

Minutes of the 19th (Nineteenth) meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 19-05-2010, at 16-00 hours at Vadodara under the Chairmanship of Shri S. N. Patil, Development Commissioner, Dahej Special Economic Zone, in the Conference Room of OPAL, VCCI Complex, Makarpura, Vadodara.

Approval Committee constituted by the Central Government vide Notification No. 993 (E) dated 25-04-2008 issued from file No. 1/1/2006-EPZ consists of the following Chairperson and Members, namely:-

01.	Development Commissioner, Dahej Special Economic Zone.	Chairperson, Ex-officio
02.	Director or Deputy Secretary to the Government of India, Ministry of Commerce and Industry, Department of Commerce	Member Ex-officio
03.	Joint Director General of Foreign Trade, Vadodara.	Member, Ex-officio
04.	Commissioner of Central Excise, having territorial jurisdiction of the Special Economic Zone or his nominee not below the rank of Joint Commissioner.	Member, Ex-officio
05.	Commissioner of Income-Tax having territorial jurisdiction over the SEZ or his nominee not below the rank of Joint Commissioner.	Member, Ex-officio
06.	Director (Banking), Banking Division, Ministry of Finance, Government of India.	Member, Ex-officio
07.	District Collector of the Bharuch District or Additional District Collector or Deputy Collector as his nominee.	Member, Ex-officio
08.	General Manager, District Industries Centre, Bharuch.	Member, Ex-officio
09.	Representative of M/s. Dahej SEZ Ltd., (Developer).	Special Invitee
10.	Member Secretary, Gujarat Pollution Control Board, Gandhinagar	Member

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2. The following were **Present:-**

01.	Shri S. N. Patil Development Commissioner, Dahej Special Economic Zone.	Chairman
02.	Shri B. K. Bansal, Commissioner of Central Excise & Customs, Vadodara-II.	Member
03.	Shri B.P. Banker, Joint Director General of Foreign Trade, Vadodara.	Member
04.	Shri R.I. Chavda, G.M., District Industries Centre, Bharuch.	Member
05.	Ms. M. U. Patel, DEE, Gujarat Pollution Control Board, Bharuch.	Member
06.	Shri R. J. Shah, CEO – Dahej SEZ Ltd. (Developer)	Special Invitee

**Absent:-**

01.	Director or Deputy Secretary to the Government of India, Ministry of Commerce & Industry, Department of Commerce or nominee.
02.	Director (Banking), Ministry of Finance, Banking Division, Government of India.
03.	District Collector of the Bharuch District or Additional District Collector or Deputy Collector as his nominee.
04.	Commissioner of Income-Tax having territorial jurisdiction over the SEZ or his nominee not below the rank of Joint Commissioner.

3. The following items of the agenda circulated with notice for the meeting were taken up for discussions.

(i) Confirmation of 18<sup>th</sup> Meeting :

The Minutes of the 18<sup>th</sup> Meeting of the Approval Committee of Dahej SEZ held on 16.04.2010 was confirmed.

(ii) Report on action taken on decision of the 18<sup>th</sup> Meeting of the Committee. Chairman appraised the members for the action taken on the decisions of the 18<sup>th</sup> Meeting of the committee. Following actions were taken:

- LOA has been issued to M/s.Sabero Organics Gujarat Ltd. on 26.04.2010.
- LOA has been issued to M/s.Neesa Infrastructure Ltd. on 26.04.2010.
- LOA has been issued to M/s.Rallis India Ltd. on 07.05.2010.
- A request of M/s.CS Specialty Chemicals Pvt. Ltd. to accord the LOA in the name of M/s.CS Performance Chemicals Pvt. Ltd. has been rejected vide letter dated 27.04.2010 as the LOA is not transferable.

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- A request of M/s.Meghmani Chemtech Ltd. to accord the LOA in the name of M/s.Meghmani Organics Ltd. has been rejected vide letter dated 29.04.2010 as the LOA is not transferable.
- The services which are covered under the default list of services are permitted to M/s.Sun Pharmaceuticals vide letter dated 27.04.2010.
- An Addendum to LOA to M/s.Oil and Natural Gas Corporation has been issued on 05.05.2010.
- The services which are covered under the default list of services are permitted to M/s.Chemetall Lithium India Pvt. Ltd. vide letter dated 27.04.2010.
- A cancellation letter requested by M/s.P.I. Industries Ltd. has been issued on 26.04.2010.
- A cancellation letter requested by M/s.Neesa Infrastructure Ltd. has been issued on 26.04.2010.

