

Minutes of 75th meeting of the Approval Committee for the multi-product Dahej-Special Economic Zone held on 31-07-2017, at 11.00 hours under the Chairpersonship of Smt. Lata Shukla, ITS, Development Commissioner, Dahej Special Economic Zone, in the Conference Room, of 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 minutes of the 74th meeting of the Approval Committee of the Dahej SEZ held on 23-05-2017 were received from any member, the same were confirmed.

List of participants is annexed as Annexure-A.

Item No. 75.01. **Fresh Cases for Dahej -SEZ:- Two**

No.75.01.0.1 **M/s Axiom Chemicals Pvt Ltd**

Shri Amit Parikh, Director of the applicant company appeared before the committee, and gave a detailed report of their project in Dahej-SEZ,

The Committee after detailed discussion deferred the current proposal and advised the applicant to submit list of items of manufacture along with ITC (HS) code.

No.75.01.0.2 **M/S. Aarti Industries Limited**

Shri Kirit Mehta, Director and Shri Kirit Shastri, Authorized person of the applicant company appeared before the committee, and gave a detailed report and presentation of their project in Dahej-SEZ. They also informed that they received "Trishal Award" from CHEMEXCIL for outstanding export performance for financial year 2015-16. They have one unit in Dahej SEZ which commenced production in August, 2016 with total investment of Rs.111.7 Crs. They also informed during the meeting that they will start commercial production of new unit from April, 2019.

- (i) The proposal is for manufacture and export of items as mentioned in Annexure A of Form F.
- (ii) Total cost of the project is Rs.7500.00 lakhs and the project will generate employment for 540 person;
- (iii) Total export for five years is projected at Rs. Rs. 1425.00 Lakhs with outgo of Rs. 713.00 lakhs, resulting in Net Foreign Exchange earnings of Rs. 712.00 lakhs in five year period.



The Committee after due deliberation approved the proposed project, subject to compliance of the SEZ Act, 2005 and SEZ Rules, 2006 and all other relevant Rules and Regulations.

Item No. 75.2.1

M/s. Torrent Power Limited

Request to treat as Co-Developer and exit as unit

M/s Torrent Power Limited (M/s TPL) has made a request to allow the exit of their unit in SEZ and to treat M/s TPL as a Co-Developer in Dahej SEZ. Shri Biren Shah, GM of the applicant company appeared before the committee to explain their request in detail.

M/s Torrent Power Limited (TPL) vide their letter dated 22.03.2012 requested to treat TPL as a Co-Developer and allow exit of TPL a unit from Dahej SEZ and cancel the LoA issued to the unit. The request was considered in 38th Unit Approval Committee meeting held on 28.03.2012 in which it was decided that for cancellation of their Letter of Approval(LOA) as a unit, a decision regarding treatment of various benefits availed by them as a unit is required from Ministry of Commerce /BOA. As per the decision of UAC a reference was made to DoC on 10.04.2012 to obtain decision/orders from Ministry of Commerce/BoA. Department of Commerce vide their letter No.F2/9/2003-SEZ dated 9/5/2016 conveyed that the Directorate General of Export Promotion has intimated vide its O.M. dated 21.01.2016 that it has no objection to the proposal to treat the duty benefits availed by TPL (earlier TEL) as a unit as duty benefits availed by TEL, as co-developer, subject to condition that TEL should return all benefits availed on account of O&M along with interest. It is also conveyed that UAC is competent to take necessary action for allowing the exit of SEZ unit and requested to have the proposal for exit by the unit decided by the UAC of Dahej SEZ as per the provisions of SEZ Act & Rules and the condition(s) stipulated by DGEP.

As per the decision of DoC the matter was discussed in the 68th UAC meeting held on 10-06-2017. After detailed discussion the committee decided:

- to permit the exit of TPL as a unit of Dahej SEZ as per directions of Ministry of Commerce subject to return of all benefits availed on account of O&M along with interest. The UAC directed the Specified Officer, Dahej SEZ to take necessary action in this regard.
- To treat the SEZ benefits of Rs. 284.15 Crores availed by TPL during the unit status to be treated as benefits availed by as co-developer, as per guidance/directions received from Ministry of Commerce and Director General of Export Promotion.

The Specified Officer, Dahej SEZ vide their letter No. DSEZ/020-A/LoA/Tel-Cp-Dev/09-10 dated 07.06.2017 reported that the unit M/s Torrent Power Limited, Dahej SEZ has reversed the benefit of Rs. 1,49,49,348/- along with the interest of Rs. 34,50,222/- on account of O & M benefits post 10.12.2014 i.e. the day of starting commercial production by the unit and upto 31.03.2015.

