

MINUTES OF 1st MEETING (2012 SERIES) OF BOARD OF APPROVAL FOR EOU SCHEME HELD UNDER THE CHAIRMANSHIP OF COMMERCE SECRETARY ON 24th JANUARY, 2012 AT 10.00 HOURS IN ROOM NO.47, UDYOG BHAWAN, NEW DELHI.

The 1st Meeting (2012 Series) of the Board of Approval for EOU was held on 24.1.2012 under the Chairmanship of Shri Rahul Khullar, Commerce Secretary in Room No.47, Udyog Bhawan, New Delhi. The list of participants is enclosed at Annexure-I. The Chairman welcomed all the members of the BOA and thereafter agenda was taken up for discussion.

1.1(12) Confirmation of Minutes of the 6th BOA (2011 Series) meeting held on 28.11.2011.

The Board ratified the minutes of the 6th Meeting (2011 Series) with an amendment to item No. 6.17(11) related to M/s. G.M. Technical Centre India Private limited, as proposed by DGEP. The BOA approved the unit's request to amend LOP to incorporate additional services activities subject to the condition that no import of cars or commercial vehicles will be allowed. The Minutes were ratified with this change.

1.2(12) M/s. Brady Company India Pvt. Ltd - Approval for destruction of imported raw materials and finished products.

The representative of DOR stated that as per para 1(3)(d)(i)(ii) of notification 52/2003-Cus dated 31.3.2003, duty can be demanded if goods, other than capital goods, are neither used for manufacture of export goods nor cleared for home consumption within 3 years of their import. The Board observed that para 6.14 (b) of FTP provides no duty shall be payable for destruction of imported raw materials and finished products within the EOU after intimation to Customs. In view of the conflicting provisions in FTP and DOR's enabling notification on this issue, the Board deferred the proposal and directed all DCs to report on the practice in the matter and past instances in this regard.

1.3(12) M/s. Pilkington Automotive India Pvt. Ltd., - Request for ex-post facto approval for procurement of 'pre-engineered building structure'

The representative of DOR stated that pre-fabricated structure is a building structure and the same is not covered under the definition of 'capital goods'. The DC, VSEZ however, stated that the structure being considered is essential for maintaining dust free environment to produce the finished goods. Further, it was informed that in terms of Para 6.5.1.(f) of HBP, BOA had granted such permission for procurement of such building structures for maintaining dust free environment and aseptic conditions for production

purpose in the past. BOA therefore, decided to defer the proposal and directed the all DCs to report on the past practice in the matter and instances in this regard.

1.4(12) M/s. GE BE (P) Ltd., - Import of refurbished/re-engineered parts and components for use in the manufacture of HV Tanks.

The representative of DOR sought deferment on this issue and requested the DC to provide details and exact nature of the envisaged import/export activities related to the harvest and refurbishment of HV Tanks, as also details of any DTA implications. The Board accordingly, deferred the proposal.

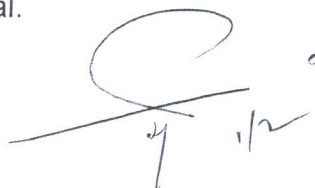
1.5(12) M.s. Prayas Woollens Pvt. Ltd. - Appeal for extension of LOP for 5 years beyond 20.10.2011 for recycling of used clothes.

The representative of the unit appeared before the Board and presented his case. The unit submitted that sudden closure of business by denial of extension of LOP was extremely detrimental to their business interest and would lead to the labour employed in his unit to be rendered jobless. Further the unit submitted that their import consignments were held up at JNPT and they were unable to export their goods for want of renewal of LOP. The Board took note of the fact that as per Appendix – 14-I-C of HBP (2009-14) all activities “pertaining to reprocessing of garments/ used clothing /secondary textiles materials / clipping/ rags/ industrial wipers/ shoddy wool/ yarn/ blankets/ shawls and other recyclable textile materials will not be allowed under EOU schemes.”

