

Minutes of the 57th meeting of the Approval Committee for the multi-product Dahej – Special Economic Zone held on 18-12-2014, at 1130 hours under the Chairmanship of Shri K. L. Sharma, ITS, Development Commissioner, Dahej Special Economic Zone, in the conference room of DC's Office, Sterling SEZ, Vadodara.

Review/Confirmation of the minutes of last meeting of the Approval Committee:

As no comments/observations on the last minutes of the 56th meeting of the Approval Committee of the Dahej SEZ held on 08/10/2014, were received from any member, the same were confirmed.

List of Participants is annexed as Annexure-A.

57.1 Fresh Cases for Dahej-SEZ:- Nil

57.2 Deferred cases for Dahej-SEZ:- Nil

57.3 Other Cases for Dahej-SEZ:-

57.3.01 M/s. Annie Chemie Pvt. Ltd., Dahej-SEZ – request for amendment in LOA, and change in name.

Shri Anmol Kamdar, Director of the applicant company appeared before the Committee and explained that there is error in the Annual Capacity mentioned in the application Form F. He pointed out that instead of mentioning the Annual Capacity the monthly capacities were mentioned. The LOA was issued accordingly. Now the unit has requested to correct & mention the Annual Capacity in the LoA issued to them. The Committee after deliberation decided to amend the annual capacity as requested by unit.

Secondly, he sought approval for change in name to implement the approved project in Dahej-SEZ, as a separate legal entity. The unit has requested to change the name from M/s. Annie Chemie Pvt. Ltd., to M/s. Ana Industries Pvt. Ltd. The Committee after due diligence approved the proposal for change in name, from M/s. Annie Chemie Industries Pvt. Ltd to **M/s. Ana Industries Pvt. Ltd.** subject to normal terms and conditions of the SEZ Rules, 2006.

57.3.02 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. The Committee decided to defer the case, for proper examination of all aspects of the said matter. The Unit may be asked to give complete details of amalgamation, share holding pattern etc.

57.3.03 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 letters dated 28-10-2014 & 02-12-2014, and requested for approval of all types of goods in view of Power Guidelines. The Committee, after due deliberation and diligence approved procurement of duty-free goods for the default Authorized Operations, subject to standard terms and conditions of the SEZ Rules, 2006. The



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Committee also decided to release the items which were kept in abeyance approved in 56th meetings Approval Committee.

57.3.04 M/s. Dahej SEZ Ltd. – Monitoring of the Half Yearly Report for the period ending September, 2014,

The Committee noted and took on record the half yearly report for the period ending September, 2014, submitted by the Developer – M/s. Dahej SEZ Ltd.

57.3.05 M/s. Torrent Energy Ltd. – Monitoring of the Half Yearly Report/QPR for the period ending September, 2014,

The Committee noted and took on record the half yearly report and the QPR for the period ending September, 2014, submitted by the Co-Developer – M/s. Torrent Energy Ltd.

57.3.06 M/s. Sapthagiri Hospitality Pvt. Ltd. – Monitoring of the Half Yearly Report/QPR for the period ending September, 2014,

The Committee noted and took on record the half yearly report and the QPR for the period ending September, 2014, submitted by the Co-Developer – M/s. Sapthagiri Hospitality Pvt. Ltd.

57.3.07 M/s. Roxul-Rockwool Insulation India Pvt. Ltd., Dahej-SEZ – request for broad-banding of LOA.

Shri A. Sebastian, Manager-Production, and Shri Manish Vyas, SMC, of the applicant company appeared before the Committee and explained their proposal for broad-banding of the LOA for inclusion of new products, viz. 1) Milled Wool (Grind wool); and 2) Loose Fill. The Committee after deliberation approved inclusion of two new items, viz. 1) Milled Wool (Grind wool); and 2) Loose Fill. (CCS – 68061000), to the LOA as broad-banding, subject to the standard terms and conditions of the SEZ Rules, 2006.

57.3.08 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, Ujjwal Waedwan, & Pramod Kumar of the applicant company appeared before the Committee and explained their requirement for laying of various product pipelines from the DTA to SEZ; and effluent line from SEZ to DTA. The Committee, after due deliberation and diligence decided to defer the case for proper examination of the matter, as the laying of various pipelines by the SEZ unit through the SEZ and in DTA may require duty-free goods. The Committee asked the applicant SEZ unit to provide all details of the pipelines sought for approval.

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

Shri A P Gupta from M/s. Indofil Industries Ltd Plot No. Z-8 & Z-12/1, Dahej-SEZ, appeared before the Committee and requested for the following services.

- 1) Management or Business Consultant Service;
- 2) Event Management Service; and
- 3) Mandap Keeper.

Accordingly, he explained the matter to the Committee Members. After the due deliberation the Committee deferred the case for the two service viz. 1) Management or Business Consultant Service and 2) Event Management Service. The Committee decided to ask the unit to furnish detailed justification of these services of their authorized operations. The unit may be asked to give specific services required by them under these categories. The Committee decided to allow third service i.e. "Mandap Keeper" service for SEZ premises only.

The Committee considered the case of M/s. Maghmani Unichem LLP, for which Shri Jitendra Rawal, appeared before the Committee. The Business Auxiliary Service, the Committee observed that there is general description under which various services are covered and Shri Jitendra Rawal was requested to explain the matter. Accordingly, he submitted a letter dated 11-11-2014 mentioning definition of Business Auxiliary Service under section 65(19). Which define various service activities under Business Auxiliary Services. The representative of the unit explained that out of these various service activities they are related to only Sr No.7 which is service in to used for procurement of goods or services, or inventory management or clearance storage or warehousing during import or export of Goods. The Committee therefore, 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.

57.3.10 Monitoring of performance of SEZ unit in Dahej-SEZ, in respect of M/s. Rockwood Lithium India Pvt. Ltd., for performance upto the monitoring year 2013-14.

Shri Sideham, MD of the applicant company appeared before the Committee and explained the reasons for negative NFE performance in SEZ, and sought lenient view of the same. The SEZ unit M/s. Rockwood Lithium India Pvt. Ltd., Dahej-SEZ, is seeking premature exit from the SEZ. The Committee on review of their export performance found that, the cumulative performance is in Negative NFE, and the same is liable for penal action in terms of Rule-54, read with Rule-74 of the SEZ Rules, 2006. The Approval Committee noticed that the export performance of the unit was in Negative, and thereby directed the Development Commissioner of the SEZ to take penal action under the provisions of SEZ Act and Rules thereof, and the FT (D&R) Act, 1992



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57.3.11 Monitoring of performance of SEZ unit in Dahej-SEZ, in respect of M/s. DIC Fine Chemicals Pvt. Ltd.

Shri Amit Upadhyay, DGM, of the applicant company appeared before the Committee and requested for renewal of LOA for next five years, and highlighted their export performance. The Committee noted and took on record the positive export performance for last five years of M/s. DIC Fine Chemicals Pvt. Ltd., Dahej-SEZ and approved for renewal of LoA for further five years.



(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 J. S. Bhola, Assistant Commissioner of Central Excise, Bharuch Division | Nominee of the Commissioner of Central Excise, Bharuch. |
| 04. | Shri A. S. Kanase, FTDO, | Nominee of the Jt. DGFT, Vadodara. |
| 05. | Shri H. K. Chaudhary, Manger (RM), DIC, Bharuch. | Member |
| 06. | Shri J. S. Prajapati, CSSO, GPCB, Bharuch. | Special Invitee |
| 07. | Shri S. N. Patil, CEO, Dahej SEZ Ltd., Developer. | Special Invitee – representing Developer (DSL). |