

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

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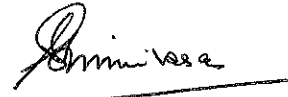
Udyog Bhawan, New Delhi  
Dated 12 April, 2016

**OFFICE MEMORANDUM**

Subject: 2<sup>nd</sup> Meeting (2016 series) of the Board of Approval (BOA) for EOU Scheme scheduled to be held on **28<sup>th</sup> April, 2016** – forwarding Agenda reg.

The undersigned is directed to forward herewith a copy of Agenda Items for the 2<sup>nd</sup> Meeting (2016 series) of the Board of Approval for EOU Scheme scheduled to be held on **28<sup>th</sup> April, 2016 at 11:00 A.M. in Room No. 47** Udyog Bhawan, New Delhi under the Chairmanship of Commerce Secretary.

2. May kindly make it convenient to attend the Meeting.



**(G. Srinivasan)**

Under Secretary to the Government of India

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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 Dir (TVR)

**AGENDA FOR THE 2<sup>nd</sup> BOA MEETING (2016 SERIES) FOR EOU SCHEME TO BE HELD ON 28.04.2016 AT 11.00 A.M.**

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**2.1 (16) Confirmation of Minutes of the 1<sup>st</sup> BOA (2016 Series) meeting held on 23.02.2016.**

**2.2 (16) M/s Al Faheem Meatex (P) Ltd. - NSEZ - Proposal for conversion of existing DTA unit into 100% EOU.**

The unit has submitted an application for conversion of existing DTA unit, into 100% EOU for manufacture and export of Boneless Buffalo Frozen Meat. Scrutiny of the application reveals that annual export turnover for the years is as under :-

2013 -	157 Cr.
2014 -	553.17 Cr.
2015 -	541.71 Cr.

The export of the unit is already over Rs. 50.00 crore annually. As per the project report submitted by the unit, the unit has been engaged in manufacturing/export of fresh and frozen meat since the year 2000.

**Projection for next 5 years are under:**

**(Rs. In Lakhs)**

Total inflow	: 402500.00
Total Outflow	: 362.20
Net Foreign Exchange (NFE)	: 402137.80

**Relevant provision of FTP:** As per para 6.07 (d) of Foreign Trade Policy 2015-20.

*"Application for conversion into an EOU/EHTP/STP/BTP unit from existing DTA units having an investment of Rs. 50 Crores and above in plant and machinery or exporting Rs. 50 Crores and above annually, shall be placed before BOA for a decision".*

**Remarks:** Personal verification of the Directors and inspection of the factory site have been carried out by jurisdictional Central Excise. They have recommended the proposal for favorable consideration.

**DC's Recommendation:** Proposal of the unit for setting up of 100% EOU may be considered. Comments of DGFT & DGEP may please be obtained. **DC NSEZ has recommended** the proposal in view of the fact that unit has already been doing considerable amount of export for last three years.

**2.3 (16) M/s Stone Age (P) Ltd - NSEZ – Proposal for Consolidation of goods by exporting empty wooden crates with packing material.**

M/s Stone Age (P) Ltd., a 100% EOU unit under the jurisdiction of DC (NSEZ) is engaged in manufacture/export of natural building stones like sand stone, quartzite, marble granite, travertine stone, limestone etc. The unit has sought permission for exporting wooden crates with packing material like polyethylene sheet, polyethylene wooden crates to cater to the demands of its overseas clients.

The unit propose to procure these items (value of which is around Rs. 20.00 lakh), indigenously.

In terms of para 6.01 (k), BoA may allow for consolidation of goods export thereof along with manufactured articles. Such goods may be imported/procured from DTA by EOU without payment of duty to the extent of 5% of FOB value of such manufactured articles exported by the unit in preceding financial year. FOB value of exports of the unit during 2014-15 was Rs. 2314.18 Lakh, 5% of which works out to Rs. 115.70 lakh.

**Performance of the unit during current block 2010-11 to 2014-15 (upto 31.03.2014)**

**(Rs. In Lakhs)**

Total Export	: 8694.24
Total imports during the period	: 715.63
Net Foreign Exchange (NFE)	: <b>7978.61</b>

**Relevant provision of FTP:** As per para 6.01 (k) of Foreign Trade Policy

*“BoA may allow, on a case to case basis, request of EOU/EHTP/STP/BTP units in sectors other than Gems & Jewelry, for consolidation of goods related to manufactured articles and export thereof along with manufactured articles. Such goods may be allowed to be imported/procured from DTA by EOU without payment of duty, to the extent of 5% FOB value of such preceding financial year. Details of procured/imported goods and articles manufactured by the EOU will be listed separately in the export documents. In such cases, value of procured/imported goods will not be taken into account for calculation of CFE and DTA sale entitlement. Such procured/imported goods shall not be allowed to be sold in DTA. BOA may also specify any other conditions”.*

**DC's Recommendation:** Unit's request for consolidation of bought out items along with manufactured articles, subject to terms and conditions specified under Para 6.01 (k) of FTP may be considered. DC NSEZ has recommended this proposal.

