

भारत सरकार /Government of India
वाणिज्य एवं उद्योग मंत्रालय/Ministry of Commerce & Industry
विकास आयुक्त का कार्यालय/Office of the Development Commissioner
दहेज विशेष आर्थिक क्षेत्र/Dahej Special Economic Zone
४वीं मंजिल, फडीया चेम्बर्स/4<sup>th</sup> Floor, Fadia Chambers,
टाइम्स ओफ इन्डीया /Times of India Building,
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KASEZ/DCO/AC/123/2008-09/ | 024

Dated: 25th July, 2017

To: All Approval Committee members:-

1.	Director, MOC&I, New Delhi;	
2.	Commissioner of Central Tax,	vad2tech@rediffmail.com
	Commissionerate, Vadodara-II	
3.	Commissioner of Income Tax, Vadodara -III;	amblinking@yahoo.com
4.	Jt. DGFT, Vadodara	bpbunker1@gmail.com
5.	Director (Banking), Banking Dvn., MOF,	
6.	District Collector, Bharuch, Gujarat.	addl-collector-
		bha@gujarat.gov.in
7.	General Manager, DIC, Bharuch.	gm-dic-bha@gujarat.gov.in
8.	Developer (Dahej - SEZ), Gandhinagar	ceo@dahejsez.com
9.	Member Secretary, GPCB.	gpcb-bha@gujarat.gov.in

Madam/Sir,

Subject:- Seventy Fifth (75<sup>th</sup>) meeting of the Approval Committee for Dahej –SEZ.

Reference: - Letter No. KASEZ/P&C/5-A/91/07/6600, dated 01-08-2008.

This is to inform you that the Seventy Fifth (75<sup>th</sup>) meeting of the Approval Committee for Dahej – Special Economic Zone, would be chaired by Mrs. Lata Shukla, Development Commissioner, Dahej SEZ, on Monday 31<sup>st</sup> July, 2017 at 1100 hours in the Conference Hall, of M/s. ONGC Petro Additions Ltd. (OPAL), Ground Floor, Omkara Building, Near Sai Chowkadi, Manjalpur, Vadodara- 390 011. Agenda paper for the said meeting is enclosed herewith. You are requested to kindly attend the meeting.

Yours faithfully,

(AK Bansal)

Officer on Special Duty, Dahej Special Economic Zone.

Phone No. 95740-01531 (M)

AGENDA FOR 75<sup>th</sup> (SEVENTY FIFTH) MEETING OF UNIT APPROVAL COMMITTEE FOR DAHEJ - SEZ TO BE HELD ON Monday 31<sup>th</sup> July, 2017<sub>at</sub> 11:00 hours in the, Conference Room, of M/s. ONGC Petro Additions Ltd. (OPAL), Ground Floor, Omkara Building, Near Sai Chowkadi, Manjalpur, Vadodara-390 011.

75.1 <u>Fresh cases for unit in Dahej -SEZ:</u>

Sr. No.	Name of Applicant	Proposal/Request for
1.	M/s Axiom Chemicals Pvt Ltd	Fresh application for setting-up new unit in Dahej SEZ for manufacture and export.
2.	M/s. Aarti Industries Limited	Fresh application for setting-up new unit in Dahej SEZ for manufacture and export.

#### 75.2 <u>Deferred cases for Dahej -SEZ:</u>-

Sr. No.	Name of Applicant	Proposal/Request for
1.	M/s Torrent Power Limited	Request to treat as Co-Developer and exit as unit
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.
3	M/s. Dahej SEZ Limited	Approval of list of goods for authorized operations.

#### 75.3 Other cases for Dahej - SEZ

Sr. No.	Name of Applicant	Proposal/Request for
1.	M/s Sigachi Industries Private Limited	Broad-banding of additional item in the existing LOA for trading activity.
2.	M/s ONGC Limited, C2-C3 Project	Request for permission to extend accommodation Facility for O&M Screw
3.	M/s. Gujarat Dyestuff Industries	Broad-banding in the Original LoA.
4.	M/s. Firmenich Aromatics Production (India) Pvt Ltd	Broad Banding to include Spent Catalyst in list of By-Products.

#### Item No.75.1.01

M/s Axiom Chemicals Pvt Ltd.

Fresh application for setting-up new unit in Dahej SEZ for manufacture and export.

