

File No. K-22019/6/2019-EOU
Ministry of Commerce & Industry
Department of Commerce
EOU Section

Udyog Bhawan, New Delhi
Dated: 11th Nov, 2019

MEETING NOTICE

Subject: 6th Meeting (2019 series) of Board of Approval (BOA) for EOU Scheme scheduled to be held on 15.11.2019 in Room No. 108 at 11:00 A.M. - forwarding of Supplementary Agenda thereof - reg.

In continuation to this Department's O.M. of even number dated 05.11.2019 on the above mentioned subject, the undersigned is directed to enclose herewith the Supplementary Agenda for the 6th Meeting (2019 series) of the BOA for EOU scheme scheduled to be held on 15th November, 2019 at 11:00 A.M. in Room No. 108 for information and necessary action.

2. It is informed that the **venue of the said meeting is Room No. 108, Udyog Bhawan, New Delhi** in place of Room No. 47 as communicated earlier.

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

Encl: As Above



(Darshan Kumar Solanki)
Under Secretary to the Government of India
Tel: 23062496
E-mail: dk.solanki@nic.in

1. Department for Promotion of Industry and Internal Trade (DPIIT).
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: PSO to CS/PS to AS(BBS)/PS to DS (SNS).

SUPPLEMENTARY AGENDA for 6th BOA for EOU to be held on 15.11.2019 at 11:00 AM in Room No. 108, Udyog Bhawan, New Delhi

6.4(19) Proposal of the Plastic Recycling unit in KASEZ SEZ for renewal of LOA for the next five year (Annexure – B).

(Annexure – B)

M/s PMS Exports Pvt. Ltd., EOU under KASEZ – Proposal for renewal of LOA for next five year i.e. from 01.01.2020 to 31.12.2024.

The unit had been issued LOP dated 22.05.1995 for manufacturing of Plastic (Polymer) Bags, Films, Layfalt Tubings, Refuse Bags and Moulded Articles of Plastics, etc. The unit commenced its operation w.e.f. 15.11.1997. Its LOA is valid upto 31.12.2019.

It is to be mentioned that DoC vide letter dated 18.05.2018 had amended physical export obligation required to be achieved by Plastic recycling EOUs (as mentioned in Policy guidelines for SEZ issued on 17.09.2013) as under and made applicable to EOUs w.e.f 13.02.2018:

“To ensure that plastic reprocessing EOUs units fulfill their export obligation, in addition to meeting their NFE obligation, all such units would be required to export not less than 35% of the total annual turnover.”

Physical export obligation achieved by the unit as per the above amendment is as below:

The unit has not provided any details for the year 2018-19. The unit has achieved NFE during the block period of 2014 to 2018. Also the unit has achieved 100% physical export obligation. Details regarding physical export from 01.04.2014 to 31.03.2018 is as below:

Total Turnover = 873.15 lakhs
Physical export = 873.15 lakhs
% of physical export to total turnover = 100%

Proposed NFE for the next five year = Rs. 987.80 lakhs.

It is to be mentioned that as per para 5(i) & (v) of Appendix 6B of Appendices and Aayat Niryat Forms of FTP 2015-20:

- a) Extension of LOP of the existing EOU may be granted based on the terms & conditions of earlier LOP
- b) Existing units shall make physical exports as may be stipulated by BOA

Relevant Provision: As per Policy Guidelines dated 17.09.2013 issued by DoC extension of LOA for an existing Units shall be decided by the Board.

DC's Recommendation: DC, KASEZ has recommended the proposal of the unit with the following recommendations:

i) All the conditions as prescribed in Policy guidelines dated 17.09.2013 as amended vide letter dated 13.02.2018 shall be strictly followed.

ii) Ministry of Commerce should amend Appendix 6B of Appendices and Aayat Niryat Forms of FTP 2015-20 to include the condition that such plastic recycling units shall be required to physically export not less than 35% of its total annual turnover (Annual turnover = value of physical export + value of DTA sale + value of any other sale as permissible under FTP & HBP). Subsequent to amendment in Appendix 6B, MOC should issue a notification under Appendix 6B and incorporate in this notification all the rules and regulations for export obligation it wants the plastic recycling units to follow (in order to avoid any new litigation).