

**MINUTES OF THE 82<sup>ND</sup> MEETING OF THE STATE LEVEL  
COMMITTEE (SLC) FOR CONSIDERATION OF CLAIMS  
UNDER THE TRANSPORT SUBSIDY SCHEME, 1971 HELD  
ON 8<sup>TH</sup> NOVEMBER, 2016 IN THE CONFERENCE ROOM,  
ADMINISTRATIVE BUILDING, LOWER LACHUMIERE, SHILLONG.**

**Members present : As per Annexure-I.**

The Addl. Chief Secretary, i/c Commerce & Industries Department & Chairman of the State Level Committee (SLC) welcomed all the members and asked the Director of Commerce & Industries & Member Secretary to initiate the discussion as per the Agenda Notes circulated. The Member Secretary informed the meeting that Agenda was circulated in advance vide letter No. M/Dind/Genl/107/2016/1 dt. 19.10.2016.

The Member Secretary then put up the claims as per the Agenda Notes which were deliberated and decisions taken as follows :

**(1) Subsidy claim of M/s Adhunik Cement Ltd. for the period from 01.07.2015 to 06.08.2015 (last claim) :** This is an integrated cement plant producing clinker and cement. It is located at Thangskai village, East Jaintia Hills District. It started commercial production on 07.08.2010. The above claim was submitted to the DC&IC on 10.12.2015 which is within 1 year from the date of incurring expenditure. The Committee thereafter, perused the Agenda Notes, examined and crosscheck the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and therefore decided to approve ₹10,98,71,933.00 based on the following facts :

- Quantity of products produced : Clinker – 98369.00 T, PPC – 53744.00 T & OPC – 32578.00 T
- Raw material purchased : Gypsum – 1717.330 T from Samdrup (Bhutan) and Fly Ash – 9209.440 T from Siuri (WB), Jamshedpur (Jharkhand) and Kahalgaon (West Bengal)
- Raw material utilized : Fly Ash – 10233.434 T brought from outside NER and Gypsum – 2517.495 T brought from outside NER
- Transport charges computed on the basis of actual utilization of raw material : Fly Ash - ₹12310924.00 and Gypsum - ₹3581993.00.
- Transport subsidy eligible on account of actual utilization of raw material purchased from outside the State : 90 % of ₹(12310924.00 + 3581993.00) = 90 % of ₹15892917.00 = ₹14303625.00
- Finished goods sold : Cement – 23748.300 T to outside NER, Clinker – 23569.410 T to outside NER and Cement – 45358.700 T to within NER
- Transport charges computed on sales of finished goods : Cement – ₹ 41077325.00 (outside NER), Clinker – ₹31806678.00 (outside NER) and Cement - ₹59945410 (within NER)

- Total transport subsidy eligible on sales of finished products : 90 % of ₹ 41077325.00 + 90 % of ₹31806678.00 + 50 % of ₹59945410.00 = ₹ 36969593.00 + ₹28626010.00 + ₹29972705.00 = ₹95568308.00
- Total subsidy eligible : ₹14303625.00 + ₹95568308.00 = ₹109871933.00

**(2) Subsidy claim of M/s RNB Cements (P) Ltd. for the period from 01.04.2015 to 30.06.2015 :** It is an integrated cement plant, producing cement and clinker and is located in the Umiam Industrial Area, Ri-Bhoi District. The claim was submitted to the DC&IC on 16.09.2015 which is within 1 year from the date of 1<sup>st</sup> expenditure. The Member Secretary informed the Committee that an amount of ₹1.57 crore is recoverable/outstanding against the unit as Central Excise Duty, which the Central Excise Authority requested to adjust from the amount receivable. The Member Secretary also informed that there is huge amount of term loan for recovery from the unit. Thereafter, the Committee thereafter, perused the Agenda Notes, examined and crosschecked the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and therefore decided to approve ₹81,76,986.00 based on the following facts :

