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NO.14/4/2012
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
EOU SECTION


Udyog Bhawan, New Delhi
Dated 27th September, 2012

OFFICE MEMORANDUM

Subject : Minutes of the 4th Meeting (2012 series) of the Board of Approval (BOA) for EOU Scheme held on 14th September, 2012

The undersigned is directed to forward herewith a copy of the minutes of the 4th meeting (2012 series) of the Board of Approval for EOU Scheme held on 14.9.2012 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.


(Sanjeet Singh)
Director
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Encl: as above

1. D/o Industrial Policy & Promotion
- ✓ 2. CBEC [Member (Customs)], M/o Finance. 23344560
- ✓ 3. CBDT [Member (Income Tax)], M/o Finance. - 23092107 / 2544 / -
4. 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. The Development Commissioners, CSEZ, FASEZ, ISEZ, KASEZ, MSEZ, NSEZ, SEEPZ-SEZ and VSEZ
9. The Director General, EPCES
10. All Concerned Administrative Ministries.

Copy to: PSO to CS/PSO to AS (MP)/PSO to JS (AW)/PS to Dir (SS)

MINUTES OF THE 4TH MEETING (2012 SERIES) OF BOARD OF APPROVAL FOR EOU SCHEME HELD UNDER THE CHAIRMANSHIP COMMERCE SECRETARY ON 14.09.2012 AT 1000 HOURS IN ROOM NO. 47, UDYOG BHAWAN, NEW DELHI

The 4th meeting (2012) Series of the Board of Approval for EOU was held on 14.9.2012 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 to the meeting and thereafter agenda was taken up for discussion.

4.1(12): Confirmation of the minutes of the 3rd BOA meeting dated 06.07.2012

The BOA ratified the minutes of the 3rd meeting (2012 series) held on 6.7.2012.

4.2(12):- Revival of Sick Unit - M/s Innvol Medical India Ltd.

The BOA considered the request of the Unit for extension of LOP beyond 30.5.2012. It was observed by the Board that due to disputes relating to the management of the company, the Unit had been unable to function properly and had failed to fulfill its export obligation amounting to Rs.56.1426 crores and had also failed to discharge its NFE obligation of Rs.15.4797 crores by 30.5.2012. DC, MEPZ recommended that since the unit was now under a new management and fresh capital of Rs 15 Crore had been infused in the unit, the extension of LOP may be permitted so as to allow the unit to carry out its business. The BOA after considering all the facts of the case decided to allow extension of LOP for another 5 years beyond 30.5.2012.

4.3(12): Inclusion of service activities by M/s British Engines (India) Pvt. Ltd.

The BOA considered the request of the Unit for inclusion of service activities. The Board noted that the CAD / CAM support services proposed to be added to the LOA by the unit were included under broadbanding of activities of the unit. BoA approved the proposal, subject to the condition that earnings from the services activities would not be counted towards DTA entitlement and that separate record/details of manufacturing and services activities be maintained by the unit.

4.4(12): Request for job work by M/s J.J. Spectrum Silk

The BOA considered the request of the Unit and did not approve the proposal as it is not permissible under the existing policy.



4.5(12): Extension of LOP of M/s Prayas Woollens beyond 30.09.2012

The BOA considered the request of the Unit for extension of LOP beyond 30.9.2012. The Board reiterated its earlier decision taken earlier on 24.1.2012 that no further permission for extension of LOP would be granted to units engaged in reprocessing/ recycling of worn / used clothing in view of the clear provision contained in the Appendix- 14-I-C of the HBP of the Foreign Trade Policy that such activities are not permitted under the EOU scheme. The Board accordingly did not approve extension of validity of LOP of M/s Prayas Woollens beyond 30.9.2012.

The BOA also directed that validity of the LOP of all other EOUs engaged in the business of reprocessing/recycling of worn/used clothing, such as in the case of M/s Geetanjali Woollens, would be limited to 31.3.2013. Board directed DC, Kandla SEZ to take necessary action in this regard to ensure compliance of this decision.

4.6(12): Permission for addition to new products by M/s Meneta Automotive Components Pvt. Ltd.

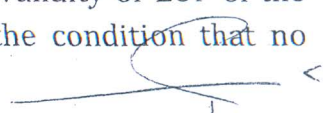
The BOA considered the request of the unit for permission for broad banding for manufacture and export of HR coil slits/ HSR sheets/ HR cut etc. Board noted that the proposed activity is in the nature of backward integration of its existing business activity. The BOA approved the proposal subject to the condition that slit coil, not being the main product of the Unit, may not be allowed to be cleared in the DTA.

4.7(12): Request for consolidation of goods by M/s Sibrama Newage

The BOA considered the request of the Unit for allowing consolidation of brought out items such as note pads, writing pads, diaries, paper packing sheets, packing and wrapping paper, etc. with manufactured articles for the purpose of export. The BOA approved the proposal subject to fulfillment of the conditions as per para 6.2(i) of FTP.

