

File No. K-22019/1/2023-EOU
Ministry of Commerce & Industry
Department of Commerce
EOU Section

Vanijya Bhawan, New Delhi
Dated: 7th January, 2023

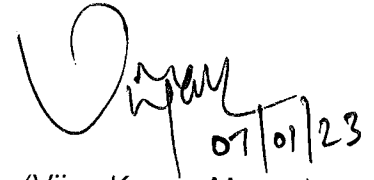
MEETING NOTICE

Subject: 1st Meeting (2023 series) of Board of Approval (BOA) for EOU Scheme scheduled to be held on 17.01.2023 – Agenda reg.

The undersigned is directed to enclose herewith the Agenda for the 1st Meeting (2023 series) of the BOA for EOU scheme scheduled to be held on 17.01.2023 at 11:00 AM under the Chairmanship of Commerce Secretary at Room No. 427, Vanijya Bhawan, New Delhi for information and necessary action. The Agenda has also been hosted on the website: www.sezindia.gov.in.

2. All the addresses are requested to kindly make it convenient to attend the meeting.

Encl: As above.



(Vijay Kumar Meena)

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1. Department for Promotion of Industry and Internal Trade (DPIIT).
2. CBIC [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: PSO to CS/PPS to AS(LSS)/PPS to JS(VB)/PPS to DIR(SNS).

AGENDA FOR THE 1st BOA MEETING (2023 SERIES) FOR EOU SCHEME TO BE HELD ON 17.01.2023 at 11:00 A.M. in Room No. 427, Vanijya Bhawan, New Delhi.

1.1(23) Confirmation of Minutes of the 5th BOA (2022 Series) meeting held on 29.10.2022.

Comments of DGEP on the minutes of the 112th BoA in connection to the renewal of LoA of the plastic recycling units: DGEP vide OM dated 25.11.2022 has stated that on examination of the conditions imposed by the BoA, while extending the validity of LoA on temporary basis, the following issues have emerged for consideration/action:

- (i). Customs is mandated to enforce the allied acts as notified. Notification dt. 27.01.2021 issued by Ministry of Environment and Forest is still in force as on date, which prescribes fulfillment of certain conditions for Plastic Recycling Units of SEZ/EOU. Further, DoC's policy instructions dt. 27.05.2021, based on said MoEF Notification, is also in existence. In order to get the BoA decision implemented, for the units which have not fulfilled these conditions, it appears that MoEF/DoC need to make suitable retrospective modification/amendment in their notification/policy instruction so as to avoid future legal complications.
- (ii). For units to fulfill the short fall of NFE and other export obligations, Development Commissioner concerned shall need to look into the feasibility, and their evaluation reports require to be placed in the next BoA, as stipulated in the Minutes and thereafter the matter is to be monitored on regular basis, for ensuring strict compliance of the conditions imposed by the BoA.

1.2(23) Proposal for extension of validity of LOP for the 4th five year block period after expiry of six months of validity of LoP – M/s Rajyog Granite Exports and Imports Private Limited (formerly M/s Prasad and Ramesh Granites Private Limited), EOU under jurisdiction of VSEZ.

M/s Rajyog Granite Exports and Imports Private Limited, an EOU under jurisdiction of VSEZ was issued LOP on 21.02.2005 for manufacture and export of Granite Slabs. The unit commenced its production on 08.11.2006. The validity of the LoP for the 3rd five year block period was expired on 07.11.2021.

As the unit want to shift their business in the domestic market, the unit was granted in-principle exit order dated 13.08.2019 from the EOU scheme with the direction to submit the required documents within six months (i.e. before 12.02.2020) for issuance of final exit order.

Meanwhile, the unit changed the name of the company from M/s Prasad and Ramesh Granites Pvt. Ltd. to M/s Rajyog Granites Import and Exports Pvt. Ltd. without intimation to O/o VSEZ. Therefore, SCN dated 02.11.2020 was issued to the unit which was adjudicated by imposing a penalty of Rs.10,000/-. The unit paid the penalty imposed. Thereafter, the change in name of the unit was accepted by O/o VSEZ.

