

**Minutes of the 32<sup>nd</sup> meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 17-08-2011, at 12-30 hours under the Chairmanship of Shri Pravir Kumar (IAS), Development Commissioner, Dahej Special Economic Zone, in the DC Office, Dahej SEZ, Ahmedabad.**

---

List of Participants is annexed as Annexure-A.

**32.1 Confirmation of minutes of 31<sup>st</sup> Meeting :**

As no comments/observations on the draft minutes of the 31<sup>st</sup> meeting of the Approval Committee of the Dahej SEZ held on 08/07/2011, were received from any member, the same were confirmed.

**32.2 Report on actions taken on decisions of the 31<sup>st</sup> Meeting of the Committee.**

Following actions were taken:

Letters were issued to :

1. M/s. Fernas Construction India Pvt. Ltd. granting Letter of Approval (LOA).
2. M/s. Firmenich Aromatics Production India Ltd. reg. approval of service.
3. M/s. ONGC Ltd. reg. approval of service.

**32.3 FRESH CASES : -**

**32.3.1 M/S. INDO-BAIJIN CHEMICALS PVT. LTD.:**

Shri S. Mishra, Chief Operating Officer of M/s. Indo-Baijin Chemicals Pvt. Ltd. appeared along with Power of Attorney and Board's Resolution, before the Approval Committee for interview and put forth the following points.

- M/s Indofil Chemical Ltd. has entered into a Joint Venture with Shanghai Baijin Chemical Group (SBC), China for manufacturing of Carbon disulphide (CS<sub>2</sub>) with the equity ratio of 51:49 respectively.
- SBC is the largest manufacturer of CS<sub>2</sub> globally with most advanced technology for CS<sub>2</sub> manufacturing. The JV Company, Indo-Baijin would manufacture 50,000 MT CS<sub>2</sub> annually.
- Currently local CS<sub>2</sub> manufacturers use Charcoal as fuel. Each Metric ton of CS<sub>2</sub> production requires 350 Kgs. of Charcoal which comes from 1000 Kgs. of Wood. The JV Company would use molten Sulphur and Natural Gas instead of Charcoal. Avoidance of Charcoal usage as fuel would save 58 sq. kms. of forests annually in India.
- New plant would be zero wastage discharge plant with no contaminated water outlet. The technology of SBC is well proven and it would be first plant of its kind in India.
- Commercial production was expected to commence in October, 2012.
- Total cost of project would be ₹ 168 Crore, out of which ₹ 44 Crore would be arranged through promoters and ₹ 124 Crore through long term loans.
- FOB value of exports for 5 years would be ₹ 152.61 Crore and NFE earnings for 5 years period would be ₹ 11.45 Crore.
- It was confirmed that there was no case against the company of Central Excise, Customs and Income-tax Department.





**Minutes of the 32<sup>nd</sup> meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 17-08-2011, at 12-30 hours under the Chairmanship of Shri Pravir Kumar (IAS), Development Commissioner, Dahej Special Economic Zone, in the DC Office, Dahej SEZ, Ahmedabad.**

---

**Observations/Clarifications of the Committee :**

After detailed deliberation the proposal was approved and accepted subject to clearance from Ministry of Environment & Forest (MOEF) and other standard terms & conditions.

**32.3.2 M/S. BENZO CHEM PVT. LTD.:**

Shri Gaurav Mohata, Director and Shri Pawan Deora, Manager (Export-Import) of M/s. Benzo Chem Industries Pvt. Ltd. appeared before the Approval Committee for interview and put forth the following points.

- The company was accredited with ISO 9001:2008 certificate for Quality Management System (QMS).
- Present manufacturing capacity of specialty chemicals of the company is 4000MT in Jalgaon and Malkapur (Maharashtra). Setting up unit in Dahej SEZ would be beneficial to them as it would save transportation cost.
- Total cost of project would be ₹ 60 Crore, out of which ₹ 5 Crore would be arranged through Share Capital ₹ 25 Crore through term loans and remaining ₹ 30 Crore through un-secured loans and internal accruals.
- FOB value of exports for 5 years would be ₹ 345 Crore and NFE earnings for 5 years period would be ₹ 173.72 Crore.

**Observations/Clarifications of the Committee :**

M/s. Benzo Chem Industries Pvt. Ltd. had applied earlier for setting up unit in the Dahej SEZ vide their application dated 06.02.2008. The proposal was rejected at that time as the party did not seem to be seriously interested in the project. The unit filed a fresh application on 20/06/2009. The proposal was discussed in the 14<sup>th</sup> UAC meeting dated 22.12.2009 and was rejected under Rule 18 of the SEZ Rule 2006 on the basis of suppression of the facts, as the applicant did not declare Central Excise cases against them.

