

No.14/1/2016-EOU  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
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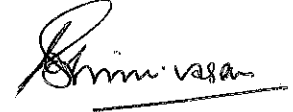
Udyog Bhawan, New Delhi  
Dated 02 February, 2016

**OFFICE MEMORANDUM**

Subject: 1<sup>st</sup> Meeting (2016 series) of the Board of Approval (BOA) for EOU Scheme scheduled to be held on **23<sup>th</sup> February, 2016** – forwarding Agenda reg.

The undersigned is directed to forward herewith a copy of Agenda Items for the 1<sup>st</sup> (2016 series) of the Board of Approval for EOU Scheme scheduled to be held on **23<sup>th</sup> February, 2016 at 03:00 P.M. in Room No. 47** Udyog Bhawan, New Delhi under the Chairmanship of Commerce Secretary.

2. May kindly make it convenient to attend the Meeting.



**(G. Srinivasan)**

Under Secretary to the Government of India

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1. D/o Industrial Policy & Promotion.
2. CBEC [Member (Customs)], M/o Finance.
3. CBDT [Member (Income Tax)], M/o Finance.
4. DG, DGFT.
5. The Joint Secretary, M/o Environment & Forest.
6. The Joint Secretary, M/o Science & Technology.
7. M/o Micro, Small and Medium Enterprises.
8. All DCs.

Copy to: PPS to CS/PS to JS(GPM)/PA to Dir (TVR)

**AGENDA FOR THE 1<sup>st</sup> BOA MEETING (2016 SERIES) FOR EOU SCHEME TO BE HELD ON 23.02.2016 AT 03.00 P.M.**

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**1.1 (16) Confirmation of Minutes of the 5<sup>th</sup> BOA (2015 Series) meeting held on 30.12.2015.**

**1.2 (16) M/s Mahi Granites Pvt. Ltd., an EOU under VSEZ – Permission for procurement of duty free PEB structures**

The unit was issued LoP on 10.11.2015 for setting up of 100% EOU at Telangana for manufacture and export of quartz surface slabs. The unit submitted request for procurement of “Pre-Engineering Building (PEB) Structure” under the head of Indigenous Capital Goods.

The unit gave clarification for seeking exemption for PEB structures procurement on 08.12.2015 that they have placed order with Zamil Steel Products Ltd., Pune to design, supply, erect and commission a PEB structure of 1 lakh Sft at their proposed site. They submitted that PEB structure is a necessity to their manufacturing activity, to protect the entire manufacture process and raw material free from moisture, climatic changes and also to provide a contamination free environment for production of defect free product suitable for export markets. The unit further submitted that this is also a requirement from imported machinery suppliers and also to get approvals from the overseas customers when they visit their factory locations for sample approvals. They also have to construct lab and PEB structure for product development in controlled temperature conditions.

DC, VSEZ allowed the unit, on 18.12.2015, for procurement of PEB structure under exemption category subject to submission of bank Guarantee equivalent of duty free amount involved. The unit submitted Bank Guarantee from SBI, Overseas Branch for an amount of Rs. 27,57,500.

**Relevant provision of FTP:** Para 6.04 of HBP 2015-20 provides a list of various types of goods permitted to be imported/procured from DTA. Para 6.04 (f) provides that any other items not mentioned in 6.04(a) to 6.04 (e) can be procured with the approval of BoA.

**DC's Recommendation:** Dc has submitted request of the unit in terms of Para 6.04 (f) for consideration by BoA.

**Precedent:** BoA approved the proposal of M/s Pilkington Automotive India Pvt. Ltd., an EOU under VSEZ for duty free procurement of PEB in its meeting held on 13.03.2012.

**1.3 (16) M/s Krishna Antioxidants Pvt. Ltd.- Proposal for conversion of DTA unit into EOU under SEEPZ**

The applicant company has submitted application for grant of LoP for conversion of existing DTA unit at Chiplun, Ratnagari into EOU for manufacturing and export of Sulphated Castor Oil, Hydrochloric Acid, Drilling Detergent etc. (Detailed list as per annexure A). The annual turnover of the unit is more than Rs. 50 crores.

The asst. Commissioner of C.EX & Service Tax submitted the inspection Report of the proposed factory premises and informed that the proposed location is on lease basis for a period of 95 years. The proposed plan of premises and building is suitable for necessary permission under Section 58 & 65 to be issued by C.Ex and Customs Authority.

The applicant is under obligation of advance Authorization issued by DGFT.

The existing investment in plant and machinery is Rs. 5.67 crores and proposed investment is Rs. 21.37 crores. The NFE earnings in five years is Rs. 247.28 crores. The export turnover of the applicant company for last 3 years is as follows:

Years	Export (Rs. In lakhs)
2012-13	8310.36
2013-14	14533.57
2014-15	12121.10

**Relevant provision of FTP:** As per Para 6.07 (d) of FTP 2015-20:

“Applications for conversion into an EOU / EHTP / STP / BTP unit from existing DTA units, having an investment of Rs. 50 crores and above in plant and machinery or exporting Rs. 50 crores and above annually, shall be placed before BOA for a decision”.

**DC's Recommendation:** DC has recommended that the request of the unit may be considered

PART II

Approval granted by Development Commissioner Under Delegated Powers for  
RATIFICATION OF BOA as per Press Note No. 3 of 1995

A	Approvals granted under delegated powers for the period October, 2015 to December, 2015	KASEZ
B	Approvals granted under delegated powers for the period December, 2015	VSEZ
C	Approvals granted under delegated powers for the month of September, 2015 to January, 2016	SEEPZ
D	Approvals granted under delegated powers for the month of September, 2015 to January, 2016	NSEZ
E	Approvals granted under delegated powers for the month of November, 2014 to October, 2015	CSEZ