

BY SPL. MESSENGER/SPEED POST

No.14/2/2016-EOU
Government of India
Ministry of Commerce & Industry
Department of Commerce

Udyog Bhawan, New Delhi
Dated the 21 April, 2016

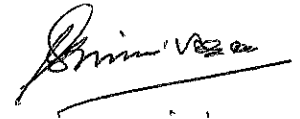
OFFICE MEMORANDUM

Subject :2nd Meeting (2016 series) of the Board of Approval (BOA) for EOU Scheme scheduled to be held on 28th April, 2016 – Forwarding of supplementary agenda regarding.

The undersigned is directed to refer to this Ministry's Office Memorandum of even number dated 12th April, 2016 forwarding the agenda for the 2nd Meeting (2016 Series) of the Board of Approval for EOU Scheme.

An additional agenda namely the case of M/s Actifio Technologies (I) Pvt. Ltd. an EOU unit under VSEZ is also forwarded to be discussed in this meeting.

Encl.: As above.



(G. Srinivasan)

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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 DS (TVR)

SUPPLEMENTARY AGENDA FOR THE 2nd BOA MEETING (2016 SERIES) FOR EOU SCHEME TO BE HELD ON 28.04.2014 AT 11.00 A.M.

2.6 (16) M/s Actifio Technologies (I) Pvt. Ltd. – VSEZ – Extension of the validity of LOP dated 2.3.2010 for a further period of five years.

M/s Actifio Technologies (I) Pvt. Ltd. was issued LOP on 2.3.2010 for export of "IT and ITES Services" at 601 & 602, "D' Block, Cyber Gateway, Hi-Tech City, Madhapur, Hyderabad. The unit has executed Legal Undertaking on 10.03.2010. The unit commenced operations on 10.03.2010.

2. A Show Cause Notice was issued to the unit on 15.09.2015 for non-submission of QPRs and APRs in time and suo-motto cancellation of their LOP. The Show Cause Notice was adjudicated on 22.01.2016. While submitting their reply to the Show Cause Notice on 23.09.2015, the unit has sought extension of the validity of their LOP by 5 years, i.e. for the next block of 5 years.

3. The unit's performance was monitored for the block period 10.03.2010 to 31.03.2015 and found to be NFE positive. As can be seen that the unit has requested for extension on 23.09.2015 whereas their LOP had expired on 10.03.2015, i.e. beyond six months period. Therefore, the request of the unit for extension of their LOP period for the next block period needs to be considered by BOA.

Relevant provision of FTP/HBP: In terms of Para 6.01 of HBP, 2015-20 " On completion of approval period as provided for in Paragraph 6.05 of FTP, it shall be open to unit to continue under Scheme or opt out of scheme. Where unit opts to continue, DC will extend approval period. If no intimation in this regard is received from unit within a period of six months of expiry of approval period, DC will take action, suo moto, to cancel approval under EOU Scheme and take further action in this regard. Where unit give their option to continue after expiry of six months as stipulated above, DC will grant extension after obtaining approval of BOA.

DC's recommendation: As the Unit's performance is good and want to continue under the 100% EOU Scheme and the unit made decent projections for the next block of five years, DC VSEZ has recommended the request of the unit for extension of their LOP for next block of 5 years from 10.03.2015 to 09.03.2020.