



Government of India
Ministry of Commerce & Industry
Department of Commerce
Office of the Development Commissioner
Indore Special Economic Zone
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F. No. D-3/ISEZ/2006-07/ 507

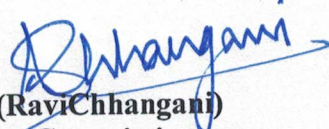
Dated: 04.09.2023
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OFFICE MEMORANDUM

Sub: Forwarding of Minutes of the Second Meeting (2023-24 series) of the Approval Committee for Indore SEZ held on 29.08.2023 – Reg.

The undersigned is directed to forward the Minutes of the Second Meeting (2023-24 series) of the Approval Committee, Indore SEZ held on 29.08.2023, duly authenticated, for your kind perusal and further action to implement the decisions of the Approval Committee.

Encl: As above


(Ravi Chhangani)

Asstt. Development Commissioner
For Development Commissioner

To:

1. The Commissioner, Indore Division, Moti Bungalow, Indore (Member representing Govt. of Madhya Pradesh).
2. The Managing Director, MPIDC, CedmapBhawan, 16-A, Jail Road, Arera Hills Bhopal (Member representing Govt. of Madhya Pradesh).
3. The Commissioner, Customs, Office of the Commissioner of Customs, B-Zone, Business Space, 3rd Floor, 12/27 & 12/28 Village Pipliakumar, Nipania, Indore-452010 (M.P.) (Member representing Deptt. of Revenue, Govt. of India).
4. The Commissioner of Income Tax (CIT-I), Office of the Chief Commissioner of Income Tax, AayakarBhawanAnnexe, Opp. White Church, Indore-1 (Member representing Deptt. of Revenue, Govt. of India).
5. The Joint Director General of Foreign Trade, NirmanSadan, Arera Hills, Hoshangabad Road, Bhopal (Member).
6. The Executive Director, MPIDC Regional Office, 1st Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road, Indore (Special Invitee).
7. The Dy. Secretary to the Govt. of India, Ministry of Commerce & Industry, Deptt. of Commerce, SEZ, Vanijya Bhawan, New Delhi (Member).
8. The Dy. Secretary (IF-I), Ministry of Finance, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi (Member).
9. The Specified Officer, Indore SEZ (Special Invitee).

INDORE SPECIAL ECONOMIC ZONE

Minutes of the Approval Committee

Meeting No. 02 (2023- 24 series) held on 29.08.2023

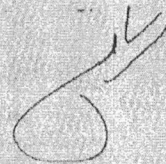
The meeting of the Approval Committee constituted by the Govt. of India vide Notification dated 07.02.2007 was held via video conferencing at 3:00 p.m. on 29.08.2023 in the Office of the Development Commissioner, Indore SEZ, Indore. Shri Suvindh Shah, Development Commissioner, Indore SEZ, chaired the meeting. Shri Harkesh Meena, Asstt. Commissioner, Customs, Indore (representing the Commissioner, Customs, Indore), Shri Dinesh Srivastava, Asstt. Commissioner, Income Tax (representing the Commissioner, Income Tax, Indore), Smt. Hema, Asstt. DGFT, Indore (representing the Joint Director General of Foreign Trade, Bhopal) and Shri Pawan Vijawargiya, Manager, MPIDC Ltd., Regional Office, Indore (representing the Managing Director, MPIDC Ltd., Bhopal) participated in the meeting.

2. Shri Santosh Kumar, Specified Officer (Customs), Indore SEZ assisted the Committee in its deliberations. Shri Ravi Chhangani, ADC (Projects) presented the proposal before the Committee.

The following proposals were placed before the Approval Committee:

Main Agenda:

- A. Ratification of the Minutes of the First Meeting of 2023-24 series.
- B. Proposal received from new unit(s):-
M/s Panchsheel Organics Ltd., B-6 and B-7, Sector C, Industrial Area, Sanwer Road, Indore - 452 015.
- C. Proposal received from/concerning existing unit(s):-
 1. M/s Glenmark Pharmaceuticals Ltd., Plot No. 2, SEZ Phase II, Sector 3, Pithampur - 454 775, Distt. Dhar.
 2. M/s Kanishka Organics LLP, Plot No. M-10, SEZ Phase II, Indore SEZ, Sector 3, Pithampur, Distt. Dhar (M.P.) - 454 775.
- D. Proposal(s) received from Developer of the Zone:-
Madhya Pradesh Industrial Development Corporation (MPIDC) Ltd., Regional Office, Indore, 1st Floor, Atulya IT Park, Near Crystal IT Park, Khandwa Road, Indore.
- E. Any other proposal, if received.