(iii) Consideration of applications under SEZ Rules, 2006.

**(A) FRESH CASES :-**

Two applications for setting up of units received and scrutinized in this office as prescribed in Rule 17 of the SEZ Rules, 2006 were considered by the committee.

**1. M/S. HINDUSTAN DORR-OLIVER LTD.**

Proposal is to set up for manufacturing (1)Pressure Vessel, (2) Heat Exchanger and (3) Other process equipments.

Shri Niraj Narayan, Sr.General Manager; Shri K.R. Krishnam Raju, Asst. General Manager-Projects; and Shri Dignesh Khatri, Manager -- Fin.& A/c. of M/s.Hindustan Dorr-Oliver Ltd. appeared before the approval committee for interview and put forth following points:

- They are likely to invest 100 Crores in their project at Dahej SEZ. Their existing company's turnover in last year is Rs.871 Crores and the Exports are worth Rs.45 Crores.
- Total Project Cost is Rs.10,000 Lacs which will be met by 25% Promoters' contribution and 75% Loan from Bank/Financial Institutions.

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- Requirement of space : About 8 hect., for which Developer has agreed in-principle.

**Observations/Clarifications of the Committee :**

- FOB Value of the Export for the 5 years projected are Rs.7416 Lacs with NFI or Rs.7416 Lacs as there is no imports.
- Shri Narayan stated that presently their company's finance were blocked because of some foreign activities. Within two months they will be able to finance proposed project at Dahej SEZ.
- It was decided that the unit has to be present once again before UAC when their financial position will be stream line. The proposal has been deferred to the next meeting of UAC after getting the clarification letter regarding financial position from the unit.

**2. M/S. HINDUSTAN M-I SWACO LIMITED.**

Proposal is to set up for manufacturing Cellulose Ethers.

Shri R.R. Mehta, Director and Shri Viral Trivedi, General Manager of M/s.Hindustan M-I Swaco Limited appeared before the approval committee for interview and put forth following points:

- The company is closely held limited liability company incorporated in 1986 and it is Indo-US joint venture company with ISO 9001:2008 certificate. The company works under R P Mody group of companies.
- M-I Swaco is the overseas partner and is a global leader in providing integrated supplies & services to the Oil-Field Industry such as Drilling Fluids, Reservoir Drill-in and Completion Fluids; Solids-Control; Drilling waste management etc.
- Company manufactures a wide range of specialty performance based Oil-Field Chemicals (Drilling Fluids Additives). The products are used in imparting specific properties to the drilling fluids such as Fluid-Loss Control; Shale Stability; Dispersion; Rheology corrections; lubrication etc.
- The project cost is Rs.2950 lacs. which will be met by Promoters Contribution and internal accruals of Rs.1180 lacs and loan from Bank/Financial Institutions are Rs.1770 Lacs.
- Requirement of space : About 50,000 Sq.Mtrs. for which Developer has agreed in-principle.

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**Observations/Clarifications of the Committee :**

- Their FOB value of exports for the 5 years is projected as Rs.18,351 lacs with NFE of Rs.11,778.80 lacs.
- The manpower requirement in Dahej SEZ is 60 Men.

The proposal was approved subject to standard terms and conditions.

**(B) OTHER CASES :-**

**1. M/S.TORRENT ENERGY LIMITED.**

Shri Kapil Khandelwal, Vice President(Finance & Operation) of M/s.Torrent Energy Limited appeared before the approval committee. M/s Torrent Energy Limited has re-submitted a list of goods for authorized operations of transmission and distribution network in Dahej SEZ for the approval of UAC.

The list of goods required for authorized operations has been approved.

**2. M/S. MEGHMANI CHEMTECH LTD.**

The main submission made by the unit during hearing and interview is that in all the cases pending against them are of issues involving interpretation of provisions and are not on account of any fraud, collusion or mis-statement with intent to evade payment of duty. The members discussed the matter once again and it was decided that the DC Office should check out what procedure is followed in such type of cases in other SEZs.

Accordingly, the matter has been deferred to the next UAC before reaching final conclusion.

**3. M/S. DAHEJ HOSPITALITY LTD.**

Shri Bishwajit R. Sikdar, Group Vice President of M/s.Dahej Hospitality Limited appeared before the approval committee and submitted list of material of goods required for authorized operations for the period for seven months. The list mostly contains basic materials which are essential for construction.

Accordingly, the list of goods has been approved by the Committee.