Name of the applicant.	M/s. Axiom Chemicals Pvt Ltd.,		
Sector	Chemical		
Address (Regd.Office)	M/s. Axiom Chemicals Pvt Ltd.,		
( 0	A-111, Pramukh Hradaya,		
	B/s. Sandesara Estate,		
	Atladara, Vadodara- 390012		
Factory address (proposed)	Processing Zone of Dahej Special Economic		
ruovery union ess (propessed)	Zone		
Type of firm	Private Limited Company.		
Details of property NA			
# The state of the			
Details of documents of ( ) above	NA		
Whether adjudicated or not, if so	NA		
details of adjudicating authority			
Area of land/factory:	5,000 Sq. Mtrs.		
,	1		
Proposed items of manufacturing:	As per Annexure-A		
Proposed Annual Capacity (MT)	Items Description Annual Capacity		
1 3 ( )	MT		
	As per Annexure-A		
Product value for 5 years (in lacs)	Rs. 17730.00		
Whether conversion from existing	For setting-up new undertaking in Dahej		
DTA unit into EOU/SEZ	SEZ.		
,			
Name of the Promoter:	Directors:-		
(Proprietor/Partners/Directors)			
	Amit Parikh		
	Bina Parikh		
Proposed Import of Capital goods.	Rs. 1,75,00,000.00		
(in rupees)	*		
Proposed Import of Raw material,	Rs. 5,00,000.00		
Component Consumables, Packing			
material, fuel etc.			
FE outgo.	Rs. 9928.8 (5 years period)		
FOB value of Exports	Rs.17730.00 (5 years period )		
DTA Sales	NIL		
NFE (Rs. In Lakhs)	Rs. 7801.2 (5 Years period)		
	1 /		

Cost of Project (Rs. In Lakhs.)	
Plant & Machinery Intligenous	
Indigenous	Rs.5.00
Import	Rs. 175.00
Total Cost	Rs. 180.00
Sources of funds (Rs. In Lakhs.)	
Self Funded	Rs. 180.00
Marketing arrangements as given in	Established world markets.
the proposal	
Whether the items of manufacturing	No
and export are restricted or not	
Remarks as per Exim Policy	
Whether the unit falls under	No
fraudulent list	
Jurisdiction of Customs/Central	DCC/SO, Dahej SEZ.
Excise (Specify Commissioner ate	
and Range)	
Employment	32 Men 10 Women
	9 - 3
Recommendation from	Not Received
Excise/Customs	
Recommendation from Income Tax	Not Received
Recommendation from DGFT	Not Received

#### Brief Note

The proposal of M/s. Axiom Chemicals Pvt Ltd., is for setting up a new unit in the Dahej-SEZ. They have import of Rs. 175.00 lakhs capital goods for the proposed project. FOB value of exports for the 5 years period is projected as Rs. 17730.00 Lakhs with NFE of Rs. 7801.2 Lakhs (44 %). The Developer (Dahej SEZ) has agreed in principle approval for allotment of plot of about 5,000 Sq. Mtrs. in the processing zone of Dahej SEZ for the proposed project in Dahej SEZ for setting up of unit.

The proposal is eligible for approval under A/A route. We may therefore if approved, place the same before the Approval Committee for consideration, after personal interview of the Promoters/Directors. The proposal is recommended for approval in terms of the Rule-18 of the SEZ Rules, 2006.

## M/s Aarti Industries Limited. Fresh application for setting-up new unit in Dahej SEZ for manufacture and export.

Name of the applicant.	M/S. Aarti Industr	ries Limited
Sector	Chemical	
Address (Regd.Office)	M/S. Aarti Industries Limited 2nd Floor, Udyog Kshetra, Mulund,Gore Gaon, Link Road,Mulund (W),Mumbai- 400080.  Processing Zone of Dahej Special Economic Zone  Public Limited Company  NA  NA	
Factory address (proposed)		
Type of firm		
Details of property		
Details of documents of ( ) above		
Whether adjudicated or not, if so details of adjudicating authority		
Area of land/factory:		
Proposed items of manufacturing:	Manufacturing As per Annexure-A	A
Proposed Annual Capacity (MT)	Items Description As per Annexure- A	Annual Capacity As per Annexure- A
Product value for 5 years (in lacs)	Rs.1425.00 Lakhs	Timicxure 11
Whether conversion from existing DTA unit into EOU/SEZ	For setting-up new undertaking in Dahej - SEZ.	
Name of the Promoter: (Proprietor/Partners/ <u>Directors</u> )	Directors:- Rajendra V Gogri, 2) Rajesh C Gogri, 3) Manoj M Chheda, 4) Parimal H Desai, 5) Hetal Gogri Gala, 6) Kirti R Mehta, 7) Renil R Gogri. 500.00 lakhs  1,10,000 Lakhs	
Proposed Import of Capital goods.		
Proposed Import of Raw material, Component Consumables, Packing material, fuel etc.		
	Rs. 713.00 Lakhs (5 years period)	