- Quantity of products produced : Clinker – 27353.00 T and Cement – 19881.00 T
- Raw material purchased : Gypsum – 168.780 T from Samdrup (Bhutan) and Fly Ash – 2250.100 T from Kahalgaon (West Bengal)
- Raw material utilized : Fly Ash – 2343.350 T brought from outside NER and Gypsum – 184.00 T brought from outside NER.
- Transport charges computed on the basis of actual utilization of raw material : Fly Ash : ₹2090268.00 and Gypsum : ₹186760.00 (Actual transportation charges of Gypsum is ₹1000.00 per T which is less than the computed rate of ₹1015.00 per T)
- Transport subsidy eligible on account of actual utilization of raw material purchased from outside the State : 90 % of { ₹2090268.00 + ₹(184.00 x 1000.00) } = 90 % of ₹2274268.00 = ₹2046841.00
- Finished goods sold : Clinker – 1507.260 T to outside NER, Clinker – 2758.230 T to within NER and Cement – 10873.900 T to within NER
- Transport charges computed on sales of finished goods : Clinker - ₹ 1482209.00 (outside NER), Clinker – 946181.00 (within NER) and Cement - ₹ 8646132.00 (within NER)
- Total transport subsidy eligible on sales of finished products outside/within the NER : 90 % of ₹1482209.00 + 50 % of ₹946181.00 + 50 % of ₹ 8646132.00 = ₹1333988.00 + ₹473091.00 + ₹4323066.00 = ₹6130145.00
- Total subsidy eligible : ₹2046841.00 + ₹6130145.00 = ₹8176986.00

The Committee also decided to advise NEDFi, Guwahati, being the Nodal Agency for disbursement of subsidy, to equally apportion the amount receivable between the Bank who extended Term loan to the unit and the Central Excise

Authority. It also decided to advise the Central Excise Authority to follow-up with NEDFi from time to time since payment of subsidy may take 2-3 years from the date of approval by the SLC.

**(3) Subsidy claim of M/s W.K. Industries for the period from 01.10.2014 to 31.12.2014 :** This unit is located at Mawsmai village, Ri-Bhoi District. It manufactures paraffin candles. The claim was submitted to the DC&IC on 15.09.2015 which is within 1 year from the date of 1<sup>st</sup> expenditure. The Committee perused the Agenda Notes, examined and crosschecked the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and therefore decided to approve ₹531965.00 based on the following facts :

- Quantity of products produced during the claim period : Candles – 514.050 T
- Raw material purchased : Paraffin wax – 520.350 T from Digboi (Assam).
- Raw material actually consumed : Paraffin wax – 534.250 T. Limited to 524.330 T for calculation of subsidy taking 2 % as wastage
- Transport charges computed on the basis of actual utilization of raw material : ₹592702.00 for 534.250 T. Since the actual utilization of raw material is limited to 524.330 T only, the transport charges eligible is 524.330 T x ₹957.82 = ₹ 502214.00 { ₹957.82 is the amount actually paid for transportation of raw material which is less than the computed amount @ ₹1130.40 per tonne }
- Transport subsidy eligible : 90 % of ₹502214.00 = ₹451993.00
- Quantity of finished products (candles) sold : 359.00 T to within NER i.e. Tawang, Bomdila, Dirang and Tamenglong in Arunachal Pradesh
- Transport charges computed : ₹159943.00
- Transport subsidy eligible : 50 % of ₹159943.00 = ₹79972.00
- Total transport subsidy eligible : ₹451993.00 + ₹79972.00 = ₹531965.00

**(4) Subsidy claim of M/s W.K. Industries for the period from 01.01.2015 to 31.03.2015 :** The claim was submitted to the DC&IC on 15.09.2015 which is within 1 year from the date of 1<sup>st</sup> expenditure. The Committee perused the Agenda Notes, examined and crosschecked the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and therefore decided to approve ₹457213.00 based on the following facts :

- Quantity of products produced during the claim period : Candles – 436.202 T
- Raw material purchased : Paraffin wax – 451.200 T from Digboi (Assam).
- Raw material actually consumed : Paraffin wax – 445.500 T.
- Transport charges computed on the basis of actual utilization of raw material : ₹432313.00.
- Transport subsidy eligible : 90 % of ₹432313.00 = ₹389082.00
- Quantity of finished products (candles) sold : 303.00 T to within NER i.e. Tawang, Bomdila, Dirang and Tamenglong in Arunachal Pradesh and 12.50 T to Barauni, Bihar

