



O/O DC, DAHEJ - SEZ,
AHMEDABAD.

AGENDA FOR 11TH (ELEVENTH) MEETING OF APPROVAL COMMITTEE FOR DAHEJ – SEZ TO BE HELD ON, FRIDAY, 18TH SEPTEMBER, 2009 AT 15:00 HOURS IN THE CONFERENCE ROOM OF OPAL, (FOURTH FLOOR), VCCI COMPLEX, OPP. FIRE STATION, MAKARPURA, VADODARA.

A. Fresh Cases for unit in Dahej – SEZ

Sr. No.	Name of the Applicant	Item of Manufacture / Service Activity
01.	M/s. Chemetall Lithium India Pvt. Ltd.	Fine Chemicals-n-Butyllithium
02.	M/s. DIC Fine Chemicals Pvt. Ltd.	Request for Approval of the Services for exemption by the way of refund of Service Tax paid used in relation to Authorized Operations in SEZ (in terms of Noti. No. 09/2009-Service Tax dated 03.03.2009 & 15/2009-Service Tax dated 20.05.2009)

B. Deferred Cases :-

Sr. No.	Name of the Applicant	Item of Manufacture / Service Activity
01.	M/s. Tiong Woon Project & Contracting (India) Ltd., Ahmedabad.	Service activity relating to supply of Heavy Lifting, Erection, Installation and Commissioning
02.	M/s. Torrent Pharmaceuticals Ltd. , Ahmedabad.	Request of the Unit for Inclusion of Additional product in letter of Approval , in terms of Rule 19 of the SEZ Rule , 2006.

NOTE FOR 11TH MEETING OF APPROVAL COMMITTEE FOR DAHEJ SEZ.

FRESH CASES :-

CASE NO. A – 01.

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

Agenda Note is enclosed herewith. (Annexure – I)

CASE NO. A – 02.

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

M/s. DIC Fine Chemicals Pvt. Ltd. , an Unit in Dahej SEZ vide their Letter dated 04.05.2009 has requested for Approval of Taxable Services consumed partially or wholly outside SEZ for claiming the refund of the same. The list of Taxable Services are as under.

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. Leased Circuit Services
16. Cargo handling
17. Technical Testing & Analysis
18. Maintenance & Repair Services
19. Commission & Installation Services
20. Transport of Goods by Road
21. Transport of Goods by Air Services
22. Construction Services
23. Dredging Services
24. Business Support Services
25. Intellectual Property Right Services
26. Packing Services
27. Business Auxiliary Services

Of the above list of taxable Services , the three Services namely (1). Leased Circuit Services (2). Construction Services & (3). Intellectual Property Right Services are not covered by the Default list of services approved by the Approval Committee of Dahej SEZ which may be considered for Approval by the Approval Committee , in terms of Notification No. 09/2009 – Service Tax dated 03.03.2009 as amended by Notification No. 15/2009 – Service Tax dated 20.05.2009.

DEFERRED CASES :-

1. M/S. TORRENT PHARMACEUTICALS LTD.

M/S. TORRENT PHARMACEUTICALS LTD. 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.

Now , M/S. TORRENT PHARMACEUTICALS LTD. vide their letter dated 31.07.2009 has requested for addition to the Authorized Operation i.e. inclusion of the Pharmaceutical Products – Tablets falling under Ch. 30 of ITC (HS) in the Letter of Approval issued to them. This would enable the Active Pharmaceutical Ingredients (API) to be captively consumed within the Unit itself & produced the Value added items resulting into Higher export & Foreign exchange earnings. The Applicant had originally proposed to manufacture the Pharmaceuticals formulations , mainly for export , at other plants of the Company by using the API produced at this Unit at SEZ but subsequently the Applicant realized that setting up of formulation plant at this location , a forward integration plan will help the Company to avoid transferring API to other SEZ or to the DTA for conversion into finished dosage forms besides cost advantage with common infrastructure.

The Applicant has furnished the details such as Project Report showing the Product Details , Cost of Project & Financial Analysis. The cost of the Project for setting up manufacturing facilities for Pharmaceuticals Products - Tablets falling under Ch. 30 of ITC (HS) would be 197 Crores.

The request of the Unit was put up for consideration by the Approval Committee during its 10th Meeting. Shri S.B. Namjoshi , Vice President – Project of the Applicant appeared before the Approval Committee & explained about the Broadbanding of LOA i.e. inclusion of Pharmaceutical Products – Tablets falling under Ch. 30 of ITC (HS). The Approval Committee directed the Applicant to submit fresh NFE calculation earning with respect to their request of Broadbanding of LOA.

The request of the Unit is put up for consideration by the Approval Committee in terms of Rule 19 (2) of the SEZ Rule , 2006.

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

The proposal of M/S. TIONG WOON PROJECT & CONSTRUCTING (INDIA) LTD., Ahmedabad, is for setting up a new unit in the Dahej-SEZ for service activity i.e. supply of Heavy Lifting, Erection, Installation and Commissioning to SEZ Units. They 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 10,000 Sq. Mtrs. in the processing zone of Dahej SEZ for the proposed project in Dahej SEZ for setting up of unit.

The proposal was taken up for deliberation by the Approval Committee during its last meeting on 27.08.2009. Shri G. Maran , Director of the Applicant appeared before the Approval Committee & explained about their proposal of setting up Unit in Dahej SEZ. On being asked regarding the viability of their proposed project & achievement of NFE , the Applicant could not explain the same to the Approval Committee. The Approval Committee directed the Applicant to submit concrete proposal regarding the operation / objectives of their proposed Unit in Dahej SEZ. Hence the case was deferred for the next meeting. The proposal is put up for consideration by the Approval Committee in terms of Rule 18 of SEZ Rule , 2006.