

Minutes of 89th (Eighty Ninth) meeting of Unit Approval Committee for Dahej SEZ to be held on 30-04-2019, Tuesday at 11.30 hours in the Conference Room of Office of the Development Commissioner, Sterling SEZ & Infrastructure Limited., Sandesara Estate, Atladara, Padra Road, Vadodara- 390012

A. List of participants is annexed as per Annexure-A.

(The quorum is complete as per section 13(5) of the SEZ Act, 2005 read with Notification dated 26.07.2007 of MOCI issued from F. No. 1/1/2006-SEZ, as out of the present, there were four designated members).

B. Ratification of the Minutes of last meeting of the Approval Committee.

As no comments/observations on the minutes of 88th meeting of the Approval Committee of the Dahej SEZ held on 26-03-2019, have been received from any member, Minutes of the Meeting as circulated earlier were unanimously ratified.

C. The following cases were discussed as per the Agenda:

Item No. 89.01 Fresh cases for unit in Dahej -SEZ:-Nil

Item No. 89.2 Deferred cases for Dahej -SEZ:-Nil

Item No.89.03 Other cases:- Four

Item No. 89.03.01 M/s Indo Baijin Chemicals Pvt. Ltd., Dahej SEZ
Renewal of Letter of Approval

Shri Arvind Chhajer, CFO & CS from M/s Indo Baijin Chemicals Pvt. Ltd appeared before the committee and explained their request.

The Net Foreign Exchange Earnings for the first five years from the date of commencement of production i.e. 28.04.2014 is Rs. 33047.35 Lakhs and the unit projected Rs. 24301.66 Lakhs Net Foreign Exchange Earnings for next block of five years.

The committee unanimously approved renewal of Letter of Approval for second block of five years from 28.04.2019 to 27.04.2024 after condoning the delay of late application with the instruction that the completed application in Form F1 along with requisite document to renew the validity of Letter of Approval should submit to the Development Commissioner, duly signed by the authorized person before two months from the date of expiry of the Letter of Approval in future.

No one was present before the committee to defend the proposal for cancellation of Letter of Approval from M/s Dev International, Dahej SEZ. The unit however, sent email dated 30.04.2019 requesting to extend their Letter of Approval for another 02 years from present date to implement the project.

M/s Dev International was issued Letter of Approval No.DAHEJ/SEZ/II/007/2014-15 dated 20/04/2015 for Warehousing & Logistic Service Activity i.e. Handling & Transportation equipment. M/s Dahej SEZ Limited allotted plot No.Z/50 of 6251.28 sq. mts. in Dahej SEZ vide their agreement dated 30/05/2015. Bond-cum-Legal undertaking dated 18/11/2015 for Rs.1, 09, 00,000/- was executed and Eligibility Certificate for exemption of taxes was issued.

The Letter of Approval was expired on 19/04/2016. The explanation of unit of financial constraint was not acceptable and requested to come to DC office, Dahej SEZ, Ahmedabad in personal and explain the reason vide letter dated 27/03/2017. The unit did not turn up. The unit was again given opportunity to present their defence against the proposal for cancellation of their Letter of Approval before the 81st Approval Committee Meeting held on 24-07-2018. The Approval Committee after detailed discussion unanimously decided that Development Commissioner, Dahej SEZ may cancel the Letter of Approval of M/s Dev International after giving them an opportunity of personal hearing. The unit will be exited from Dahej SEZ subject to (1) Payment of applicable duties/benefits availed as per SEZ Act, 2005 and SEZ Rules, 2006 (2) No due certificate from Specified Officer and Developer, Dahej SEZ. Accordingly, a notice was issued giving opportunity for show cause and personal hearing on 13.08.2018. In response, the unit requested for 90 day extra timing which accepted and given opportunity for personal hearing before 07-11-2018. The unit was requested vide letter dated 05-04-2019 to take necessary action and communicated their interest for development in the plot of Dahej SEZ within 10 days otherwise the final proposal for their cancellation of Letter of Approval will be placed before the next Approval Committee of Dahej SEZ. The unit did not reply and the said proposal was placed before the committee for cancellation of Letter of Approval calling the unit to attend the meeting. But the unit did not attend the meeting and sent email dated 30.04.2019 requesting to extend their Letter of Approval for another 02 years from present date to implement the project.