- Transport charges computed : ₹136261.00 (within NER) and ₹0.00 (outside NER) since payment of transport charges was made by cash
- Transport subsidy eligible : 50 % of ₹136261.00 = ₹68131.00
- Total transport subsidy eligible : ₹389082.00 + ₹68131.00 = ₹457213.00

**(5) Subsidy claim of M/s W.K. Industries for the period from 01.04.2015 to 30.06.2015 :** The claim was submitted to the DC&IC on 25.11.2015 which is within 1 year from the date of 1<sup>st</sup> expenditure. The Committee perused the Agenda Notes, examined and crosschecked the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and therefore decided to approve ₹5,13,220.00 based on the following facts :

- Quantity of products produced during the claim period : Candles – 493.164 T
- Raw material purchased : Paraffin wax – 521.100 T from Digboi (Assam).
- Raw material actually consumed : Paraffin wax – 505.200 T.
- Transport charges computed on the basis of actual utilization of raw material : ₹490246.00.
- Transport subsidy eligible : 90 % of ₹490246.00 = ₹441221.00
- Quantity of finished products (candles) sold : 321.00 T to within NER i.e. Tawang, Bomdila, Dirang and Tamenglong in Arunachal Pradesh
- Transport charges computed : ₹143998.00 (within NER)
- Transport subsidy eligible : 50 % of ₹143998.00 = ₹71999.00
- Total transport subsidy eligible : ₹441221.00 + ₹71999.00 = ₹513220.00

**(6) Subsidy claim of M/s JUD Cements Ltd. for the period from 01.07.2011 to 30.09.2011 :** This is an integrated cement plant producing clinker and cement. It is located at Wahiajer village, Narpuh Elaka, East Jaintia Hills District. It started commercial production on 09.04.2009. The Member Secretary informed the Committee that an amount of ₹1.932 crore is recoverable/outstanding against the unit as Central Excise Duty/Service Tax, which the Central Excise Authority requested to adjust from the amount receivable. The Member Secretary also informed that there is huge amount of term loan for recovery from the unit. The member representing MeECL also requested for adjustment of the amount receivable against pending power dues. The above claim was submitted to the DC&IC on 22.12.2011 which is within 1 year from the date of incurring expenditure. The Member Secretary informed that this claim was earlier placed to the 68<sup>th</sup> SLC held on 17.12.2012, 70<sup>th</sup> SLC held on 12<sup>th</sup> & 13<sup>th</sup> September, 2013 and 77<sup>th</sup> SLC held on 29.06.2015 and in all the 3 (three) SLC's meeting, the claim was not cleared and kept for re-verification. The claim was accordingly re-verified by the Directorate of Commerce & Industries who found that the claim is in order. The Committee thereafter, perused the Agenda Notes, examined and crosschecked the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and therefore decided to approve ₹3,09,00,750.00 based on the following facts :

- Quantity of products produced : Clinker – 47327.00 T and Cement – 35408.00 T
- Raw material purchased : Gypsum – 208.510 T from Samdrup (Bhutan) and Fly Ash – 2297.92 T from Siuri (WB) and Dulianganga (WB)
- Raw material utilized : Fly Ash – 9577.00 T brought from outside NER and Gypsum – 433.50 T brought from outside NER
- Transport charges computed on the basis of actual utilization of raw material : Fly Ash - ₹10772977.00 and Gypsum - ₹507880.00
- Transport subsidy eligible on account of actual utilization of raw material purchased from outside the State : 90 % of ₹(10772977.00 + 507880.00) = 90 % of ₹11280857.00 = ₹10152771.00
- Finished goods sold : Cement – 6569.00 T to outside NER, Clinker – 5795.85 T to outside NER and Cement – 19962.35 T to within NER
- Transport charges computed on sales of finished goods : Cement – ₹ 7696109.00 (outside NER), Clinker – ₹6767119.00 (outside NER) and Cement - ₹15462148.00 (within NER)
- Total transport subsidy eligible on sales of finished products : 90 % of ₹ 7696109.00 + 90 % of ₹6767119.00 + 50 % of ₹15462148.00 = ₹6926498.00 + ₹6090407.00 + ₹7731074.00 = ₹20747979.00
- Total subsidy eligible : ₹10152771.00 + ₹20747979.00 = ₹30900750.00