FOB value of Exports	Rs. 1425.00 Lakhs (5 years period)
DTA Sales	NIL
NFE	Rs. 712.00 Lakhs (49.96%) (5 Years period)
Cost of Project (Rs. In lakhs) Plant Machinery Indigenous Import CIF Value Total Cost	Rs.700.00 <u>Rs.50.00</u> <b>Rs.750.00</b>
Sources of funds (Rs. In lakhs) Self Total:-	Rs. 750.00  Rs. 750.00
Marketing arrangements as given in the proposal	Established world markets.
Whether the items of manufacturing and export are restricted or not Remarks as per Exim Policy	No
Whether the unit falls under fraudulent list	No
Jurisdiction of Customs/Central Excise (Specify Commissioner ate and Range)	DCC/SO, Dahej SEZ.
Employment	500 Men 40 Women.
Recommendation from Excise/Customs	Not Received
	Not Received  Not Received

#### **Brief Note**

The proposal of M/s. Aarti Industries Limited., is for setting up a new unit in the Dahej-SEZ. They have import of capital goods Rs. 500.00 Lakhs for the proposed project. FOB value of exports for the 5 years period is projected as Rs. 1425.00 Lakhs with NFE of Rs. 712.00 Lakhs (49.96%) The Developer (Dahej SEZ) has agreed in principle approval for allotment of plot of about 55,000 Sq. Mtrs. in the processing zone of Dahej SEZ for the proposed project in Dahej SEZ for setting up of unit.

The proposal is eligible for approval under A/A route. We may therefore if approved, place the same before the **Approval Committee** for consideration, after personal interview of the Promoters/Directors. The proposal is recommended for approval in terms of the Rule-18 of the SEZ Rules, 2006.

#### Item No. 75.2 Deferred cases for Dahej -SEZ:-

### 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 (TPL) vide their letter dated 22.03.2012 requested to treat TPL as a Co-Developer and allow exit of TPL as unit from Dahej SEZ and cancel the LoA issued to them.

The request was considered in 38<sup>th</sup> Unit Approval Committee Meeting held on 28.03.2012. Following decision was taken by the UAC.

- M/s. Torrent Energy Ltd., should submit a Board resolution regarding their withdrawal from Dahej SEZ as a unit and their treatment as a Codeveloper only in future.
- > The committee directed that their request regarding the benefits availed by them as a unit till date to be treated as availed by them as Codeveloper, may be referred to Ministry/BoA for consideration and approval.
- ➤ The LoA issued to them as a unit would be cancelled once clarification is received from Ministry/BoA regarding treatment of benefits availed by them.
- In supersession of previous certificates, they may be issued fresh Eligibility Certificate as Co-Developer alone, for availing various benefits and exemptions etc. as they are already approved as Co-Developer by BoA.
- ➤ The Co-Developer has to fulfill other formalities as per the new power guidelines.

As per the decision of UAC a reference was made to DoC on 10.04.2012 to obtain decision/orders by Ministry of Commerce/ BoA on 10.04.2012 on the following points:-

- ➤ The request of TEL for their treatment as a Co-developer only, by allowing all the SEZ benefits availed by them as a unit till date, to be treated as benefits availed by them as a Co-developer.
- The request of TEL for enhancement of their capacity from 1500 MW to 1600 MW for generation.

The MOC, DOC, Delhi vide their letter No.F2/9/2003-SEZ dated 9/5/2016 conveyed that the DGEP 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, the 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 an 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 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.

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 taken along with the interest on account of O & M benefits post 10.12.2014 i.e. the day of starting commercial production by the unit.

In view of the above, the matter regarding request of M/s Torrent Power Limited to treat as Co-Developer and exit as unit from Dahej SEZ is placed before UAC for consideration as per the provisions of SEZ Act, 2005 and SEZ Rules, 2006.

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

The request of M/s Fermenta Biotech Limited regarding broadbanding/inclusion of additional item of export i.e. CHOLECALCIFEROL (VITAMIN D3 40MIU CRYSTALLINE) IN OIL, HS CODE – 29362940 with an capacity of 6 MTPA was placed before 74th UAC of Dahej SEZ wherein the Approval Committee deferred the case for further clarification from the unit.

The unit vide their letter Dahej/LOA/Amend/2016-17,dtd. 24-05-2017 informed that CHOLECALCIFEROL (VITAMIN D3 40MIU CRYSTALLINE) IN OIL is pharmaceutical product and required manufacturing facility is not available at Dahej site and for that unit have to invest extra Two Crores to create this facility at Dahej site. The same facility is available in their DTA unit at Kullu in Himachal Pradesh. This is the reason they do not go for further investment.

The Approval Committee may kindly like to accord approval for inclusion of additional item i.e. CHOLECALCIFEROL (VITAMIN D3 40MIU CRYSTALLINE) IN OIL, HS CODE – 29362940 in existing LoA in the Letter of Approval in terms of Rule-19(2) of the SEZ Rules, 2006 subject to the normal terms and conditions.