The BOA after considering all the facts and due deliberation, decided to recommend extension of the LOP for a period upto 30th Sept 2012 subject to guidelines issued by DoC on reprocessing of used garments to enable the unit to phase out as an EOU unit, in view of the hardship on account of immediate closure indicated by the applicant. BoA also decided that accordingly no further permission would be granted for extension of LOP for units engaged in such activities of recycling of used clothes etc. The Board also directed that a guideline be created to address the issue of other EOUs engaged in similar business, on these lines. This recommendation of the BoA would be subject to approval from the competent authority.

1.6(12) M/s. GKB Rx Lens Pvt. Ltd. Seeking permission for trading upto 5% of FOB value in terms of para 6.2(i) of FTP.

In terms of para 6.2(i) of FTP, BOA approved the proposal.

A handwritten signature in black ink, consisting of a large, stylized 'S' or 'G' shape with a horizontal line extending to the right, and the date '24/1/12' written below it.

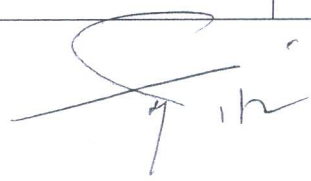
PART – II

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 months of November and December, 2011	CSEZ
B	Approval granted under delegated powers not received	FASEZ
C	Approval granted under delegated powers received	ISEZ
D	Approval granted under delegated powers for the months October, November and December 2011	KASEZ
E	Approval granted under delegated powers for the months of October and November, 2011	MSEZ
F	Approval granted under delegated powers not received.	NSEZ
G	Approval granted under delegated powers not received .	SEEPZ
H	Approvals granted under delegated powers for the months November and December, 2011.	VSEZ

OLD CASES

A	Approvals granted under delegated powers for the period 1997 to 2001 Approvals granted under delegated powers for the period January, 2005 to March, 2005:	KASEZ
B	Approval granted under delegated powers as below: 11 LOPs issued during the period 21.3.2000 to 20.2.2002 16 LOPs issued during the period 26.4.2004 to 25.6.2004 08 LOPs issued during the period 1.1.2005 to 8.2.2005 09 LOPs issued during the period 1.4.2005 to 15.5.1005 05 LOPs issued during the period 27.9.2005 to 8.11.2005 18 LOPs issued during the period 1.3.2007 to 30.6.2007	VSEZ
C.	Approvals granted under delegated powers for the period June, 2009 to November, 2011 (31 LOPs)	NSEZ
D.	Approval granted under delegated powers in respect of M/s Cenosphere India Pvt. Ltd. Dated 27 th April 2005.	FALTA SEZ



List of Participants

1. Shri Rahul Khullar, Commerce Secretary - Chairman
2. Shri Madhusudhan Prasad, Addl. Secretary, Deptt. of Commerce
3. Shri Anup Wadhwan, Joint Secretary, Deptt. of Commerce
4. Shri Sanjeet Singh, Director, Deptt. of Commerce - Member Secretary
5. Shri Y.S.Shahrawat, Additional DG, DGEP, Deptt. of Revenue
6. Dr. Ved Prakash, Development Commissioner, SEEPZ-SEZ
7. Shri M.S. Rao, Development Commissioner, VSEZ
8. Shri Pravir Kumar, Development Commissioner, KASEZ
9. Shri A.K.Rathore, Development Commissioner, Indore SEZ
10. Shri Raman Chopra, Director (ITA-1), CBDT, Deptt. of Revenue
11. Shri Manoj Kumar Arora, DGEP, CBEC, Deptt. of Revenue
12. Dr. L.B.Singhal, Joint DGFT, DGFT
13. Dr. Saroj, Director, M/o. Environment & Forests
14. Shri G. Muthuraja, Under Secretary, Deptt. of Commerce
15. Shri M.S.Teotia, AD(EP), O/o. DC, MSME
16. Shri O.P.Kapoor, Dy. DGFT, EPCES

