

MOST IMMEDIATE
BY FAX/SPEED POST

No. 14/4/2012-EOU
Government of India
Ministry of Commerce & Industry
Department of Commerce
(EOU Division)


Udyog Bhawan, New Delhi
Dated the 29th November, 2012

OFFICE MEMORANDUM

Subject: Minutes of the 5th Meeting (2012 Series) of the Board of Approval (BOA) for EOU Scheme held on 23rd November, 2012 – regarding.

The undersigned is directed to forward herewith a copy of the minutes of the 5th Meeting (2012 series) of the Board of Approval for EOU Scheme held on 23rd November, 2012 for necessary action.

2. Implementation report on the decisions taken by the Board of Approval may please be forwarded to this Department on priority basis.


29/11/2012
(S.S. Kumar)

Under Secretary to the Government of India
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Encl: as above.

1. Department of Industrial Policy & Promotion.
2. CBEC [Member (Customs)], Ministry of Finance.
3. CBDT [Member (Income Tax)], Ministry of Finance.
4. DGFT.
5. The Joint Secretary, Ministry of Environment & Forests.
6. The Joint Secretary, Ministry of Science & Technology.
7. Ministry of Micro, Small and Medium Enterprises.
8. The Development Commissioners, CSEZ, FSEZ, ISEZ, KASEZ, MEPZ, NSEZ, SEEPZ-SEZ and VSEZ.
9. The Director General, EPCES
10. All Concerned Administrative Ministries.

Copy to: PSO to CS/PSO to AS (MP)/PPS to JS(RA)/PS to Dir(SS).

MINUTES OF THE 5th MEETING (2012 SERIES) OF BOARD OF APPROVAL FOR EOU SCHEME HELD UNDER THE CHAIRMANSHIP OF COMMERCE SECRETARY ON 23.11.2012 AT 1000 HOURS IN ROOM NO. 47, UDYOG BHAWAN, NEW DELHI

The 5th meeting (2012) Series of the Board of Approval for EOU was held on 23.11.2012 under the Chairmanship of Shri S.R.Rao, Commerce Secretary in Room No.47, Udyog Bhawan, New Delhi. The Chairman welcomed all the members of the BOA, especially Shri Rajiv Arora, Joint Secretary, who recently joined the Department of Commerce as Joint Secretary (SEZ/EOU). The Chairman also placed on record BoA's appreciation for the contribution made by Shri Anup Wadhwan, former JS(EOU). Thereafter the agenda was taken up for discussion.

5.1 Confirmation of the minutes of the 4th BOA meeting dated 14.9.2012

The BOA ratified the minutes of the 4th meeting of BOA held on 14.9.2012.

5.2 Import of Cars, for testing purpose by M/s. General Motors

The BOA considered the request of the Unit to allow import of two cars, one old and one new for the purpose of testing in the EOU. After discussion, the BOA approved the request subject to condition that the imported cars be used only for the purpose of testing by the EOU and for no other commercial purpose. The vehicles are also to be disposed off as per the clear terms of the proposal of the unit.

5.3 Broadbanding – inclusion of Thermoplastic Hose in the LOP by M/s. Jollyflex


The BOA considered the request of the M/s. Jollyflex for inclusion of Thermoplastic Hose in addition to rubber based items the LOP of the unit and after discussion approved the same.

5.4 Broad banding- inclusion of parts of Fire Arms (safety catch slide, pistol grip base etc.) by M/s J. J. Orthodontics

The BOA considered the request of M/s. J.J.Orthodontics for inclusion of parts of fire arms (safety catch slide, pistol grip base, etc.) and after deliberations approved the same subject to necessary clearances from MHA, DIPP and other regulatory agencies.

5.5 Conversion from DTA to EOU by M/s Kostwein India Co. Pvt. Ltd

The Board noted that this unit is presently involved in manufacture of packaging modules. The Board after deliberations, approved the proposal of conversion of the


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DTA unit into EOU as per Para 6.7 of the FTP, subject to fulfillment of all necessary conditions by the Unit for its incorporation as an EOU.

5.6 Special license for manufacture and export of aircraft and spacecraft spare parts by M/s Kerns Aero Products Pvt. Ltd./ MSEZ

The Board noted that the unit was issued LOP on 26.2.2007 for manufacture and export of parts and accessories for aircrafts and spacecrafts. The present proposal is a request for a special license for manufacture and export of aircraft and spacecraft spare parts. The unit has shown a positive NFE in last 5 years. After deliberations BoA approved the proposal of the unit as per provisions of para 6.7 of the FTP subject to approval from DIPP and other concerned Ministries/Department including Deptt. of Defence Production, Civil Aviation, Space. Further necessary approval under norms for export of Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) items will also have to be obtained by the unit.

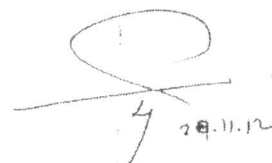
5.7 Permission for disposing rejects/ scrap of marble in DTA to M/s Jain Grani Marmo Pvt. Ltd.

