



भारत सरकार/ Government of India
वाणिज्य एवं उद्योग मंत्रालय/ Ministry of Commerce and Industry
विकास आयुक्त का कार्यालय/ Office of the Development Commissioner
दहेज विशेष आर्थिक क्षेत्र/ DAHEJ Special Economic Zone
४वीं मंजिल, फडीया चेम्बर्स, आश्रम रोड, / 4th Floor, Fadia Chamber, Ashram Road,
अहमदाबाद / Ahmedabad - 380009
दूरभाष /Tel: 079- 26583027/29 | फैक्स /Fax: 079-26583025
e-mail: dcsez_dahej@yahoo.com

No. KASEZ/DCO/AC/123/2008-09/ 1911

Dated: 28th September, 2018

To: All Approval Committee members:-

1.	Director, MOC&I, New Delhi;	
2.	Commissioner of Central Excise, Bharuch	hq_bharuch@rediffmail.com , commr-cexvdr2@nic.in
3.	Commissioner of Income Tax, Vadodara -III;	amblinking@yahoo.com
4.	Jt. DGFT, Vadodara	vadodara-dgft@nic.in
5.	Director (Banking), Banking Dvn., MOF,	
6.	District Collector, Bharuch, Gujarat.	addl-collector-bha@gujarat.gov.in
7.	General Manager, DIC, Bharuch.	gm-dic-bha@gujarat.gov.in
8.	Developer (Dahej - SEZ), Gandhinagar	ceo@dahejsez.com
9.	Member Secretary, GPCB.	gpcb-bha@gujarat.gov.in

Madam/Sir,

Subject:- Eighty Third (83rd) meeting of the Approval Committee for Dahej –SEZ.

Reference: - Letter No. KASEZ/P&C/5-A/91/07/6600, dated 01-08-2008.

This is to inform you that the Eighty Third (83rd) meeting of the Approval Committee for Dahej – Special Economic Zone, would be held on **FRIDAY 05th October, 2018 at 1200 hours** under the chairpersonship of Shri Anil Kumar Choudhary, Development Commissioner, Dahej SEZ **in the Conference Room of Office of the Development Commissioner, Dahej Special Economic Zone, 4th Floor, Fadia Chamber, Ashram Road, Ahmedabad -380009.** Agenda papers for the said meeting are enclosed herewith. You are requested to kindly attend the meeting.

Yours faithfully,

Encl: as above

(J N Acharya)
Assistant Development Commissioner,
(M) 9953140027

Agenda for 83rd (Eighty third) meeting of Unit Approval Committee for Dahej SEZ to be held on 05/10/2018, Friday at 12.00 hours in the Conference Room of Office of the Development Commissioner, Dahej Special Economic Zone, 4th Floor, Fadia Chamber, Ashram Road, Ahmedabad -380009.

83.1 Fresh cases for unit in Dahej -SEZ:- NIL

83.2 Deferred cases for Dahej -SEZ:-

Sr. No.	Name of Applicant/Unit	Proposal/Request for
1	Raftaar Terminals Pvt Ltd	Application for setting up unit in Dahej SEZ

83.3 Other cases for Dahej - SEZ:-

Sr. No.	Name of Applicant/Unit	Proposal/Request for
1	Trustin Tape Private Limited	Removal of waste generated during the production process.
2	ONGC Petro additions Limited	Permission for importing Liquefied Natural Gas and its subsequent regasification in the DTA
3	Indo Baijin Chemicals Pvt Ltd	Exemption from VAT on Liquefied Natural Gas.
4	Arora Sales Agency	Surrender of Letter of Approval for Exit.
5	Dahej SEZ Units	Monitoring of Performance of Dahej SEZ units.