## 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 74<sup>th</sup> UAC and the committee decided to defer the case for want of list of goods in proper format duly signed by Chartered Engineer.

Developer submitted certificate of Chartered Engineer certifying the list of the list of items are required by M/s Dahej SEZ Ltd. to carry on default authorized operation.

The request of the Developer is put up for consideration by the Approval Committee.

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

Item No. 75.3. 1

M/s Sigachi Industries Private Limited.,Broad-banding of additional item in the existing
LOA for trading activity.

M/s Sigachi Industries Private Limited was issued LOA on 19.09.2008, as amended from time to time, for manufacture and export of "Micro Crystalling Cellulose ITC(HS) Code 39123100 and started commercial production from 30.08.2012. Their cumulative export for last four years is Rs.4490.37 Lacs.

Now, M/s. Sigachi Industries Pvt. Ltd., Dahej-SEZ, vide their letter dated 12/06/2017 requested for broad-banding of LoA for approved additional item for trading activity. The unit mentioned that they are unable to meet approved production capacity of Micro Crystalline Cellulose Powder beyond 3000 MT per annum as against 6000 MT per annum production capacity. They want to procure it from DTA units and exporting customers to meet the requirement of export orders.

As the unit is working and exporting from the SEZ, the Approval Committee may kindly like to accord approval for the new items sought in their request for trading, in terms of Rule-19(2) of the SEZ Rules, 2006 subject to the normal terms and conditions.

Item No. 75.3.2 M/s ONGC Limited, C2-C3 Project
Request for permission to extend accommodation
Facility for O&M Screw

The 30<sup>th</sup> Unit Approval Committee approved only five rooms (one room each for every technical discipline manager) equipped with attached toilet which would not be used as guest house but used as temporary resting facility for the crisis management team and Specialists officials of the unit. Apart from this,

one extra room equipped with toilet which may be used as a common room for all other personnel manning the plant.

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Now, he unit requested vide their letter dated 18/04/2017 for grant of permission to extend resting facility from six rooms to forty eight rooms to cover 65-75 essential O&M crew (including 12 hour on duty and 12 hour resting crew), some on single occupancy and some on double occupancy basis.

The unit mentions that the plant started operation in July, 2015 and is poised to ensure uninterrupted supply of feed st6ock to OPaL. 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. 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 above proposal is placed before the Committee for consideration of approval of forty two rooms to cover 65-75 essential O&M crew who are 12 hour on duty and 12 hour resting crews, some on single occupancy and some on double occupancy basis at ONGC C2-C3 plant in processing area of Dahej SEZ.

#### Item No. 75.3.3 M/s Gujarat Dyestuff Industries.,-Broad-banding in the original LoA.

M/s Gujarat Dyestuff Industries was issued LOA on 01.12.2008, as amended from time to time, for manufacture and export of manufacturing products under chapter 28 & 29 of ITC(HS) namely 01. Vinyl Sulphone Ester 6000 MT PA 02. Hydrochloric Acid 4000 MT PA 03. Sulphuric Acid(Dilute) 10000 MT PA and unit started commercial production from 29.11.2013. As per the Annual Performance Reports from the financial years 2013-14 to 2015-16, there is deemed export of Rs. 28.68 lakhs from the date of commencement of commercial productions i.e. 29-11-2013.

Now, the unit vide letter dated 30/06/2017 requested for broad-banding for inclusion of the Acetic Anhydride ITC (HS) Chapter 29152400 with Annual capacity 14400 MT. The unit has also informed that projection of export of this product for next five years from 2017-18 to 2021-22 is Rs. 171.88 crores.

The Approval Committee may kindly like to accord approval for addition of new product i.e. Acetic Anhydride in existing item of LoA in terms of Rule-19(2) of the SEZ Rules, 2006 subject to the normal terms and conditions.

Item No. 73.3.4

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., was issued LOA on 01.03.2008, as amended from time to time, for manufacture and export of manufacturing products under chapter 29 of ITC(HS)- Aromatics Chemicals, Fragrance and flavour compounds systems. The unit started commercial production from 26.05.2010. They have made export of Rs. 342989.00 Lakhs upto the F.Y. 2015-16.

Now the unit vide letter dated 17/07/2017 requested for broad-banding to include Spent Catalyst ITC HS Code 71129990 for manufacturing capacity of 1.2 MT per annum in list of by-products. They have received approval from the Gujarat Pollution Control Board for disposal of Spent Catalyst.

As the unit is working and exporting from the SEZ, the Approval Committee may kindly like to accord approval for include above by-products in existing item of LoA in terms of Rule-19(2) of the SEZ Rules, 2006 subject to the normal terms and conditions.