## File No. K-22019/6/2020-EOU Ministry of Commerce & Industry Department of Commerce EOU Section

Udyog Bhawan, New Delhi Dated: 30 Dec, 2020

## **MEETING NOTICE**

Subject: 1<sup>st</sup> Meeting of Board of Approval (2021 series) for EOU Scheme scheduled to be held on 06.01.2021 at 11:30 A.M. in Room No. 141 through video conferencing - forwarding of Supplementary Agenda reg.

In continuation to this Department's O.M. of even number dated 24.12.2020 on the above mentioned subject, the undersigned is directed to enclose herewith the Supplementary Agenda for the 1<sup>st</sup> BOA meeting (2021 series) for EOU scheme scheduled to be held on 06.01.2021 under the Chairmanship of Commerce Secretary at 11:30 AM through video conferencing. The Commerce Secretary will be in Room No. 141, Udyog Bhawan, New Delhi during the meeting and officers of nearby buildings may attend the meeting in that room, if they like so.

2. The addressees are requested to make it convenient to attend the meeting.

Encl: As Above

(Sumit Kumar Sachan)
Under Secretary to the Government of India

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1. Department for Promotion of Industry and Internal Trade (DPIIT).

2. CBIC [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(SK)/PS JS(AK)/PS to Dir(SNS).

Supplementary Agenda for the 1<sup>st</sup> BOA meeting (2021 series) for EOU Scheme to be held on 06.01.2021 at 11:30 A.M. through NIC video conferencing.

1.3(21) M/s Balkrishna Industries Ltd. - Proposal for conversion of existing DTA unit into 100% EOU unit.

M/s Balkrishna Industries Ltd., a DTA unit, is presently engaged in manufacturing and export of Pneumatic Tyres (with or without tube/flaps/O ring) with ITC HS Code 40117000 & 40118000. The unit has applied for conversion of their existing DTA unit into 100% EOU unit at:

- i) **Manufacturing facility**: SP-923 RIICO Industrial Area, Phase-III, Bhiwadi, Distt. Alwar, Rajasthan &
- ii) **for outside storage of finished goods and raw materials**: Part of SP-1, RIICO Industrial Area, Chopanki 301707, Alwar, Rajasthan.

The investment of the unit in plant and machinery is Rs. 106.71 crore.

## Performance of the unit:

Year	Export (in cr.)	
2017-18	1116.53	
2018-19	1134.50	
2019-20	1046.34	

## Projection for next five years:

(Rs. In cr.)

Total Inflow	7626.41	
Total Outflow	3419.01	
NFE	4207.40	

As per Annexure to ANF-6A (application form), the DTA unit is under obligation to export under Advance Authorization and EPCG scheme. Accordingly, the unit has submitted details of 41 Nos. of Advance Authorisation licenses. Out of which, 24 licenses submitted to DGFT, Mumbai for EODC. The unit has also submitted details of 29 Nos. of EPCG licenses with duty saved value of Rs. 10,91,87,384.37/-.

It is to be mentioned that as par Appendix 6M, if the unit is having outstanding export commitment under Advance authorization scheme, the unit is required to obtain certificate showing physical verification of unutilized material held in stock against all advance authorization (not yet redeemed) and such raw material as intended to be carried forward to EOU.

In case there is an outstanding export commitment under EPCG scheme, it will be added to future export obligation by adding value of capital goods to the imported

capital goods value of the EOU and all previous obligation under EPCG would be exist on such inclusion.

**Relevant provision:** Para 6.19(c) of <u>FTP 2015-20</u> provides that applications 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.

**Dc's Recommendation:** DC-NSEZ has recommended the proposal of the unit subject to compliance of conditions as given in Appendix 6-M of Appendices and Aayat Niryat Forms of FTP 2015-20, in respect of pending Advance Authorization and EPCG.