit .

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**Observations/Clarifications of the Committee :**

- (i) As the final products remains as the same, the Committee approves the process change of six products.
- (ii) The committee approved the change in Board of Directors of the company.
- (iii) (a.) As the matter pertains to Customs, committee decided that the suitable instructions in this regard should be issued to the Specified Officer in Customs office at Dahej SEZ.  
(b.) The committee is of opinion that if it was the procedure of Customs as prescribed under Customs Act, then the unit must have to follow the same. However, the committee advised the DC office to explore with other units for their procedure.
- (iv) As the Crude/Isomers are intermediates of final products, the committee approved the proposal subject to fulfillment of SEZ Act, 2005 and SEZ Rules, 2006 and other standard terms and conditions.
- (v) The committee approved the request of the unit to establish the Research and Developing facility in Dahej SEZ with a condition that the said facility would be for the products of flavor and fragrance only and subject to fulfillment of SEZ Act, 2005 and SEZ Rules, 2006 and other standard terms and conditions. It was directed to unit that if any of the raw material is hazardous or restricted nature unit should follow all the regulations and obtain necessary permissions required as per law.

**42.5.2 M/S. TORRENT ENERGY LTD.**

Shri Nilesh Khatri and Shri Narayan Joshi of M/s.Torrent Energy Ltd.(TEL) appeared before the Approval Committee for interview and put forth following points:

- M/s.Torrent Energy Ltd. submitted the additional list of goods vide letter dated 21.08.2012. The list contains various goods to be procured by the company for the purpose of (i) Construction of building in processing area, (ii) Landscaping and water bodies and (iii) Telecom and other communication facilities including internet connectivity for them.

**Observations/Clarifications of the Committee :**

The Approval Committee observed that the goods mentioned in the list were certified by the Chartered Engineer and requires for the authorized operations of M/s.Torrent Energy Ltd. Hence the list is approved by the Approval Committee.

**42.5.3 M/S. SAPTHAGIRI HOSPITALITY PVT. LTD.**

M/s. Sapthagiri Hospitality Pvt. Ltd. submitted the Quarterly Progress Report vide letter No. SHPL/35/2012-13 dated 26.07.2012 for the quarter April-2012 to June-2012.

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M/s.Sapthagiri submitted that during the above period slab work is in progress.

The Approval Committee took a note of the same.

#### **42.5.4 M/S.TORRENT PHARMACEUTICALS (DAHEJ)**

Shri P.C. Gandhi and Shri Ketan Joshi, of M/s.Torrent Pharmaceuticals (Dahej) appeared before the Approval Committee for interview and put forth following points:

- The unit requested for change of entrepreneur from M/s. Torrent Pharmaceuticals(Dahej) to M/s. Torrent Pharmaceuticals Ltd.
- The existing M/s. Torrent Pharmaceuticals (Dahej) is a partnership firm in which M/s. Torrent Pharmaceuticals Ltd. has 97% of share as a partner. Now the other partner i.e. Torrent Pharma Employees Welfare Trust with 3% share intends to retire from M/s.Torrent Pharmaceuticals(Dahej).
- M/s. Torrent Pharmaceuticals Ltd. will take over all the assets and liabilities of M/s. Torrent Pharmaceuticals (Dahej).

#### **Observations/Clarifications of the Committee :**

After detailed deliberation, the Approval Committee approved the change of entrepreneur from M/s. Torrent Pharmaceuticals(Dahej) to M/s. Torrent Pharmaceuticals Ltd. with a direction to the unit to file new Bond-cum-LUT in the name of M/s. Torrent Pharmaceuticals Ltd. and subject to other standard terms and conditions.

#### **42.5.5 DEFAULT LIST OF SERVICES:**

As per Circular No.161/12/2012-ST dated 06.07.2012 issued from F.No.341/21/2012-TRU by the CBEC, Dept. of Revenue, Min. of Finance, Govt. of India, negative list based comprehensive approach to taxation of services came into effect from the first day of July, 2012 was released. As per this circular, for payment of service tax under the new approach, a new Minor Head – “All taxable Services” has been allotted under the Major Head “0044-Service Tax”. Tax collection code for “all taxable services” from 01.07.2012 was “00441089”.

Therefore, default list of services needs to be revised as mentioned above. The committee approved that “All taxable services” not covered under the negative list would be covered under the default list of services.



(S.N. PATIL)  
Chairman of Approval Committee  
& Development Commissioner(I/C)  
Dahej Special Economic Zone.



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**Annexure-A**

**List of Participants in the 38<sup>th</sup> meeting of the Approval Committee:-**

The following were Present:-

01.	Shri S.N. Patil, Development Commissioner (I/C), Dahej Special Economic Zone.	Chairman
02.	Shri Prakash Chander, Superintendent, Nominee of Central Excise & Customs, Div.Bharuch.	Member
03.	Shri Manojkumar Gajre, Dy.Collector & DSO, Nominee Collector Office, Bharuch.	Member
04.	Shri D.R. Patel, Nominee of District Industries Centre, Bharuch.	Member
05.	Shri Niraj Shah, Manager(Infra), Dahej SEZ Ltd. (Developer)	Special Invitee

Absent:-

01.	Nominee of Ministry of Commerce & Industry, Department of Commerce.
02.	Director (Banking), Ministry of Finance, Banking Division, Government of India.
03.	Commissioner of Income-Tax having territorial jurisdiction over the SEZ or his nominee not below the rank of Joint Commissioner.
04.	Director General of Foreign Trade, Vadodara.
05.	Member of Gujarat Pollution Control Board.