

Minutes of the 58th meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 22-01-2015, at 1530 hours under the Chairmanship of Shri K. L. Sharma, ITS, Development Commissioner, Dahej Special Economic Zone, At M/s. ONGC Petro Additions Ltd. (OPAL), Ground Floor, Omkara Building, Near Sai Chowkadi, Manjalpur, Vadodara-390 011.

Review/Confirmation of the Minutes of last meeting of the Approval Committee.

As no comments/ observation on the last minutes of the 57th meeting of the Approval Committee of the Dahej SEZ held on 18/12/2014, were received from any member, the same were confirmed.

List of Participants is annexed as Annexure-A.

58.1 Fresh Cases for Dahej-SEZ:-

58.1.01 M/s. Dev International, Bhavnagar.

Shri Nilesh H Chauhan Director of the applicant company & Shri Kripalsinh CA of the applicant company appeared before the Committee, and gave a complete presentation on their project in Dahej-SEZ, as under:-

- (i) The proposal for trading activity of “ 1) Ginger; 2) Turmeric; 3) Spice Mixture; 4) Other Spice; 5) Cloves; 6)Black Pepper; 7) Cardamom and Cumin Seeds and warehousing ;
- (ii) Total cost of the project is Rs. 258.50 Lakh, Promoters Finance & Term Loan from Bank.
- (iii)Total export is projected at Rs. 1089.00 lakh, with outgo of Rs. Nil, resulting in NFE earnings of Rs. 1089.00 lakh in five years period.

The Committee after deliberations deferred the case for further clarification of the proposed project.

58.1.02 M/s. J P International, Bhavnagar.

Shri Nilesh H Chauhan Director of the applicant company & Shri Kripalsinh CA of the applicant company appeared before the Committee, and gave a complete presentation on their project in Dahej-SEZ, as under:-

- i) The proposal is for manufacture and export of Readymade Garments with annual capacity of 720.00 lakhs ;
- ii) Total cost of the project is Rs. 969.24 lakh, Promoters Finance & Term Loan from Bank.
- iii) Total export is projected at Rs. 2505.00 lakh, with outgo of Rs. 355.00 lakh, resulting in NFE earnings of Rs. 2150.00 lakh in five years period.

The Committee after deliberations approved the proposed project, subject to the standard terms and conditions of the SEZ Rules, 2006, and the proposed items of export does not fall under SCOMET.



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58.1.03 M/s. Yashashvi Rasayan Pvt Ltd., Navsari.

Shri Nilesh K Patel, Director of the applicant company appeared before the Committee, and gave a complete presentation on their project in Dahej-SEZ, as under:-

- (i) The proposal for manufacture and export of “ 1) Dicamba; 2) 3,6 Dichloro Salicylic Acid; 3) 2,5 Dichloro Phenol; 4) 2,5 Dichloro Aniline.
- (ii) Total cost of the project is Rs. 15,000.00 lakh, Promoters Capital, Internal Accruals and Bank Finance.
- (iii) Total export is projected at Rs. 106560.00 lakh, with outgo of Rs. 3000.00 lakh, resulting in NFE earnings of Rs. 101760.00 lakh in five years period.

The Committee after deliberations approved the proposed project, subject to the standard terms and conditions of the SEZ Rules, 2006, and the proposed items of export does not fall under SCOMET.

58.2 Deferred cases for Dahej-SEZ:-

58.2.01 M/s. ONGC Petro Additions Ltd., Dahej-SEZ – request for permission for laying of various pipelines, viz. 1) Naphtha Pipeline; 2) LPG Pipeline from GCPTCL (DTA) to OPAL, Dahej-SEZ Complex; and 3) Effluent line from OPAL, Dahej-SEZ Complex to GIDC (DTA) Common Effluent Disposal Facility.

Shri(s) Y. R. Johri, CGM & Ujjwal, DGM of the applicant company appeared before the Committee and explained their requirement for laying of various product pipelines (1) Naphtha Pipeline from GCPTCL to OPAL, Dahej Complex; (2) LPG pipeline from GCPTCL Dahej to OPAL Complex, Dahej SEZ ;(3) Effluent line from OPAL Complex Dahej SEZ to GIDC common Effluent Disposal Facility . M/s. ONGC Petro Additions Ltd. (OPAL), vide their letter dated 16.01.2015 have informed that they do not require any duty –free material for laying of various utility pipelines through the SEZ to their plant.

The unit is procuring duty paid material for the above mentioned pipelines to be installed there. The Approval Committee therefore after deliberations decided to recommend the case to the BoA for approval as some portion of the pipelines are proposed to be laid outside SEZ area. The committee observed that in the past, similar request for laying pipelines outside SEZ area of M/s.ONGC, M/s.Torrent Energy Ltd & M/s.Anushakti were referred to the BoA for consideration and approval as the same was not in its competency.

58.2.02 M/s. Sigachi Cellulos Pvt. Ltd., Dahej-SEZ – request for change in name.

Shri Amit Raj Sinha, MD of the applicant company appeared before the Committee and explained their request for change in name subsequent to the amalgamation of their group companies into M/s. Sigachi Industries Pvt. Ltd. as approved by High Court for the State of



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Telangana and the State of Andhra Pradesh. The unit has requested for change in the name from M/s. Sigachi Cellulos Pvt. Ltd. to M/s. Sigachi Industries Pvt. Ltd. The Committee after deliberation approved the proposal for change in name, from M/s. Sigachi Cellulos Pvt. Ltd. to M/s. Sigachi Industries Pvt. Ltd. subject to the standard terms and conditions of the SEZ Rules, 2006. The committee decided that the unit maintain separate account for SEZ Unit & DTA Unit; comply with all the Rules and Regulation of Department of Revenue /Company Affairs/SEBI etc.