Proposal wise decisions taken are as under: -

- A. **Ratification of the Minutes of the First Meeting** – It was informed that no reference suggesting any amendment in the decisions of the Approval Committee Meeting held on 25.04.2023 was received and hence, the Minutes of the First Meeting (2023-24 series) were ratified.
- B. **Proposal received from new unit(s):-**

M/s Panchsheel Organics Ltd.- Approved. The Committee deliberated in detail on the contents of the Agenda. The unit was represented by Shri Deepak Shah, General Manager, who explained the proposal to the Committee. The representative informed that the Company is an ISO 9001:2008 Certified GMP approved public listed Company (with listing on BSE) and is engaged in manufacturing and export of Active Pharmaceutical Ingredients (APIs), Intermediates & Finished formulations (both human & veterinary) with a wide experience of more than three decades in the healthcare field. The representative stated that the Company's multipurpose API manufacturing unit is located at Sanwer Road Industrial Area, Indore, with another plant located in Pantosaheeb, Himachal Pradesh and two more units in the name of M/s Suneeta Chemicals and M/s Paramount Organics at Sanwer Road Industrial Area, Indore. The representative further informed that the Company also undertakes custom synthesis and contract manufacturing activities for APIs, Drug Intermediates and finished formulations as per clients' requirement which includes companies like IPCA Laboratories, Nicholas Piramal, Macleods, Swiss Garnier, Abbott, Zyclus, Ajanta Pharma Limited, Intas Pharmaceuticals Limited etc. The Company has a wide range of product division viz. API & Intermediates, Steroids and Hormones, Veterinary products, Nutraceuticals, OTC products, Micro pellets etc. The Company has reported revenue generation of Rs. 69.12 crores in FY 22 with estimated revenue of Rs. 91.67 crores in FY 23. With regard to the instant project, the representative intimated that they have selected plot No. 66 & 67 in SEZ Phase I having an area admeasuring 2000 sq.mtrs. and propose to do manufacturing / contract manufacturing activities initially for the Pharmaceutical units present within the SEZ with subsequent plans to export to various countries. The proposed export sales from the project is estimated as Rs. 6790.46 lacs with NFE earnings of Rs. 1549.11 lacs over five year period. The total project cost is Rs. 650.00 lacs and the project is proposed to be financed through internal accruals of Rs. 550.00 lacs and unsecured loan from group Company of Rs. 100.00 lacs. The representative stated that the proposed plots meets all their requirement for setting up the manufacturing unit and they are in discussion with the previous lessee, M/s Kals Tex Pvt. Ltd. for purchase of the building constructed thereon. The representative informed that the estimated time to complete the project would be around 18-24 months and employment generation would be around 40-50 persons. The representative of the Developer present in the meeting stated that the aforementioned plots in SEZ Phase-I were allotted to M/s Kals Tex Pvt. Ltd. which was granted final exit from DC office and that if any unit applies for lease transfer of these plots by presenting copy of registered sale deed of assets situated therein, the lease hold rights can be transferred in favour of purchaser in accordance with MP Industrial Land & Building Management Rules, 2019. Accordingly, after deliberations, the Approval Committee



approved the proposal for setting up of a new unit for "Manufacturing / Contract Manufacturing of Particle size reduction / Micronization repacking / Relabeling / Purification Palettization facility for API bulk drugs, Pharma products, Food Additives, Feed Additives, Pharmaceutical Exipients, Enzymes, Probiotic, Liquid and Powder, Textile Additives, Leather Additives (ITC(HS) code 29413090 & SAC code 998842)" in terms of Rule 18 read with Rule 17 of SEZ Rules, 2006.