**(7) Subsidy claim of M/s JUD Cements Ltd. for the period from 01.10.2011 to 31.12.2011 :** The above claim was submitted to the DC&IC on 20.03.2012 which is within 1 year from the date of incurring expenditure. The Member Secretary informed that this claim was earlier placed to the 70<sup>th</sup> SLC held on 12<sup>th</sup> & 13<sup>th</sup> September, 2013 and 77<sup>th</sup> SLC held on 29.06.2015 and in both the SLC's meeting, the claim was not cleared and kept for re-verification. The claim was accordingly re-verified by the Directorate of Commerce & Industries who found that the claim is in order. The Committee thereafter, perused the Agenda Notes, examined and crosschecked the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and therefore decided to approve ₹27357347.00 based on the following facts :

- Quantity of products produced : Clinker – 43730.00 T and Cement – 30386.600 T
- Raw material purchased : Gypsum – 275.06 T from Samdrup (Bhutan) and Fly Ash – 1635.51 T from Dulianganga (WB)
- Raw material utilized : Fly Ash – 6876.120 T brought from outside NER and Gypsum – 300.500 T brought from outside NER
- Transport charges computed on the basis of actual utilization of raw material : Fly Ash - ₹7522062.00 and Gypsum - ₹367785.00
- Transport subsidy eligible on account of actual utilization of raw material purchased from outside the State : 90 % of ₹(7522062.00 + 367785.00) = 90 % of ₹7889847.00 = ₹7100862.00

- Finished goods sold : Cement – 8666.55 00 T to outside NER, Clinker – 3370.060 T to outside NER, Clinker – 116.170 T to within NER and Cement – 18341.700 T to within NER
- Transport charges computed on sales of finished goods : Cement – ₹ 10607077.00 (outside NER), Clinker – ₹4124650.00 (outside NER), Clinker – 39962.00 to within NER and Cement - ₹13955901.00 (within NER)
- Total transport subsidy eligible on sales of finished products : 90 % of ₹ 10607077.00 + 90 % of ₹4124650.00 + 50 % of ₹39962.00 + 50 % of ₹ 13955901.00 = ₹546369.00 + ₹3712185.00 + ₹19981.00 + ₹6977950.00 = ₹ 20256485.00
- Total subsidy eligible : ₹7100862.00 + ₹20256485.00 = ₹27357347.00

***(8) Subsidy claim of M/s JUD Cements Ltd. for the period from 01.01.2012 to***

***31.01.2012*** : The above claim was submitted to the DC&IC on 07.06.2012 which is within 1 year from the date of incurring expenditure. The Member Secretary informed that this claim was earlier placed to the 70<sup>th</sup> SLC held on 12<sup>th</sup> & 13<sup>th</sup> September, 2013 and 77<sup>th</sup> SLC held on 29.06.2015 and in both the SLC's meeting, the claim was not cleared and kept for re-verification. The claim was accordingly re-verified by the Directorate of Commerce & Industries who found that the claim is in order. The Committee thereafter, perused the Agenda Notes, examined and crosschecked the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and therefore decided to approve ₹1,16,42,383.00 based on the following facts :

