

Minutes of 98th meeting of the Approval Committee for Dahej Special Economic Zone held on Thursday, 05th November, 2020, at 12.30 hours through Video Conferencing.

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 97th meeting of the Approval Committee of the Dahej SEZ held on 27.07.2020 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. 98.01 Fresh cases for unit in Dahej -SEZ:-NIL

Item No. 98.02 Deferred cases for Dahej -SEZ: - NIL

Item No. 98.03 Other cases for unit in Dahej -SEZ:- Three

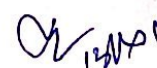
Item No. 98.03.01 M/s Hema Dye chem Private Limited., Dahej SEZ
Application for broad banding for manufacturing of
Dye Intermediates and Specialty Chemicals.

Shri Shashank Merchant, Director from M/s Hema Dye Chem Private Limited appeared before the Committee through WEBEX video conference and explained their request.

M/s. Hema Dye Chem Private Limited have vide their letter dated 27.08.2020 requested for broad banding for manufacture of Dye Intermediates and Specialty Chemicals such as Chloro Aniline, Nitro Chlorobenzene and specialty chemicals etc falling under HSN code list 29 and 32 with 1400 MT annual installed capacity.

The unit informed that the total capital expenditure in Phase- I will be Rs. 125 lacs and plant will be operational in current financial year i.e. F.Y. 2020-21 and capital expenditure in Phase- II will be Rs. 900 lacs in financial year 2021-22. The Direct and indirect employment will be 45 persons. The estimated Net Foreign Exchange inflows will be Rs. 22,323 lacs in next five years.

The Approval Committee after detailed discussion unanimously approved the request for Broad Banding for Repacking & labeling of said items in the existing LoA as per GPCB approval and manufacturing of the said products may be allowed only after the clearance/approval from GPCB. The approval is subject to compliance of SEZ Act 2005, SEZ Rules 2006 and all other relevant Rules and Regulations. All other terms and conditions mentioned in the Letter of Approval shall remain unaltered.



Item No. 98.03.02 M/s ONGC Petro additions Limited., Dahej SEZ
Exit cum de-notification from Dahej -SEZ.

Shri Avinash Verma, MD & Shri Rajendra Parakh from M/s ONGC Petro additions Limited appeared before the Committee through WEBEX video conference and explained their request.

The Unit Approval Committee discussed the in-principal approval request of exit of M/s. ONGC Petro additions Limited in detail and deliberated that the proposal of in-principal exit from SEZ falling under the Rule 74 of SEZ and de-notification of the entire land with plant and machinery.

The present proposal of M/s. OPAL with regard to exit from SEZ is not fully covered under Rule 74 of SEZ Rules, since the proposal is to move out from the SEZ along with land and other fixed assets which have been created and operational since 2015. Further, the de-notification of land occupied by the units comes under the purview of Board of Approval. In view of this, the request of de-notification falls under Rule 6A (iii) of SEZ rule 2006 where it is mandatory that the Developer submits application in Form C5 for decrease in the area to the concerned Development Commissioner, as specified in Annexure III and check list as per Instruction no.102 of F.1/5/2016-SEZ dated 10.11.2019. So, in this matter, proposal for final approval of exit will be considered only on receipt of approval of partial de-notification of land from BoA, MoCI, New Delhi. Accordingly, UAC has directed to unit that they may co-ordinate with the Developer, Dahej SEZ Ltd. and send the complete proposal with all compliance as per said circular of de-notification to Development Commissioner, Dahej SEZ to forward the proposal to Board of Approval, MoCI, New Delhi.

The UAC Consider the request of in-principal approval of the unit and the same is approved by the Committee in terms of provisions of Rule 74 of SEZ Rules, 2006

However, the unit is still under the SEZ and the proposal for approval of final exit will be considered subject to approval of de-notification from Board of Approval, MoCI, New Delhi. As per Rule 74(2) (iii) unit shall continue to be treated as unit within the SEZ till the date of final exit. The Unit shall also compliance with all the conditions as stipulated vide LoA dated 17.10.2007.

As per SEZ Rule (4) of 74, the committee unanimously approved the request for EPCG Scheme under the Foreign Trade Policy and directed to unit that applicable duty and taxes may be paid on before final exit of the unit from SEZ.

The calculation of duty due as on 31.03.2020 mentioned in the Agenda is provisionally calculated. All duty, taxes and liabilities which unit is liable to pay may be calculated and payment thereof shall be made on or before the final exit by them. In this regard, unit has also submitted the undertaking in Form L.

