

Udyog Bhawan, New Delhi
Dated: 2nd November, 2020

OFFICE MEMORANDUM

Subject: Procedure to be followed for grant of Industrial License under IDR Act, 1951 to SEZ/EOU units by Department of Commerce-Reg.

Department of Commerce is empowered to grant Industrial License under Industrial Development and Regulations (IDR) Act, 1951 to SEZ and EOU units. In recent past, it is noticed that while submitting the application form for Industrial license, SEZ/EOU units are facing various difficulties regarding submission of required documents, required application fee etc. Accordingly, in order to avoid difficulties being faced by such units and delay in processing of the case, the instructions in compiled form are reiterated herewith as under:

i) The unit intending to manufacture items covered under the IDR Act, 1951 in an SEZ or EOU will apply to Department of Commerce for Industrial License under clause (e) of sub-section 2 of section 9 of the SEZ Act, 2005 read with Industrial Development and Regulation Act, 1951 (IDR Act) and Chapter 6 of Foreign Trade Policy (FTP) 2015-2020, along with following documents:

- a. Industrial Application form i.e. composite form for foreign collaboration and Industrial license (copy enclosed);
- b. Details of directors of the unit in the format prescribed by Ministry of Home Affairs for grant of security clearance (copy enclosed),
- c. Deposition of application fee of Rs 2500/- through Demand Draft in favour of Under Secretary, Cash, D/o Commerce, payable at New Delhi,
- d. Project Report,
- e. Identity Proof of the directors of the unit i.e. PAN card, Aadhar Card etc.

(ii) After receiving of complete application form, Department of Commerce will seek comments/clearance on the proposal from all concerned Ministries/Departments, State Government concerned, Development Commissioner concerned etc.

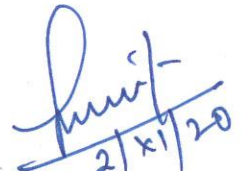
(iii) Upon receipt of the comments from all concerned, the proposal shall be placed before Board of Approval for its consideration.

(iv) The decision of BOA shall be conveyed to Development Commissioner concerned for issuing letter of permission (LOP) to the unit.

2. It is also informed that units other than SEZ units and EOUs intending to obtain Industrial License under IDR Act, 1951 will apply to DPIIT online through www.services.dipp.gov.in.

3. This issues with the approval of competent authority.

Encl: As above.



(Sumit Kumar Sachan)

Under Secretary to the Government of India

Tel: 23062496

E-mail: sumit.sachan@nic.in

To,

1. All Development Commissioners of SEZs with request to give it wide publicity.
2. DPIIT/MHA/DDP/MoEF&CC/MoHFW
3. EPCES with request to give it wide publicity.

**COMPOSITE FORM FOR FOREIGN COLLABORATION
AND INDUSTRIAL LICENCE**

Please fill up the attached supplementary sheets

Part A: For only FC/Part B: For only IL / Both Part A and Part B for FC+IL

GENERAL INFORMATION

1 Type of Application (Please ✓ the Appropriate Boxes)

a. Foreign Collaboration (FC)

For Foreign Investment

For Foreign Technology Agreements

b. Industrial Licence (IL)

2.

(For Office Use Only)	
Application No.	<input style="width: 100%;" type="text"/>
Application Date	<input style="width: 10%;" type="text"/> <input style="width: 10%;" type="text"/> <input style="width: 10%;" type="text"/> <input style="width: 10%;" type="text"/> <input style="width: 10%;" type="text"/> <input style="width: 10%;" type="text"/>

3. Payment Details (*For Fc Application No Fee is Payable. For Industrial Licences Rs.2500. *is Payable*)

Draft No. _____

Amount (Rs.)

Draft Date

Drawn on

(Name of the Bank)

Payable at _____

**Demand Draft should be made in favor of Under Secretary, Cash, Department of Commerce, to be payable at New Delhi.*

I. Name and Address of the Promoter / Industrial Undertaking (**Indian / foreign**) in full (**BLOCK LETTERS**) for Correspondence.

Name of the Promoter/Indl

Undertaking

Postal Address

Pin Code

Telephone

Telex

Fax

Cable

E-Mail

II. Register of Companies Registration No.

(If Registered)

III. Status of the Promoter/Industrial Undertaking

III (1) Status of the Promoter/Promoter Undertaking

- 1. Central Government Undertaking
- 2. State Government Undertaking
- 3. State Industrial Government Corpn.
- 4. Co-operative Undertaking
- 5. Joint Sector Undertaking
- 6. Private Sector Undertaking
- 7. Individual Promoter
- 8. Foreign/NRI/OCB Company
- 9. Foreign/NRI Individual

III (2) Indicate whether this proposal is for (Please ✓ the Appropriate Box)

- 1. Establishment of New Undertaking / Setting up a New Company
- 2. Effecting Substantial Expansion
- 3. Manufacture of New Articles
- 4. Amendments in existing Foreign Collaboration Approval
- 5. Inducting Foreign/NRI equity in existing Indian Company

IV(1) Location of the Factory/Proposed Activities

Location & Address

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District

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State

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Pin Code

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Telephone

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Fax

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E-Mail

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IV(2) Please Indicate whether the proposed location is
(Please ✓ the Appropriate Box)

- a. Within 25 Kms from the periphery of a city having population above one million according to 1991 census

Yes No

- b. If Yes, then whether it is located in an Industrial area/Industrial estate Designated / set up prior to 25.7.91

Yes No

V(A). EXISTING ACTIVITIES OF THE COMPANY (Here also specify Item codes as per National Industrial Classification of All Economic Activity, (NIC), 1987.