58.3 Other Cases for Dahej-SEZ:-

58.3.01 M/s. Sabero Organics Gujarat Limited, Dahej-SEZ, - Request for Amalgamation of Sabero Organics Gujarat Limited to Coromandel International Limited - Change of name of the SEZ unit.

Shri Surendra Mishra, Assistant Vice President of the applicant company appeared before the Committee and explained their request for change in name subsequent to the amalgamation of their companies into M/s. Coromandel International Limited, as approved by the H'ble High Court for the State of Telangana and the State of Andhra Pradesh & the H'ble High Court of Gujarat, Ahmedabad. The unit has requested to change the name from M/s. Sabero Organics Gujarat Limited to M/s. Coromandel International Limited. The Committee after deliberations approved the proposal for change in name, from M/s. Sabero Organics Gujarat Limited to M/s. Coromandel International Limited subject to the standard terms and conditions of the SEZ Rules, 2006. The committee decided that the unit maintain separate account for SEZ Unit & DTA Unit; comply with all the Rules and Regulations of Department of Revenue/Company Affairs/SEBI etc.

58.3.02 M/s. RAKS Pharma Pvt Ltd., Dahej-SEZ –Request for broad-banding of LOA for inclusion of Additional items to the LOA.

Shri Pratik Mehta & Shri Daxesh Pandya of the applicant company appeared before the Committee and explained their request for broad-banding of LOA for inclusion of additional service activity to the LOA. The Committee during deliberation noted that the applicant had not specified the proper utilization of the service activity namely “Research & Development activity related to Active Pharmaceutical Ingredients & Intermediates” sought for inclusion to the LOA. The Committee asked to the applicant to submit the same to the Development Commissioner, Dahej-SEZ. Till the time the applicant submits the specific use the service activity with proper utilization, the case is deferred.

58.3.03 M/s. Torrent Energy Ltd., Dahej – SEZ.

Shri Biren Shah, AGM, of the Co-Developer/applicant company appeared before the Committee, and explained the requirement of additional items for default Authorized Operations in the SEZ, as per their request letter dated 30-12-2014, and requested for approval of all types of goods in view of Power Guideline. The Committee, after



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deliberations approved procurement of duty-free goods for the default Authorized Operations, subject to standard terms and conditions of the SEZ Rules, 2006.

57.3.04 Approval of list of services in respect of units in Dahej-SEZ.

The Committee considered the requests of SEZ units for the following services.

1 M/s. Ajanta Pharma Limited

Shri Rajesh Mehta Deputy Manager (Excise & Warehouse) from M/s. Ajanta Pharma Limited Dahej-SEZ, appeared before the Committee and requested for the Event Management Service. He explained the matter to the Committee Members. The Committee after deliberations decided to ask the unit to furnish detailed justification of this service for their authorized operations. Till the time the unit submits the information to the Office of the Development Commissioner, Dahej SEZ, the case is deferred.

2. M/s. Holtec Asia Pvt. Ltd., Dahej Sez

Shri Raj Shah, Programme Manager from *M/s. Holtec Asia Pvt. Ltd.* appeared before the Committee and explained the case. He requested the committee to allow "Transport of Goods other than water, through pipeline or other conduct" services for their authorised operations. After deliberations, the Committee decided to allow "Transport of Goods other than water, through pipeline or other conduct service".

3. M/s. Oil and Natural Gas Corporation Ltd.

Shri S. Rangarajan CE(P) from M/s. Oil and Natural Gas Corporation Ltd. Dahej-SEZ appeared before the Committee and explained their request for the following services

- (i) Accommodation in Hotels, Inn, Guest House Restaurant Services;
- (ii) Business Auxiliary Service-Import, Storage and Supply of LNG by M/s. PPL;
- (iii) Laundry services.

The Committee did not consider the service at S. No.(i) as "Accommodation Service" is already covered at Sr. No. 66 of the default list of 66 services. These 66 services were approved as default services in the 55th Approval Committee for Dahej SEZ held on 27-08-2014.

For Business Auxiliary Service, the Committee observed that this service is of general nature under which various services are covered. Shri S Rangarajan from Applicant unit was therefore, requested to explain the matter. The representative of the unit explained that out of these various service activities they are related to only use for procurement of Import of goods or storage and supply of goods. The Committee therefore, after deliberations decided to allow Business Auxiliary Service namely "procurement of goods or services, or inventory management or clearance storage or warehousing during import or export of Goods" as provided in Section 65(19) of the Service Tax (Finance) Act, 1992 for SEZ use only.

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For Laundry Service, the representative of the unit explained that this service is required for the activities outside SEZ limit. He also informed that Laundry Service will be used for the employees staying outside SEZ Hotels, Inn, and guest House etc. The Committee observed that this service is not related to their authorised operations. After deliberations, the Committee rejected their request for the Laundry Service.



(K. L. Sharma)

Chairman of Approval Committee
& Development Commissioner
Dahej Special Economic Zone

Annexure-A

List of Participants of the Approval Committee meeting:-

The following were present:-

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| 01. | Shri K. L. Sharma, ITS Development Commissioner, Dahej Special Economic Zone. | Chairman |
| 02. | Shri Vilas V. Shinde, Additional Commissioner of Income Tax, Bharuch. | Nominee of the Commissioner of Income Tax, Bharuch. |
| 03. | Shri Suvidh Shah, Deputy DGFT. | Nominee of the Jt. DGFT, Vadodara. |
| 04. | Smt. Oza Rajashri, Manager (RM), DIC, Bharuch. | Member |
| 05. | Shri J. S. Prajapati, CSSO, GPCB, Bharuch. | Special Invitee |
| 06. | Shri S. N. Patil, CEO, Dahej SEZ Ltd., Developer. | Special Invitee – representing Developer (DSL). |