It was informed by the Joint commissioner Central excise that two cases were booked against the unit and that criminal case was also initiated against Directors in criminal complaint No. 415 of 2004 dated 16.06.2004 filed against the unit before the Chief Judicial Magistrate at Jalgaon. It was informed that original order for recovery of Rs. 30,26,741.00 had been reduced through various orders and now the final duty to be paid was only Rs.4,14,924.00. The penalty imposed by the adjudicating authority had also been set aside by the CESTAT Mumbai order dated 27.06.07. However the department had gone in appeal to the High court against the CESTAT order.





**Minutes of the 32<sup>nd</sup> meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 17-08-2011, at 12-30 hours under the Chairmanship of Shri Pravir Kumar (IAS), Development Commissioner, Dahej Special Economic Zone, in the DC Office, Dahej SEZ, Ahmedabad.**

---

The above facts were explained to the representatives of the unit which were accepted by them and they stated that they would abide by the final orders in the above cases.

The Committee felt that it would not be just to deny all future opportunities to the Company to do business, due to pendency of these cases. Therefore, after detailed deliberations the proposal was approved and accepted subject to submission of an affidavit from the company that they would fulfill all the legal formalities and abide by the outcome of the prosecution cases pending against them; and other standard terms & conditions.

**32.4 DEFERRED CASES : NIL**

**32.5 OTHER CASES:**

**32.5.1 M/S.SAPTHAGIRI HOSPITALITY PVT. LTD.**

Approval Committee took a note of the quarterly progress report for the period from April-2011 to June-2011 in Form-E submitted by M/s. Sapthagiri Hospitality Pvt. Ltd. (Co-Developer) vide their letter bearing No. SHPL/11/2011-12 dated 04.07.2011.

**32.5.2 M/S. TORRENT ENERGY LTD.:**

Nobody from M/s. Torrent Energy Ltd. (TEL) attended the meeting. TEL had submitted an additional list of goods required for their authorized operations vide letter dated 28.06.2011. The list was certified by the Chartered Engineer. The matter was discussed on the basis of documents available on record.

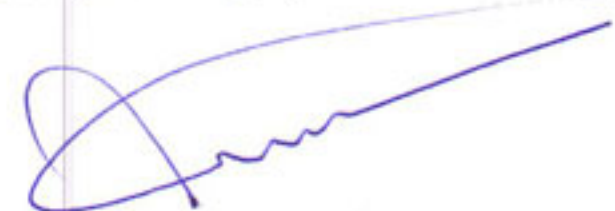
**Observations/Clarifications of the Committee :**

After detailed deliberations, the list of additional goods submitted by TEL was approved by the Approval Committee, subject to the decision of BoA regarding TEL's status (as a Unit or as Co-Developer).

**32.5.3 M/S.DAHEJ SEZ LTD.:**

Approval Committee took a note of the quarterly progress report for the period from April-2011 to June-2011 in Form-E submitted by M/s. Dahej SEZ Ltd. (Developer) vide their letter bearing No.DSL/2189 dated 19.07.2011.

The meeting ended with thanks to all concerned.



**( Pravir Kumar)**  
Chairman of Approval Committee,  
& Development Commissioner,  
Dahej Special Economic Zone.



**Minutes of the 32<sup>nd</sup> meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 17-08-2011, at 12-30 hours under the Chairmanship of Shri Pravir Kumar (IAS), Development Commissioner, Dahej Special Economic Zone, in the DC Office, Dahej SEZ, Ahmedabad.**

---

**Annexure-A**

**List of Participants in the 32<sup>nd</sup> meeting of the Approval Committee:-**

The following were Present:-

01.	Shri Pravir Kumar IAS Development Commissioner, Dahej SEZ	Chairman
02.	Shri S. N. Patil Joint Development Commissioner, Dahej SEZ	Nominee for the Director – SEZ, DOC, MOC&I..
03.	Shri P.Dwivedi, Joint Commissioner	Nominee of the Commissioner of Central Excise, Vadodara-II.
04.	Shri B.P. Bunker, Joint DGFT, Vadodara (Through Video Conference)	Member
05.	Shri B.J. Soni,	Nominee of the District Collector, Bharuch
05.	Shri R.I. Chavda, G.M., District Industries Centre, Bharuch.	Member
06.	Shri Dhaval Bhatt, R.O.,	Nominee of the GPCB, Bharuch
07.	Shri R. J. Shah, CEO – Dahej SEZ Ltd. (Developer)	Special Invitee

Absent:-

01.	Director (Banking), Ministry of Finance, Banking Division, Government of India.
02.	Commissioner of Income-Tax having territorial jurisdiction over the SEZ or his nominee not below the rank of Joint Commissioner.