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V(B). PROPOSED ACTIVITIES OF THE COMPANY

- (1) Items of manufacture (including By-product/Co-product) proposed to be undertaken (supplementary sheets may be used if necessary).

- (a) Item code (NATIONAL INDUSTRIAL CLASSIFICATION OF ALL ECONOMIC ACTIVITY (NIC),1987)

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Particulars of approval /Industrial Licence under which existing capacity is indicated may be annexed

VI CAPITAL STRUCTURE

(1) Capital Structure of Existing Indian Company (Amount in Rupees) & proposed capital structure (if revision sought)

	Equity	Preference
(a) Authorised	<input type="text"/>	<input type="text"/>
(b) Subscribed	<input type="text"/>	<input type="text"/>
(c) Paid-up	<input type="text"/>	<input type="text"/>

(II) Pattern of share holding in Paid-up Capital (Amount in Rupees)

	Existing Equity	%	Proposed Equity	%
(a) Foreign Holding	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Preference share		Percentage	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

(b) Non resident Indian Individual holding / OCB holding

	Existing Equity	%	Proposed Equity	%
(i) Repatriable	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Preference share		Percentage	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

	Existing Equity	%	Proposed Equity	%
(ii) Non-Repatriable	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Preference share		Percentage	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

	Existing Equity	%	Proposed Equity	%
(c) Resident Holding	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Preference share		Percentage	
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

(d) Total II [a+b(i+ii)+c]:

Equity	<input type="text"/>	<input type="text"/>
Preference	<input type="text"/>	<input type="text"/>

VII Proposed Borrowings (In Rupees)

(i) Public Financial Institution														
(ii) Public Borrowing														
(iii) Other Sources														
(iv) ECB														
(v) Promoter Contributions														
Total Borrowings														

VIII. Please Indicate in brief:

- (i) The Background of the Indian Promoters/Company including Proprietors/
Promotor/Directors (attach seperate sheet, if necessary)
- (ii) The background of the Foreign/NRI/OCB Collaborator/Promoter (attach
seperate sheet, if necessary)

IX. Investment (in Rupees)

	Existing	Proposed
(A) Land	<input type="text"/>	<input type="text"/>
(B) Building	<input type="text"/>	<input type="text"/>
(C) Plant & Machinery		
(i) Indigenous	<input type="text"/>	<input type="text"/>
(ii) Imported		
(a) CIF Value	<input type="text"/>	<input type="text"/>
(b) Landed Cost	<input type="text"/>	<input type="text"/>
(iii) Total [(i)+(ii)(b)]	<input type="text"/>	<input type="text"/>
(D) Working Capital	<input type="text"/>	<input type="text"/>
(E) Total Investment	<input type="text"/>	<input type="text"/>

[A+B+C(iii)]

X Export commitments / obligation which the applicant is prepared to undertake.

Item Code

Year	Units(Tonnes/number /meters/any other)	Quantity	%age of production	FOB Value in Rupees
(1)	(2)	(3)	(4)	(5)
1st	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2nd	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3rd	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4th	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
5th etc	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total				

Please Indicate buy back arrangements, if any

XI. Employment

(All Figures in Numbers)

	Existing (If applicable)	Proposed	Total
a. Supervisory	<input type="text"/>	<input type="text"/>	<input type="text"/>
b. Non-Supervisory	<input type="text"/>	<input type="text"/>	<input type="text"/>

XII Expected date of commencement of commercial production

Date Mth. Year

PART-A

[For Foreign Collaboration]

XIII Foreign Investment

(a) Financial Collaborator

Name _____

Address _____

Country _____

(b) Amount of foreign equity investment

Amount in Rupees

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Percentage of paid-up capital

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XIV Foreign Technology Agreement

(a) Technical Collaborator

Name _____

Address _____

Country _____

(b) Royalty on Sales

Sales	Percentage of Sales	Period
Domestic		
Export		

Please tick () Which-ever is applicable
Inclusive of Taxes
Net of Taxes

(c) Nature and quantum of Lumpsum payments

Name of Foreign Currency	Amount of Foreign Exchange of required	No of Instalment in which Payments Will be made	Please tick() Whichever is applicable
			Inclusive of taxes
			Net of taxes

i) Technical Know-how fees

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ii) Payment for design/drawing

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iii) Payment for engineering services

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iv) Payment for use of patents, brand name trade marks and the like

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V) Any other payment (Please specify the purpose)

XV (I) Total foreign Exchange inflow during the period of proposed collaboration

a) Equity

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b) Foreign Exchange earnings based

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on f.o.b. Value of export obligation/ commitment