The BoA noted that the EOU unit had preferred a request for permission to dispose/sell of waste/scrap of marble into DTA in view of the prohibition of such sale of marble into DTA under para 6.8 of FTP. The BoA also noted that in the absence of DTA sale provisions for marble, such non-exportable marble rejects and its waste & scrap were accumulating in the premises of the EOU. After deliberations it was decided that disposal of such marble waste / scrap may be made in terms of the provisions of the para 6.8(d) & (e) of the FTP, subject to the prescribed SION for the item. In the absence of SION, such disposal is restricted upto 2% of Input quantity subject to verification by a joint team from the Development Commissioner, SEZ and the concerned Commissioner of Customs and Central Excise.

5.8- Setting up of EOU for testing services by M/s Teva API India Ltd. /NSEZ

The BOA noted that the proposal is for setting up of analytical lab for rendering testing service of raw material/packing material for export. The approval of BOA was sought in terms of para 6.7 of FTP. In light of the recommendation from the DC, and deliberations in the meeting, BOA decided to approve the case.

5.9- DTA sale permission on monthly basis on basis of performance of previous years by M/s Sarla Polyester Ltd



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The BOA noted that as per the provisions under FTP (Appendix 14-I-H of the HBP) A unit may opt for DTA sale on either quarterly or half-yearly or annual basis. The BOA accordingly, did not approve the proposal.

5.10 Conversion from DTA to EOU by M/s Granules India Ltd.

The BOA noted that the unit is presently manufacturing Bulk drugs (APIs and PFIs) and has a turnover, of Rs. 96 crores in the previous year. After deliberations BOA approved the proposal in light of recommendations from the DC and DGEP in terms of the provisions of para- 6.7 of FTP.

Cases of Appeal for Personal Hearing

5.11- M/s Big Bags (CSEZ)– CSEZ has conveyed the orders of the High court for allowing a personal hearing to the EOU-

The Unit was invited to present its case in compliance of the orders of the Karnataka High Court, however, no representative of the Unit appeared for personal hearing and instead a communication was received from the Unit conveying that its Director is unable to attend the personal hearing and has sought another date for hearing. The BOA accordingly decided to defer the case.

5.12- M/s Prayas Woollens (KASEZ)- Appeal for personal hearing against decision of not allowing extension of their LOP beyond 30-9-2012.

The BOA noted that proposal for extension of the LOP of this unit beyond 30-9-2012 was considered in the meeting dated 14.9.2012 and was not approved. The unit was allowed to present its case in person. The issue was discussed by the Board in detail. The BOA however declined to interfere with its earlier decision and the appeal was accordingly disposed off.

5.13 Appeal for personal hearing against cancellation of their LOP by M/s Janex (NSEZ New Delhi)


The BOA heard the presentation made by the representative of the unit. The matter was referred back to the DC, NSEZ to consider the matter afresh after seeking comments from DGEP.


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Minutes of 5th BOA (2012) for EOUs
Dated 23rd November 2012

The BOA ratified following approvals granted by UAC/Development Commissioners under delegated powers as per Press Note No.3 of 1995.

A	Approvals granted under delegated powers for the period July to October'2012	CSEZ
B	Approvals granted under delegated powers not received	FASEZ
C	Approvals granted under delegated powers for the period August and September'2012	ISEZ
D	Approvals granted under delegated powers for the period July to September'2012	KASEZ
E	Approvals granted under delegated powers not received	MSEZ
F	Approvals granted under delegated powers not received	NSEZ
G	Approvals granted under delegated powers for the period 24.8.2012 to 31.10.2012	SEEPZ-SEZ
H	Approvals granted under delegated powers for the period 1.8.12 to 30.9.12	VSEZ


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List of Participants:

1. Shri S R Rao, Commerce Secretary - Chairman
2. Shri Madhusudhan Prasad, Additional Secretary
3. Shri Najeeb Shah, DG, DGEP, Deptt. of Revenue
4. Dr. A K Pujari, DGFT
5. Shri Rajiv Arora, Joint Secretary
6. Shri Sanjeet Singh, Director, Deptt. of Commerce - Member Secretary
7. Shri S.Kishore, , Development Commissioner, VSEZ and CSEZ
8. Shri Jayant Misra, Development Commissioner, NSEZ
9. Shri Mahendra Jain, Development Commissioner, KASEZ
10. Shri Anil Bamba, Development Commissioner (In-charge), MSEZ
11. Shri N.P.S.Monga, Development Commissioner, SEEPZ-SEZ
12. Shri Sanjeev Nandwani, Development Commissioner, FASEZ
13. Shri Manoj Kumar Arora, Addl. Director, DGEP, CBEC, Deptt. of Revenue
14. Dr. L.B.Singhal, Addl. DGFT
15. Dr. S.K.Sahoo, Dy Director(EP), MSME
16. Ms. Deepshika Sharma, Under Secretary, (ITA-1), CBDT, Deptt. of Revenue
17. Shri S S Kumar, Under Secretary, Deptt. of Commerce