**2.4 (16) M/s Rashi Granite Export India (P) Ltd. - CSEZ – Proposal for Permission for procurement LED Lighting Systems.**

M/s Rashi Granite Export India (P) Ltd. (100% EOU) holds letter of permission No. 1/08/2002:PER:EOU:KR:CEPZ dated 11.03.2002 amendments thereof for export of polished granite slabs, tiles and strips and polished marble slabs. The unit commenced commercial production with effect from 25.12.2002.

The unit has made a request for procurement LED Lighting Systems. The Advantage of use LED light are as follows:-

- a) Consume 52% less power
- b) Life cycle 50000 burning Hours
- c) Environment friendly
- d) Lux level is more with less wattage,
- e) It is RoHS Compliant
- f) Emits less heat

**Performance of the Unit:**

	Rs. In lakhs
<b>2010-11</b>	<b>2483.84</b>
<b>2011-12</b>	<b>2645.75</b>
<b>2012-13</b>	<b>5224.75</b>
<b>2013-14</b>	<b>5595.30</b>
<b>2014-15</b>	<b>4536.68</b>

Details of the proposed procurement of Led Lighting System is as under:-

1. Total No. of LED lights required: **950 nos.**
2. Price : **US\$ 14 each.**
3. Total Cost : **Rs.88.92 lakhs**
3. Duty to be Foregone (as per ICD, Whitelfield): **Rs. 3,53,780/-**

**Relevant provision of FTP/HBP:** As per para 6.04 (f) of HBP, items which are not listed under para 6.04 are permitted for import/procurement form DTA by EOUs only on approval from BoA. Hence the proposal submitted for approval by BoA.

**Remarks:** Board of Approval for 100% EOU in its 5<sup>th</sup> Meeting (2015 Series) held on 30.12.2015 has approved procurement of LED Lighting Systems to M/s GE India Technology Center Pvt. Ltd., Bangalore.

**DC's recommendation:** The unit may be allowed import procurement of LED Lighting systems without payment of Central Excise duty.

**2.5 (16) M/s Beckman Coulter India (P) Ltd. - CSEZ – Request for approval for carrying out Research Development Activities.**

M/s Beckman Coulter India (P) Ltd., has been issued LOP No. 01/01/2014:PER:EOU:KR:CSEZ dated 05.02.2014 for the manufacture and export of Diagnostic Reagents. The unit has commenced its commercial production on 09.05.2014. The unit has now sought permission for carrying out Research Development activities.

The unit commenced commercial production with effect from 09.05.2014. The export effected up to 31.03.2015 is Rs. 597.74 Lakhs and the unit is in its second year of operation as an EOU.

**Relevant provision of FTP/HBP:** As per LOP issued to the unit for manufacture and export of Diagnostic Reagents, permitted in the LOP. Now the unit has requested for approval of carrying out Research Development Activities in order to develop new products and to manufacture such new products. They wish to carry out Research and Development activities in order to broaden its product base and to this end, dedicated Research and Development Team (R&D) is proposed to set up to cater this need. The R&D Activities is being created to drive research in the fields of developing products for HIV monitoring, autoimmune diseases, immune monitoring for transplantation research and screening for biomarkers associated with Leukemia and Lymphoma.

**Remarks:** Board of Approval for 100% EOU in its 3<sup>rd</sup> Meeting (2011 Series) held on 31.03.2011 has approved R&D activities along with manufacturing activities to M/s Sai Advantium Ltd.

**DC's recommendation:** Considering the performance of the unit, the request of the unit is recommended for approval for carrying out Research Development Activities.

**PART II**

**Approval granted by Development Commissioner Under Delegated Powers for RATIFICATION OF BOA as per Press Note No. 3 of 1995**

A	Approvals granted under delegated powers for the month of January, 2016 to March, 2016. <b>Ratification of LOP Dated 14.11.2005 issued to M/s ADF Foods Ltd.</b>	SEEPZ
B	Approvals granted under delegated powers for the month of January, 2016 to March, 2016	KASEZ
C	Approvals granted under delegated powers for the month of January, 2016 to March, 2016 is 'NIL'	FSEZ
D	Approvals granted under delegated powers for the month January, 2016 to March, 2016	VSEZ
E	Approvals granted under delegated powers for the month of November, 2015 to December, 2015	MEPZ