Item No. 83.2**Deferred cases for Dahej -SEZ:-****Item No. 83.02.01****M/s Raftaar Terminals Pvt Ltd.****Proposal for Setting up of New Units in Dahej SEZ.**

The proposal of Raftaar Terminals Pvt Ltd., was placed before the 82nd Approval Committee Dahej SEZ for setting up of new unit in Dahej SEZ. The proposal to incorporate the liquid storage terminal for chemicals, petroleum and Non Classified/Edible oil products. Cargo shall be loaded using pumps in to Rail wagons & Truck Tankers. Rail wagons shall move inside the terminal through proposed rail siding for the terminal and tanker trucks shall come in through build-in roads inside Dahej SEZ. Ships will be loaded using export pumps by means of loading arms proposed to be installed at proposed Jetty for the Terminal facility. Tanks and jetty pipeline for specialized Acids & products. The proposal is for storage/warehousing activity

The committee discussed the proposal in detail. The applicant company propose to establish a new tank terminal for storing class A,B, C in Coastal Regional Zone of Dahej SEZ. Since the matter pertains to the Coastal Regional Zone area, therefore representative of Gujarat Maritime Board(GMB) was also called to assist and advise in this matter in the UAC. Since none of the representative was present from GMP and the unit have been asked to submit export, import and NFE data for service component only, therefore, the committee decided to defer the case.

The GMB was again requested to send their representatives to assist and advice in the 83rd UAC to be held on 05.10.2018 as the matter pertains to Coastal Regional Zone. The applicant unit submitted FOB Value of Export in first 5 years Rs. 25803.00 Lakhs, Foreign Exchange Outgo in first 5 years NIL & Net Foreign Exchange Earnings for the first five years Rs. 25803.00 Lakhs.

In view of the above, the above proposal of applicant unit is placed before the committee for consideration.

Item No. 83.3**Other cases for Dahej - SEZ:-****Item No. 83.03.01****M/s Trustin Tape Private Limited.****Request for Removal of waste generated during the production process.**

M/s. Trustin Tape Private Limited vide their letter dated 31.08.2018 requested for removal of waste generated during the production process. The applicant Unit was issued letter of approval dated 19.07.2016 to manufacture Masking Adhesive Tape and Bopp Adhesive Tape and commenced commercial production w.e.f. 23.05.2018. The applicant unit inadvertently missed to submit details/information on waste generated during the production process.

The applicant unit stated that waste generated during the production process in saleable in the market to approved vendor of Gujarat Pollution Control Board.

In view of the above, the above proposal of applicant unit is placed before the committee for consideration.

Request for Permission for importing Liquefied Natural Gas and its subsequent regasification in the DTA

M/s ONGC Petro Additions Limited (M/s OPaL), Dahej SEZ was issued Letter of Approval dated 17-10-2007 for setting up of unit in Dahej SEZ to manufacture 1) HIGH DENSITY POLYETHYLENE (HDPE) 2) LINEAR LOW DENSITY POLYETHYLENE (LLDPE) 3) POLY-PROPYLENE (PP) 4) STYRENE BUTADIENE RUBBER (SBR) 5) STYRENE 6) HYDROGENATED PYROLYSIS GASOLINE (HPG) 7) CARBON BLACK FEED STOCK (CBFS) for export. M/s OPaL has commenced their commercial production from 31.08.2015 and earned NFE (-) 3879.16 Crs up to 31.03.2018.

Now, M/s. ONGC Petro Additions Limited., vide their letter dated 13.09.2018 requested for permission for importing Liquefied Natural Gas and its subsequent regasification in the DTA. The applicant unit stated to provide level playing field to the SEZ units in comparison to the DTA unit, fundamentally they are allowed to procure goods and services without the payment of any taxes for their authorized operations. Natural Gas is sourced by the unit in the regasified form (RLNG) for captive consumption purposes for the purpose of generation of electricity in relation to the designated authorized operations. In order to counter the inflating prices of RLNG in the local market, the unit has envisaged the direct import of natural gas to curb upon its cost of production which will help in better price negotiations and shall be more competitive in international bidding. Opal procures RLNG from M/s. Petronet LNG Limited (PLL) on the payment of VAT. Since the RLNG is used by the unit in relation to the generation of electricity, the transaction attracts VAT @ 15%. The RLNG, in its Liquid form, is imported by PLL on the payment of requisite duties of customs, which is subsequently regasified and sold to OPAL. PLL supplies RLNG to OPAL for use in its commercial operations charging VAT on regasification charges along with the price per unit of RLNG.