The committee after detailed discussion approved the request of M/s Torrent Power Limited to allow the exit of the unit and treat M/s Torrent Power Limited as a Co-Developer in Dahej SEZ, as the directions issued by the Department of Commerce have been complied with.

Item No. 75.2.2 **M/s. Fermenta Biotech Limited., Dahej SEZ - Broad-banding / inclusion of additional item of exports for manufacturing in the existing LoA and capacity management.**

Shri Hitesh Patel, Manager of the applicant company appeared before the Committee and explained their request for broad-banding in the existing LOA by inclusion of item i.e. CHOLECALCIFEROL (VITAMIN D3 40MIU CRYSTALLINE) IN OIL

The committee after detailed discussion approved the request of the applicant company for broad-banding of Letter of Approval subject to the compliance of SEZ Act, 2005 and SEZ Rules, 2006 and all other relevant Rules and Regulations.

Item No. 75.2.3 **Approval of list of goods for authorized operations.**
Dahej SEZ Limited, Developer

The request of Dahej SEZ Ltd., a developer of Dahej SEZ was placed before 74th UAC and the committee decided to defer the case for want of list of goods in proper format duly signed by Chartered Engineer.

Now, Developer vide their letter dated 01/06/2017 submitted certificate of Chartered Engineer certifying the list of items which are required by M/s Dahej SEZ Ltd. to carry out default authorized operations.

The Approval Committee after detailed discussion approved the list goods subject to compliance of the SEZ Act, 2005 and SEZ Rules, 2006 and all other relevant Rules and Regulations.

Item No. 75.3 **Other cases for Dahej -SEZ:-**

Item No. 75.3.2 **M/s. Sigachi Industries Private Limited.,**
Trading of additional item in the existing LOA

M/s Sigachi Industries Private Limited has made a request for permission to allow trading of the item/items in their Letter of Approval. Shri H. Satyanarayan, DGM of the applicant company appeared before the Unit Approval Committee to explain their request in detail. Earlier the unit has got approval of UAC for enhancement in their capacity from 1200 to 6000 MT/PA. However they are not able to manufacture the item more than their initial capacity as they are unable to get required quantity of water supply and permission to discharge effluent water from GIDC.

The committee after detailed discussion advised the unit to approach GIDC for additional water supply and discharge of effluent water. In case they face any

difficulty, they can approach Office of the Development Commissioner, Dahej SEZ. The request for trading is rejected.

Item No. 75.3.2

M/s ONGC Limited, C2-C3 Project
Request for permission to extend accommodation
Facility for O&M crew

Shri D.D. Sathe, Project Head and Shri Y.P. Jain, DGM of the applicant company appeared before the Committee and explained their request for permission to extend temporary resting facility for O&M crews and put forth following points:-

➤ **Criticality of operation**

The plant will be handling highly combustible material, a cryogenic liquid, which expands about 600 times in volume at ambient temperature. C2-C3 plant is designed with 24x7 round the clock operations. The operations are highly sensitive and require several advance automated process control system for safe and efficient operations.

➤ **Duty pattern**

They have evolved 14 days on/off duty pattern involving continuous sensitive round the clock operations. Considering critical operational areas spread across 59 hectare of land (covering process control room, Cryogenic pumps section, process area, utilities area, Hydrocarbon storage tank farm, TTLF terminal, Switch gear room, Fire Station etc.) it is essential that regular crew strength of around 65-75 members (including 12 hour on duty and 12 hour resting crew) need to be stationed at site.

The committee after detailed discussion approved in principal the request of the unit subject to compliance of the SEZ Act, 2005 and SEZ Rules, 2006 with following conditions.

- (1) The facility will not be used as a permanent residential facility and it will only be a resting facility for O&M crews to handle emergency situation.
- (2) The unit will not get any duty benefits for procurement of goods and services to create facility or to maintain the same.
- (3) Necessary approval may be taken from the Development Committee of Dahej SEZ.

Item No. 75.3.3

M/s Gujarat Dyestuff Industries,-
Broad-banding in the original LoA.

None of the Director or representative of the applicant company appeared before the Committee. The case was therefore deferred.



Item No. 75.3.4

**M/s Firmenich Aromatics Production (India) Pvt Ltd.,-
Broad Banding to include Spent Catalyst in list of By-
Products.**

M/s Firmenich Aromatics Production(India) Pvt. Ltd. has made a request to include Spent Catalyst in their Letter of Approval.