C. Proposal received from/concerning existing unit(s):-

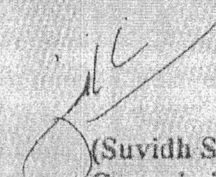
1. M/s Glenmark Pharmaceuticals Ltd.- Request for enhancement in annual production capacity of the approved item of manufacture – Approved. The Committee deliberated in detail on the contents of the Agenda. The unit was represented by Shri Swerjit Nair, Senior Manager, Accounts-Finance who explained the proposal to the Committee. The representative reiterated the submissions presented in the Agenda. After deliberations, the Committee approved the request of the unit to enhance the annual production capacity of the approved item of manufacture i.e. 'Semi Solid Products' (ITC HS - 30049099) from the presently approved 54000 kgs. to 216000 kgs. in terms of the provisions of Rule 19(2) of SEZ Rules, 2006.
2. M/s Kanishka Organics LLP- Renewal of LoA for next five years and in the event of closure of the approved activities at present, consideration of unit's request to give them some time to find a suitable and sustainable business plan to utilise the existing resources at hand - Approved. The Committee deliberated in detail on the contents of the Agenda. The Committee was informed that the unit is holding LoA dated 07.02.2017 for manufacturing of Flour and Meals of Soya Beans, Oil Cake and Oil Cake Meal of Soya Bean Expeller Variety, Solvent Extracted (Defatted) Variety, Chickpeas, Split lentils, Yellow peas, Pigeon peas, Mung beans and kidney beans. The unit is operational on plot No. M-10 in SEZ Phase-II, Pithampur and has requested for renewal of its LoA for a further period of five years beyond the present validity up to 29.04.2023. The unit was represented by Shri Rajul Sarda, Partner who informed that their business from SEZ commenced from 30.04.2018 and was doing well and their products were being exported mainly to the US market. The representative added that they have effected exports to the tune of Rs. 211 crores in the first five year block period with NFE generation of Rs. 112 crores. The exports subsequently declined from 2021-22 onwards due to the reason that the authorization to APEDA which is the regulating body for providing organic certifications for exports to US was revoked by the US government and it was made compulsory to get the certification from US agency directly which is very costly and not feasible, leading to downfall in exports to US. Further, the products have also lost the market and the unit is looking for multiple options for suitable products to be exported to other countries and wish to transform the unit to the most feasible plan. The representative stated that since they have made substantial capital expenditure in their unit in SEZ, they wish to find a suitable and sustainable business plan to utilize the existing resources at hand and therefore have requested to give them some time to revive the unit and also renew their LoA for continuing their operations. The Specified Officer, SEZ, Pithampur informed that as per records, no instance of violation of applicable statutes related to the functioning of the unit as well as no

case of default of statutory payment has been noticed. The Specified Officer further informed that the unit has stopped their production since one and half years and has filed the only APR of 2018-19 which have been tallied with customs record and no discrepancy were noticed. It is further reported that the data of import and export has been obtained from NSDL and the unit has achieved positive NFE. Accordingly, after deliberations, the Approval Committee directed the unit to file the APRs on the sezone portal and also with the Specified Officer of the Zone and decided that the DC office may renew the LoA of the unit initially for a further period of two years i.e. up to 29.09.2025 in terms of the provisions of Rule 19(6) of SEZ Rules, 2006 so as to enable the unit to execute a sustainable plan to revive their business, and the subsequent renewal request may be considered as per the performance of the unit.

D. Proposal received from Developer of the Zone:-

Madhya Pradesh Industrial Development Corporation (MPIDC) Ltd., Regional Office, Indore - Requisition for activity approval for Supply, Installation, Testing and Commissioning (SITC) of 132/33 KV Bus/Bay including one 132/33 KV, 63 MVA Power Transformer with associated equipments at Phase-II, SEZ Pithampur, Distt. Dhar (M.P.) by the Developer MPIDC Ltd., RO, Indore in terms of Rule 10 read with Rule 12 of SEZ Rules 2006 and DoC Instruction No. 50 dated 15.03.2010 - Approved - The Committee deliberated in detail on the contents of the Agenda. After deliberations, the Committee approved the request of the Developer, MPIDC Ltd., Regional Office, Indore, for duty free procurement of goods for the proposed activity i.e. Supply, Installation, Testing and Commissioning (SITC) of 132/33 KV Bus/Bay including one 132/33 KV, 63 MVA Power Transformer with associated equipments at Phase-II, SEZ Pithampur to meet the requirements of power load and uninterrupted power supply to SEZ units, as per the list of items certified by the Chartered Engineer, Chintan Kumar Patel, Indore and Asstt.Engineer, MPIDC Ltd., RO, Indore in terms of Rule 10, 12(2) & 22 of SEZ Rules 2006 read with Instruction No. 50 dated 15.03.2010 of the Department of Commerce. The Developer shall maintain a proper account of the import or procurement, consumption and utilization of goods and submit quarterly and half-yearly returns to the Development Commissioner in prescribed format in terms of the SEZ Rules, as amended.

E. Any other proposal, if received - Nil.


(Suvidh Shah)
Development Commissioner

SUVIDH SHAH, I.E.S.
Development Commissioner
Indore SEZ