(II) Total foreign Exchange outgo during the period of Collaboration

i) Import of machinery and equipment

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ii) Import of raw materials & Components

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iii) Import of Spare & Consumables

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iv) Dividends & Profits (net of taxes)

v) Lumpsum payments (net of taxes)

vi) Royalty payments (net of taxes)

vii) Design & Drawing Fee

ix) Payment on training of Indian Technician abroad

x) Total Commission of Export etc

xi) Amount of interest to be paid on external commercial borrowing/deferred payment credit (Specify details)

xii) Any other payments (Specify details)

TOTAL (i) TO (xii)

Net Foreign Exchange position

XVI. If this application is for extension of existing collaboration agreement or renewal of the already expired collaboration agreement:

(a) Please indicate the period for which the agreement has already run and attach the copy of previous approval

No.& date of Approval	Date of commencement of agreement			Date of expiry of agreement		
	Date	Mth.	Year	Date	Mth.	Year
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date Mth. Year						
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>			

(b) Justification for extension of the collaboration agreement with the information about the status of absorption, adaptation and development of the technology already achieved.

(c) (i) Whether you have set up any R & D Cell to absorb the know-how and the progress achieved in this regard

Yes No

(ii) If yes, please indicate the number and date of communication under which recognised by Department of science & Technology/Department of science and Industrial Research

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(iii) Expenditure on R & D facility set up (in Rupees) Amount of investment in fixed assets Annual recurring expenditure

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(d) Total payment made so far (Net of taxes) (in rupees)

a) Lumpsum

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b) Royalty

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c) Other Payments

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XVII. Please indicate:

(a) the Regional Office of the RBI to whom a copy of the approval is to be endorsed

(b) the name of the Authorised Dealer of Foreign Exchange Concerned through whom the remittance of Technical Know-how fees and Royalty will be made.

Name _____

Address _____

DECLARATION

I/We here by certify that the above statements are true and correct of the best of my/our Knowledge and belief

(Signature of Applicant) _____

(Name in the block letters) _____

(Designation of the signatory) _____

Place _____

Date

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Date

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Mth.

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Year

PART : B

[For IL Application Only]

XVII Import Requirements

a. Capital Goods for the projects

	(in rupees)	(US \$ Thousands)
Imported	<input type="text"/>	<input type="text"/>
Indigenous	<input type="text"/>	<input type="text"/>

b. Raw Materials (including components, intermediates and packing materials) per annum

	(in rupees)	(US \$ Thousands)
Imported	<input type="text"/>	<input type="text"/>
Indigenous	<input type="text"/>	<input type="text"/>

	ITEM NAME	QUANTITY
1	<input type="text"/>	<input type="text"/>

Unit	Value
<input type="text"/>	<input type="text"/>

2	<input type="text"/>	<input type="text"/>
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Unit	Value
<input type="text"/>	<input type="text"/>

3	<input type="text"/>	<input type="text"/>
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Unit	Value
<input type="text"/>	<input type="text"/>

c. Consumables & Spares for CG for the project Per annum.

Year	(in rupees)	(US \$ Thousands)
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Imported	<input type="text"/>	<input type="text"/>
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Indigenous	<input type="text"/>	<input type="text"/>
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DECLARATION

I/We here by certify that the above statements are true and correct of the best of my/our Knowledge and belief

(Signature of Applicant) _____

(Name in the block letters) _____

(Designation of the signatory) _____

Place _____

Date _____

Application Proforma for Security Clearance (Industrial Licence).

I. Details in respect of Company/Firm (Indian/Foreign)

Sl. No.	Full Name of the company and its foreign collaborator, if any.	Date of registration of the company	Address of Head Office, Regional Offices and Registered Office	Previous name of the company if any	Details of earlier approvals, if any (ref. No. & date)	Location of unit.	Product to be manufactured

II. Details in respect of Directors

Sl. No.	Full Name of Board of Directors	Present position held with date (since when)	Date of birth	Parentage	Present & Permanent Address	Nationality	Passport Nos. and issue date, if any	Contact Address & telephone number

III. Details of Shareholders of applicant company (All firms/companies/entities /individuals having shareholding more than 10%)

Sl. No.	Full Name	Parentage Father/Mother	Date of birth	Permanent Address	Present Address	Present position held in the company, if any	Nationality (if holding dual nationality, both must be clearly mentioned)	% of Shares held in the Company

IV. Details of criminal cases, if any, against the Company/Director(s) as per Annexure

SECRET

Annexure

Self declaration for company and Director(s) for whom security clearance is sought

a. Name & address and registration number of the company :

b. Name and address of owners, promoters and directors of the company :

1. _____

2. _____

3. _____

4. _____

c. Is the company owners, promoters or directors listed above, the subject of any

1. Preventive detention proceedings (PSA / NSA etc) : Yes / No

2. Criminal proceedings : Yes / No

d. If, Yes, please provide following details

1. Detention / Case / FIR / warrant number :

2. Police station / District / Agency :

3. Section of law :

4. Name and place of the court :

e. The above mentioned details are in respect of both India and any other foreign country.

Note: The above self declaration is required to be filled and signed by the authorized signatory of the company.