4.8(12): Request for renewal of LOP of M/s Unimin India Ltd.

The BOA had considered the request of the Unit, which is registered under BIFR, for renewal of LOP in its meeting dated 13.03.2012, where in it had been decided to approve the extension of LOP of the Unit beyond March, 2010 for another five years with the view to facilitate (and subject to) a revival package being announced by the BIFR. The Board observed that the revival package by BIFR is under process and considered the request from the unit to allow extension of LOP and issue of green card so that they may be able to restart their operations by way of job work for another EOU immediately. DC, SEEPZ recommended the proposal on the condition that the unit may not be permitted ^{any} further imports of any raw material or goods. The Board accordingly approved the proposal to grant extension of validity of LOP of the unit and issue of Green Card, immediately, subject to the condition that no



imports will be allowed to the unit till such time that it meets the NFE positive criteria.

4.9(12): Renewal of LOP of M/s Ravechi Floritech Pvt. Ltd.

The request of the Unit was considered by the BOA. In light of the submissions made by the DC that the hindrances faced by the unit in export of its products has since been sorted out and that the unit has assured of positive outcome, the BOA approved the renewal of LOP for a period of five years w.e.f 01.04.2009 on the condition that no further import will be allowed to the unit till such time that it meets the NFE positive criteria.

4.10(12): Request for duty free procurement by M/s ASB International Pvt. Ltd.


The request of the unit was considered. The BOA observed that the unit has performed well in past and has achieved +NFE and approved the proposal to allow inclusion of the different types of light fittings and false ceiling items as proposed, under the material exemption list annexed to LUT of the unit.

4.11(12): Appeal against cancellation of LOP of M/s Janex

The BOA considered the appeal of the Unit for extension of their LOP for two years beyond 24.04.2012. The BOA observed that the unit had not been able to execute its LUT for 6 years and upheld the decision of DC, NSEZ to cancel the LOP of the unit. The Board observed that the unit was free to approach the DC, NSEZ for issue of fresh LOP when it was ready to set up its business.

4.12(12): Appeal for personal hearing by M/s Hindustan Zinc Ltd. (Vedanta) for clarification w.r.t. treating electrical energy as consumable

The BOA considered the appeal of the unit. The matter had been considered by BoA in its meeting held on 28.11.2011 and then again by way of an appeal in its meeting held on 06.07.2012. On both occasions the Board did not approve the request of the unit to treat electrical energy as a consumable for availing deemed export benefit under the FTP. On the request of the unit to be heard in person, the representatives of the unit were allowed an opportunity to present their case to the Board. The BOA after considering all facts of the case declined to change the decision taken in the earlier Board meetings and did not approve the request of the unit to treat electrical energy as a consumable for availing deemed export benefits.



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

A	Approval granted under delegated powers for the period of April, May and June, 2012	CSEZ
B	Approvals granted under delegated powers not received	FASEZ
C	Approvals granted under delegated powers for the period of June and July, 2012	ISEZ
D	Approvals granted under delegated powers for the period 1.4.12 to 30.6.12	KASEZ
E	Approval granted under delegated powers for the period June and July, 2012	MSEZ
F	Approvals granted under delegated powers for the period 1.2.2012 to 24.8.12	NSEZ
G	Approvals granted under delegated powers for the period 24.4.12 to 23.8.12	SEEPZ-SEZ
H	Approvals granted under delegated powers for the period 1.4.2012 to 30.6.2012	VSEZ



List of Participants:

1. Shri S R Rao, Commerce Secretary - Chairman
2. Shri Madhusudhan Prasad, Additional Secretary
3. Mrs. Ruchira Pant, DG, DGEP, Deptt. of Revenue
4. Dr. A K Pujari, DGFT
5. Shri Anup Wadhwan, Joint Secretary
6. Shri Manoj Kumar Arora, Addl. Director, DGEP, CBEC, Deptt. of Revenue
7. Shri Sanjeet Singh, Director, Deptt. of Commerce - Member Secretary
8. Shri S.Kishore, , Development Commissioner, VSEZ and CSEZ
9. Shri C.P.S.Bakshi, Development Commissioner (In-charge), NSEZ
10. Shri Mahendra Jain, Development Commissioner, KASEZ
11. Shri S.N.Patil, Jt. Development Commissioner, KASEZ
12. Shri Anil Bamba, Development Commissioner (In-charge), MSEZ
13. Shri A.K.Rathore, Jt. Development Commissioner, Indore SEZ
14. Shri N.P.S.Monga, Development Commissioner, SEEPZ-SEZ
15. Shri Sanjeev Nandwani, Development Commissioner, FASEZ
16. Dr. L.B.Singhal, Addl. DGFT
17. Ms. Surabhi Sharma, Under Secretary, (ITA-1), CBDT, Deptt. of Revenue
18. Shri S S Kumar, Under Secretary, Deptt. of Commerce