M/s Dahej SEZ Limited vide their letter No.DSL/DC/Unit progress/2017/3635 dated 12/12/2017 listed the unit in non-functional units and informed that Dahej SEZ has been receiving many inquiries for setting of new units, but due to unavailability of vacant plots their request is not accepted.

In view of above, the committee observed that even after sufficient opportunities were given to unit to defend the proposal for cancellation of their Letter of Approval. The management did not provide action plan with cogent

reasons in their support to consider their request. Therefore, the committee decided to cancel the Letter of Approval in respect of M/s Dev International, Dahej SEZ subject to fulfilling of conditions under Rule 74 of SEZ Rules, 2006 for exit of units and (1) Payment of applicable duties/benefits availed as per SEZ Act, 2005 and SEZ Rules, 2006 (2) No due certificate from Specified Officer and Developer, Dahej SEZ

Item No. 89.03.03

M/s Unique Techno Associated Pvt Ltd.
Renewal of Letter of Approval

Shri Ashok Mishra, Sr. Accounts Manager from M/s. Unique Techno Associates Pvt Ltd., appeared before the committee and explained their proposals.

The Net Foreign Exchange Earnings for the first five years from the date of commencement of production i.e. 12.05.2014 is Rs. 645.26 Lakhs and the unit projected Rs. 2199.00 Lakhs Net Foreign Exchange Earnings for next block of five years.

The committee unanimously approved the renewal of Letter of Approval for second block of five years 12.05.2019 to 11.05.2024 after condoning the delay of late application with the instruction that the completed application in Form F1 along with requisite document to renew the validity of Letter of Approval should submit to the Development Commissioner, duly signed by the authorized person before two months from the date of expiry of the Letter of Approval in future.

Item No. 89.03.04

M/s Avalon Agro Products Pvt Limited .
Transfer of letter of approval to the new incumbent
unit under SARFESAI Act 2002 and SEZ Act 2005

The committee noted the show cause notice issued by Development Commissioner as to why action should not be taken against M/s Avalon Agro Products Pvt Limited for cancellation of Letter of Approval and applicable dues should not be recovered for not abiding by provisions of SEZ Act, 2005 and rules and orders made thereunder for failure to comply stipulated condition 9x) of Letter of Approval No. Dahej SEZ/II/35/Avalon Agro/11-12 dated 14th March, 2012. The reply given by Chief Promotor and Managing Director of M/s Avalon Agro Products Pvt. Ltd. that the bank has taken possession, so he do not have any rights to say anything regarding matters of the company, he is redundant and irrelevant as MD of the Company. He will not be attending meeting as requested as he is not a party this matter anymore. He suggested virtual meeting using Skype/videoconferencing. The committee also observed non-submission of Annual Performance Reports for the year 2016-17 & 2017-18. The committee noted Corporation Bank, Vadodara had transferred all the assets of M/s Avalon Agro Products Pvt. Limited to M/s Kumar Organic Products Limited (Purchaser), Bangalore vide Corporation Bank's amended sale certificate dated 30.03.2019 of unexpired lease period of lease hold scheduled properties under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (Act), 2002(54 of 2002) SARFAESI Act. The committee decided

that Development Commissioner, Dahej SEZ will incorporate this matter in reply to the Show Cause Notice issued to M/s Avalon Agro Products Pvt. Limited; that their Letter of Approval dated 14-03-2012 and applicable dues can be transferred to M/s Kumar Organic Products Limited, Bangalore in stead of cancellation of Letter of Approval and recovery of applicable dues.

Annexure-A

List of Participants of 89th Approval Committee Meeting Dahej SEZ held on 30.04.2019:-

01	Shri A.K. Choudhary ITS Development Commissioner,	Chairperson
02	Shri Jayant S Raut	Foreign Trade Development Officer
03	Shri Jaiprakash Bhamu	Asstt. Commissioner, Central Excise, Bharuch
04	Shri Sanjeev Bhagat	Dy. CIT-CIR-I, Bharuch
05	Shri Patel Zuber Suleman	DIC, Manager
06	Shri V.K.Patel, GPCB	Representative of RO-Bharuch
07	Shri Niraj Shah, Dahej SEZ Ltd	Representative of Dahej SEZ Limited.
08	Shri J N Acharya, ADC Dahej SEZ.	Coordinator

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