Post advent of the GST, the procurement cost of RLNG has incremented adversely for OPaL due to the withdrawal of the blanket exemption from the levy of VAT to SEZ units in respect of natural gas.

As a part of the new procurement plan, the unit wishes to directly import LNG into India on the payment of requisite custom duties. Owing to the volatile characteristics of the product and the related storage constraints involved, the unit is proposing a business module whereby the imported LNG can be directly sent to the premises of PLL from the port of importation for the purpose of regasification activities. Post- completion of the regasification activity, the RLNG shall be transferred to the SEZ premises of OPAL for use in its commercial activities. In view of the above, the above proposal of applicant unit is placed before the committee.

Item No. 83.03.03 M/s Indo Baijin Chemicals Pvt Ltd.: -

Exemption from VAT on Liquefied Natural Gas.

M/s. Indo Baijin Chemicals Private Limited was issued letter of approval dated 07.09.2011 for manufacturing and export of Carbon di Sulphide. M/s. Indo Baijin Chemicals Pvt Ltd commenced commercial production from 28.04.2014 and earned NFE of Rs. 12194.63 Lakhs upto march,2017.

Now, M/s. Indo Baijin Chemicals Pvt Ltd ., requested vide their letter dated 17.09.2018 for the exemption from VAT on Liquefied Natural Gas. The applicant unit submitted the following details:-

Considering the pre- GST scenario, Indo Baijin was procuring LNG from M/s. GSPC, which in turn, was importing LNG on payment of applicable Customs duties in India and processing the same before transferring regasified LNG to the unit for usage in its authorized operations. Such re gasification and sale transaction was exempted from VAT Act, 2003.

In the existing scenario Indo Baijin procures regasified LNG from M/s. GSPC on the payment of VAT at an effective rate of 6%. The LNG, in its raw gaseous form, is imported by PLL on the payment of requisite duties of customs, which is subsequently regasified and sold to the unit.

Post advent of the GST, the procurement cost of LNG has incremented adversely for Indo Baijin due to the withdrawal of the blanket exemption from the levy of VAT to SEZ units in respect of natural gas.

The increased cost of production on account of the levy of VAT on LNG has resulted into serious financial adversities for the unit.

In view of the above, the above proposal of applicant unit is placed before the committee.

Item No. 83.03.04 M/s Arora Sales Agency.: -

Surrender of Letter of Approval for Exit.

M/s Arora Sales Agency, Surat was issued Letter of Approval dated 14.06.2011 and amended from time to time up to 30.04.2023 for manufacturing and export of Carbon Steel, Mild Steel, Alloy Steel, Structural Steel, Tor Steel, Pipe & Pipe fittings 25000 MT per Annum. The unit commenced commercial production on 01.05.2013 .

The unit requested vide their letter dated 30.08.2018 to surrender letter of approval and exit as Dahej SEZ Unit. The 82nd UAC monitored positive Net Foreign Exchange Earnings upto 2016-17. The unit has submitted APR for the year 2017-18.

In view of the above, request of M/s. Arora Sales Agency for exit from Dahej SEZ unit is placed before the UAC for consideration.

Item No. 83.03.05 Monitoring of Performance of Dahej SEZ units

Monitoring of Performance of SEZ unit in Dahej - SEZ in respect of performance upto the monitoring Year 2016-17.

Purpose and Statute: - Section-L{ of the SEZ Act,2005, read with Rule-54 of the SEZ Rules' 2006. "Rule-S4: Monitoring of Performance:- (1) Performance of the Unit shall be monitored by the Approval Committee as per the guidelines given in Annexure appended to these rules (2) In case the Approval Committee come to the conclusion that a Unit has not achieved positive Net Foreign Exchange Earning or failed to abide by any of the terms and conditions of "the Letter of Approval of Bond-cum-Legal Undertaking without prejudice to the action that may be taken under any other law for the time being in force, the said Unit shall be liable for penal action under the provisions of the Foreign Trade (Development and Regulation) Act, 1992."

The Annual Performance Report of Dahej SEZ Units duly audited and certified by the Chartered Accountant appointed by the units are placed before the Approval Committee for monitoring in terms of provisions of Rule 22 of the Special Economic Zones Rules, 2006.

.....