- Quantity of products produced : Clinker – 13970.00 T and Cement – 12099.00 T
- Raw material purchased : Gypsum – 66.840 T from Samdrup (Bhutan) and Fly Ash – 5411.210 T from Farakka (WB)
- Raw material utilized : Fly Ash – 4234.650 T brought from outside NER and Gypsum – 116.00 T brought from outside NER
- Transport charges computed on the basis of actual utilization of raw material : Fly Ash - ₹4632452.00 and Gypsum - ₹141973.00
- Transport subsidy eligible on account of actual utilization of raw material purchased from outside the State : 90 % of ₹(4632452.00 + 141973.00) = 90 % of ₹4774425.00 = ₹4296982.00
- Finished goods sold : Cement – 866.950 T to outside NER, Clinker – 4373.610 T to outside NER, Clinker – 377.700 T to within NER and Cement – 7117.450 T to within NER
- Transport charges computed on sales of finished goods : Cement – ₹ 1061067.00 (outside NER), Clinker – ₹5352904.00 (outside NER), Clinker – 129928.00 to within NER and Cement - ₹3015728.00 (within NER)
- Total transport subsidy eligible on sales of finished products : 90 % of ₹ 1061067.00 + 90 % of ₹5352904.00 + 50 % of ₹129928.00 + 50 % of ₹ 3015728.00 = ₹54960.00 + ₹4817613.00 + ₹64964.00 + ₹1507864.00 = ₹ 7345401.00

- Total subsidy eligible : ₹4296982.00 + ₹7345401.00 = ₹11642383.00

**(9) Subsidy claim of M/s JUD Cements Ltd. for the period from 01.02.2012 to 29.02.2012 :** The above claim was submitted to the DC&IC on 07.06.2012 which is within 1 year from the date of incurring expenditure. The Member Secretary informed that this claim was earlier placed to the 70<sup>th</sup> SLC held on 12<sup>th</sup> & 13<sup>th</sup> September, 2013 and 77<sup>th</sup> SLC held on 29.06.2015 and in both the SLC's meeting, the claim was not cleared and kept for re-verification. The claim was accordingly re-verified by the Directorate of Commerce & Industries who found that the claim is in order. The Committee thereafter, perused the Agenda Notes, examined and crosschecked the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and therefore decided to approve ₹1,53,02,178.00 based on the following facts :

- Quantity of products produced : Clinker – 21450.00 T and Cement – 13098.50 T
- Raw material purchased : Gypsum – 440.820 T from Samdrup (Bhutan) and Fly Ash – 5000.00 T from Farakka (WB)
- Raw material utilized : Fly Ash – 4584.475 T brought from outside NER and Gypsum – 190.500 T brought from outside NER
- Transport charges computed on the basis of actual utilization of raw material : Fly Ash - ₹5015140.00 and Gypsum - ₹233154.00
- Transport subsidy eligible on account of actual utilization of raw material purchased from outside the State : 90 % of ₹(5015140.00 + 233154.00) = 90 % of ₹5248294.00 = ₹4723464.00
- Finished goods sold : Cement – 3090.500 T to outside NER, Clinker – 2281.010 T to outside NER and Cement – 9683.100 T to within NER
- Transport charges computed on sales of finished goods : Cement – ₹ 3782493.00 (outside NER), Clinker – ₹2791750.00 (outside NER) and Cement - ₹9323793.00 (within NER)
- Total transport subsidy eligible on sales of finished products : 90 % of ₹ 3782493.00 + 90 % of ₹2791750.00 + 50 % of ₹9323793.00 = ₹3404243.00 + ₹2512575.00 + ₹4661896.00 = ₹10578714.00
- Total subsidy eligible : ₹4723464.00 + ₹10578714.00 = ₹15302178.00

**(10) Subsidy claim of M/s JUD Cements Ltd. for the period from 01.03.2012 to 31.03.2012 :** The above claim was submitted to the DC&IC on 07.06.2012 which is within 1 year from the date of incurring expenditure. The Member Secretary informed that this claim was earlier placed to the 70<sup>th</sup> SLC held on 12<sup>th</sup> & 13<sup>th</sup> September, 2013 and 77<sup>th</sup> SLC held on 29.06.2015 and in both the SLC's meeting, the claim was not cleared and kept for re-verification. The claim was accordingly re-verified by the Directorate of Commerce & Industries who found that the claim is in order. The Committee thereafter, perused the Agenda Notes, examined and crosschecked the claim and found that the unit is eligible for subsidy for the above claim period since the claim is in conformity with the prescribed checklist and

therefore decided to approve ₹1,44,05,341.00 based on the following facts :