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Item No. 98.03.03**Monitoring of Performance of Dahej SEZ units**

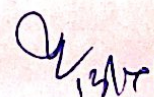
The Approval Committee monitored the Annual Performance Reports (APRs) of seven units (one unit for the financial year 2017-18, five units for 2018-19 and one unit for 2018-19 & 2019-20) of Dahej SEZ duly audited & certified by Chartered Accountant appointed by the units and export-import data verified by Specified Officer, Dahej SEZ. The details are as under;

Year 2017-18 (First Block of Five Years)

Sr. No.	Name of the SEZ Unit	Date of Commencement of Production/Service activity	Months of operation as on 31.03.2018	Net Foreign Exchange Earning for the year 2017-18 (Rs. in lakhs)	Cumulative Net Foreign Exchange Earning (Rs. in lakhs)
1.	M/s. RaksPharma Pvt. Ltd.	22.10.2015	29 Months	3703.43	2386.24

Year 2018-19 (First Block of Five Years)

Sr. No.	Name of the SEZ Unit	Date of Commencement of Production/Service activity	Months of operation as on 31.03.2019	Net Foreign Exchange Earning for the year 2018-19 (Rs. in lakhs)	Cumulative Net Foreign Exchange Earning (Rs. in lakhs)
2.	M/s. Oil and Natural Gas Corporation Ltd. C2-C3 Plant	17.07.2015	44 Months	87655.45	177514.25
3.	M/s. Astra Speciality Compounds India Pvt. Ltd.	01.10.2017	18 Months	(-) 280.01	(-) 906.00



Year 2018-19 (Second Block of Five Years)

Sr. No.	Name of the SEZ Unit	Date of Commencement of Production/Service activity	Months of operation as on 31.03.2019	Net Foreign Exchange Earning for the year 2018-19 (Rs. in lakhs)	Cumulative Net Foreign Exchange Earning (Rs. in lakhs)
4.	M/s. Fermenta Biotech Limited	24.06.2011	93 Months	15069.35	28815.49
5.	M/s. ISGEC Heavy Engineering Ltd.	25.01.2012	86 Months	4.72	1013.62
6.	M/s. C S Performance Chemicals Pvt. Ltd.	03.07.2012	80 Months	5997.84	12964.49

Year 2018-19 & 2019-20 (Second Block of Five Years)

Sr. No.	Name of the SEZ Unit	Date of Commencement of Production/Service activity	Months of operation as on 31.03.2020	Net Foreign Exchange Earning for the year (Rs. in lakhs)		Cumulative Net Foreign Exchange Earning (Rs. in lakhs)
				2018-19	2019-20	
7.	M/s. M/s. Breeze Intermediates Pvt. Ltd.	28.02.2012	85 Months	407.44	993.93	1833.47

The units at Sr.1, 2, 4, 5, 6 & 7 have achieved positive Net Foreign Exchange Earnings during the respective periods under review and the Committee noted the same.

Signature

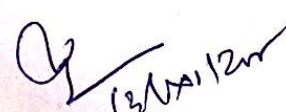
The unit at Sr. No.3, M/s. Astra Specialty Compounds India Pvt. Ltd. did not achieve positive NFE for the year 2018-19.

As per the criteria (Annexure I Refer rule 54) for annual monitoring of Annual Performance Report : Units with negative Net Foreign Exchange in the 1st and 2nd year shall be placed under the Watch List to watch their performance. The Committee has therefore, noted NFE of M/s. Astra Speciality Compounds India Pvt. Ltd. and placed under watch list.

Annexure-A

List of Participants of 98th Approval Committee Meeting Dahej SEZ held on 05.11.2020:-

01	Shri A.K. Choudhary ITS Development Commissioner,	Chairperson
02	Dr. Ashish Kumar Das	Joint DGFT, Vadodara
03	Shri Himanshu Negi	Assistant Commissioner, GST, Bharuch-Vadodara.
04	Shri Uttam Shaw	Representative of, Income Tax, Vadodara-II
05	Shri F.M. Modi, GPCB	RO- Bharuch
06	Shri H.N.Mevada	GM-DIC- Bharuch
07.	Shri D.K. Tyagi, SO, Dahej SEZ.	Special Invitee
08.	Shri Kundan Kumar, ADC, Dahej -SEZ	Coordinator
09.	Shri S N Patil, CEO, DSL	CEO, Dahej SEZ Limited


(13/11/2020)