Now, the unit has sought extension of LoP for the 4th five year block period from 08.11.2021 to 07.11.2026, after expiry of more than one year of validity of LoP.

The performance of the unit for the 3rd block i.e. upto 07.11.2021 is as under:

Rs. In lakhs

Total Exports	3937.66
FE outgo	31.05
NFE	3906.61

Projections for the 4th Block year period (i.e. 08.11.2021 to 07.11.2026):

Sl.No	Description	Rs. in lakh
1	FOB Value of Exports	10,500.00
2	Total FE outgo	1250.00
3	NFE	9250.00

Relevant Provision: Para 6.01(i) of HBP 2015-2020 states that “if the units gives their option to continue in the EOU scheme after expiry of 6 months of the LOP, DC will grant extension after obtaining approval of BOA.”

DC’s Recommendation: DC-VSEZ has recommended the proposal.

1.3(23) Report on renewal of LoPs of the Plastic Recycling EOU units under KASEZ.

The Board in its 5th meeting held on 29.10.2022 decided to extend the validity of LoA on temporary basis of only those units which fulfill the following conditions.

1. Units should have been functional and carried out at least some production during the stipulated period of 18 months (i.e. 27th January, 2021 to 26th July, 2022).
2. Units should have made at least some exports during the stipulated period of 18 months (i.e. 27th January, 2021 to 26th July, 2022).
3. Units shall undertake not to carry out any DTA sales till they fulfil the shortfall of NFE and export obligations for the period upto their period of expiry of validity i.e. 26th August 2022. On fulfillment of shortfall in NFE and other export obligations as stipulated above which shall be confirmed by the jurisdictional DC, and the DC may allow DTA sale to units subject to fulfilling of policy dated 27.05.2021.
4. The extension would be granted for a further period upto five years from 27th August, 2022 onwards to align the validity with other units. Such extension shall be on temporary basis only, which will be reviewed by Development Commissioner from time to time.

The Board further directed that the Development Commissioner, KASEZ shall take necessary action accordingly and submit a report to the BoA in the next meeting.

It may be noted that there are 4 plastic recycling units under jurisdiction of KASEZ. DC-KASEZ has granted extension to M/s Prime Exporters and M/s Aacorp Exim India Pvt. Ltd. for the period of five years in lines of the minutes of BOA. However, LoP of the rest of the two units was not extended by DC-KASEZ as the units have not carried out any exports activity during the stipulated period of 18 months (i.e. 27th January, 2021 to 26th July, 2022). The detailed report is as under:

Name of the unit	Remarks
M/s. Prime Exporters	Renewal of LOP granted as per minutes of the 4 th meeting (2022) of the BoA.

M/s. Aaacorp Exim India Pvt. Ltd	Renewal of LOP granted as per minutes of the 5 th meeting (2022) of the BoA subject to no DTA sales till they fulfill the shortfall of NFE and export obligation for the period upto 26.08.2022
M/s Aasu Plastics Pvt. Ltd.	Renewal of LoP was not granted as the unit has not carried out any exports activity during the stipulated period of 18 months (i.e. 27th January, 2021 to 26th July, 2022). However, DC-KASEZ has forwarded the request of the unit for extension of their LoP. In this regard, the unit has submitted that they have completed the entire manufacturing and packaging of export by July, 2022. The order for containers was duly placed in the first week of August, 2022. The invoice was raised in favour of their customers on 22.08.2022 seeking confirmation of values in line with purchase order and due to shipping congestion the same was made available on October, 2022 and stuffing at their factory premises was carried out on 13.10.2022. The said consignment was exported on 15.10.2022. The unit has exported the goods for Rs. 21.68 lakhs on 22.10.2022. Subsequently, the matter was referred to DGFT for comments on whether the export made by the unit after the stipulated time period (i.e. 27th January, 2021 to 26th July, 2022) can be considered within the said period so that the LoP of the unit can be extended. However, reply is awaited.
M/s PMS Exports Pvt. Ltd.	Renewal of LoP was not granted as the unit has not carried out any exports activity during the stipulated period of 18 months (i.e. 27th January, 2021 to 26th July, 2022).