- Quantity of products produced : Clinker – 12761.00 T and Cement – 18422.00 T
- Raw material purchased : Gypsum – 73.520 T from Samdrup (Bhutan) and Fly Ash – 19998.890 T from Farakka (WB)
- Raw material utilized : Fly Ash – 6447.770 T brought from outside NER and Gypsum – 115.500 T brought from outside NER
- Transport charges computed on the basis of actual utilization of raw material : Fly Ash - ₹7053472.00 and Gypsum - ₹141361.00
- Transport subsidy eligible on account of actual utilization of raw material purchased from outside the State : 90 % of ₹(7053472.00 + 141361.00) = 90 % of ₹7194833.00 = ₹6475349.00
- Finished goods sold : Cement – 4239.00 T to outside NER and Cement – 10349.40 T to within NER
- Transport charges computed on sales of finished goods : Cement – ₹ 5188154.00 (outside NER) and Cement - ₹6521309.00 (within NER)
- Total transport subsidy eligible on sales of finished products : 90 % of ₹ 5188154.00 + 50 % of ₹6521309.00 = ₹4669338.00 + ₹3260654.00 = ₹ 7929992.00
- Total subsidy eligible : ₹6475349.00 + ₹7929992.00 = ₹14405341.00

The Committee also decided to advise NEDFi, Guwahati, being the Nodal Agency for disbursement of subsidy, to apportion the amount receivable at Sl. No. (6) to Sl. No. (10) between the Bank, the Central Excise Authority and MeECL in the ratio 40:30:30. It also decided to advise the Central Excise Authority to follow-up with NEDFi from time to time since payment of subsidy may take 2-3 years from the date of approval by the SLC.

Certified that the claims at Sl. No. (1) to Sl. No. (10) were considered in accordance with the provision of the concerned Scheme and Guidelines issued there under from time to time and that no relaxation have been granted. Also certified that the industrial units have been physically verified by concerned DC&ICs who found that the units existed and were functioning.

There being no other issues to discuss, the meeting ended with a vote of thanks from and to the Chair.

Sd/-

Sd/-  
(A. Bhagotia, IAS)  
Commissioner of Taxes

(P.W. Ingty, IAS)  
Addl. Chief Secretary to the  
Government of Meghalaya, C & I Deptt.



Sd/-  
(M.B. Roy)  
Director of Commerce & Industries

Sd/-  
(J.B. Laloo)  
Dy. Commissioner of Taxes

Sd/-  
(M. Lyngdoh)  
Under Secretary, Finance (E.A.) Deptt.

Sd/-  
(B.M. Shylla)  
MD, MIDC Ltd.

Sd/-  
(R. Jain)  
Secretary General, CIM

Sd/-  
(A. Kharpran)  
Addl. Chief Engineer  
MeECL

## ANNEXURE-I

### **LIST OF OFFICIALS/INVITEES PRESENT DURING THE 82<sup>ND</sup> MEETING OF THE SLC FOR CONSIDERATION OF CLAIMS UNDER TSS, 1971 HELD ON 08.11.2016**

1. Shri. P.W. Ingty, IAS, Addl. Chief Secretary, Commerce & Industries Department, Government of Meghalaya, Shillong.
2. Shri. Abhishek Bhagotia, IAS, Commissioner of Taxes, Govt. of Meghalaya, Shillong.
3. Shri. M.B. Roy, Director of Commerce & Industries, Govt. of Meghalaya, Shillong.
4. Shri. J.B. Laloo, Dy. Commissioner of Taxes, Govt. of Meghalaya, Shillong.
5. Shri. M. Lyngdoh, Special Officer & Under Secretary, Finance (E.A.) Deptt., Govt. of Meghalaya, Shillong.
6. Smt. B.M. Shylla, Managing Director, Meghalaya Industrial Development Corporation Ltd., Shillong.
7. Shri. A. Kharpran, Addl. Chief Engineer, Meghalaya Energy Corporation Ltd.
8. Shri. R. Jain, Secretary General, CIM, Shillong.

#### **In-attendance :**

1. Shri. F. Sutnga, Deputy Director (Tech), Directorate of Commerce & Industries, Govt. of Meghalaya, Shillong.
2. Shri. R. Kharbuli, General Manager, Meghalaya Industrial Development Corporation Ltd., Shillong.