Shri V.K. Patel, AEE of Gujarat Pollution Control Board and a member of the Approval Committee informed that the Spent Catalyst is a hazardous waste and same can be sent to only registered recyclers nominated by the GPCB for recycling to recover the metal

The Approval Committee after detailed discussion decided that Spent Catalyst is a hazardous waste and it is not a export product. Hence it can not be included in the LoA of the unit as item of manufacture. The Specified Officer, Dahej SEZ was instructed that removal of the waste products should be carried out in terms of SEZ Act,2005 and SEZ Rules, 2006. Request is therefore rejected.

Item No. 75.4.1

**M/s Sun Pharmaceuticals Industries Ltd.,-
Broad-banding of intermediate goods in LoA.**

M/s Sun Pharmaceuticals Industries Ltd. has made request for broad-banding of intermediate bulk drugs under ITC (HS) code No. 29420090 in LoA. Shri Sirish Agrawal, General Manager & Shri Mahesh Tailor, Deputy General Manager of the applicant company appeared before the Committee and explained their request.

The Specified Officer of Dahej SEZ in his written comments has explained that both the items are same and difference is only of purity.

The committee after detailed discussion decided to refer the case to CHEMEXCIL to know, whether Mesalamine and Mesalamine Crude are the same product and also directed Specified Officer, Dahej SEZ to send the sample of both products to Central Revenue Control Laboratory , Vadodara to ascertain the contents of the products. On receipt of the report the case will again be taken up in the Unit Approval Committee.

Item No. 75.4.2

**M/s Panama Petrochem Ltd.,-
Broad-banding in the original LoA.**

M/s Panama Petrochem Ltd. has made a request for broad-banding in the original LoA by inclusion of finished products i.e. (1) Driling Fluid / Base oils (ITC (HS) Chapter 27101960- 36000 MT/PA (2) Biocides all grades (ITC (HS) Chapter 38089990) - 24000 MT/PA (3) Sulphonated asphalts (ITC (HS) Chapter 27150010)- 14000 MT/PA (4) Filtrations Controls Agents-(ITC (HS) Chapter 38249990) -10000 MT/PA(5) Viscosires (ITC (HS) Chapter 382499900- 5000 MT/PA (6) Emulsifiers (ITC (HS) Chapter 34029099)- 5000 MT/PA. Shri

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P.V.Nikam, VP Technical of the applicant company appeared before the Committee and explained broad-banding in the original LoA by inclusion of above items.

The unit informed that there is no extra investment involved and their present infrastructure is capable to handle this product range.

The committee after detailed discussion approved the request of the applicant company for broad-banding of Letter of Approval subject to the compliance of SEZ Act, 2005 and SEZ Rules, 2006 and all other relevant Rules and Regulations.

Item No.75.3.05 Extension of time limit for renting office premises at Dahej SEZ Ltd. - Gujarat Petroleum, Chemicals and Petrochemicals Special Investment Regional Development Authority.

Shri S.N. Patil, CEO, Developer, SEZ appeared before the Committee and explained their request for granting extension of time limit upto 31.12.2017 for renting office premises at Dahej SEZ to M/s GPCPSIRDA.

The Approval Committee after discussion decided to approve the request of Dahej SEZ Ltd. for extension of time limit for three months from the date of letter of approval for renting office premises at Dahej SEZ Ltd. to M/s GPCPSIRDA on same terms and conditions. However, this will be the last extension and no further extension will be granted beyond three months.

Lata Shukla
(Lata Shukla) 2/18/17

Chairperson of Approval Committee
& Development Commissioner
Dahej Special Economic Zone.

Annexure-A

List of Participants of the Approval Committee meeting:-

The following were present:-

01.	Smt. Lata Shukla, ITS Development Commissioner, Dahej Special Economic Zone.	Chairperson
02.	Shri J.P. Meena, Assistant Commissioner C. Ex., Customs & Service Tax	Representative of the Commissioner C. Ex. ,Customs & ST , Bharuch
03.	Shri Manish Mehta,	Asst. Commissioner, Income Tax , Vadodara
04.	Shri V.K. Patel, AEE, RO, Bharuch	Member Secretary of Gujarat Pollution Control Board, Gandhinagar
05.	Shri Mahesh Kumar, SO, Dahej SEZ	Special Invitee- Dahej SEZ
06.	Shri S.N. Patil, CEO Dahej SEZ Ltd., Developer.	Special Invitee - representing Developer (DSL).
07.	Shri H N Mevada	General Manager, DIC