

No. K-22019/7/2024-EOU
Ministry of Commerce & Industry
Department of Commerce
EOU Section

Vanijya Bhawan, New Delhi
Dated: 28 Oct' 2024

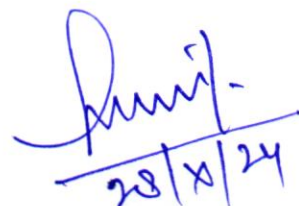
MEETING NOTICE

Subject: 5th Meeting (2024 series) of Board of Approval (BOA) for EOU Scheme scheduled to be held on 08.11.2024 - Agenda reg.

The undersigned is directed to enclose herewith the Agenda for the 5th Meeting (2024 series) of the BOA for EOU scheme scheduled to be held on **08.11.2024 (tentatively)** under the chairmanship of Commerce Secretary, D/o Commerce in hybrid mode, for information and necessary action.

2. Venue and Weblink for the said meeting will be shared by this department shortly.
3. All the addresses are requested to kindly make it convenient to attend the meeting.

Encl: As above.



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- 1) DG, DGFT
- 2) The Joint Secretary, DPIIT
- 3) CBIC [Member (Customs)], M/o Finance
- 4) CBDT [Member (Income Tax)], M/o Finance
- 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/PPS to AS(LSS)/PS to JS(VA)/PPS to DIR(SNS).

AGENDA FOR THE 5th BOA MEETING (2024 SERIES) FOR EOU SCHEME TO BE HELD ON 08.11.2024.

5.1(24) Proposal for inclusion of additional location (which is outside the territorial jurisdiction of original Development Commissioner) in their existing LoP dated 05.06.2006 - M/s Laurus Labs Limited, EOU under VSEZ.

M/s Laurus Labs Limited was issued LoP dated 05.06.2006 for setting up of an EOU for R&D services and manufacture of Pilot batches of APIs and finished dosage (Formulations) for preparation of Dossiers” at IKP Knowledge Park, Turkapally, Shameerpet Mandal, Ranga Reddy District, Telangana. The unit commenced operations on 10.04.2007 and the LoP of the unit is valid up to 09.04.2027.

The unit intends to set up an EOU unit in IIT, Kanpur’s premises and include the said location in their existing LoP dated 05.06.2006 under EOU scheme to manufacture of Cell and gene Therapy (CAR-T cell therapy products. The address of the additional location proposed to be included in the existing LoP dated 05.06.2006 of the unit is:

“6th Floor, Techno Park, IITK Phase 1 Facility, IIT Kanpur,
Kalyanpur, Kanpur Nagar, Kanpur, UP-208016”

Existing projections and projections for additional location:

Particulars	Existing projections (in cr.)	Projections for Additional Location (in cr.)	Total (in cr.)
Investment	2564.63	153.81	2718.44
Employment	1734	50	1784
Exports	23,071	736	23,807
FE Outgo	9,438	389	9,827
NFE	13,633	347	13,980

Deputy Commissioner (Customs), Kanpur vide their letter dated 16.10.2024 has stated that site inspection was carried out in order to ascertain feasibility for inclusion of above additional location in their LoP dated 05.06.2006. During verification, it was found that the said premises situated at 6th floor of Technopark within IIT, Kanpur has been given to M/s Laurus Labs Limited on lease for 10 years w.e.f. 01.09.2023 and it comprises of carpet area of 26,949 sq. ft. The authorized signatory of the unit Mr. K. Mahesh (Sr. GM) remained present during the whole site inspection. The exterior civil work is already completed and completion of interiors is under process. The space in the said premises was found quite sufficient to store/install Capital Goods. The sites 6th floor of building is suitable for secure storage of raw material and finished goods and manufacture activities.

EPD, Kanpur has stated that the proposed premises in the IIT Kanpur appears to be suitable for grant of additional location in the existing LoP dated 05.06.2006.

The existing LoP given to the unit i.e. M/s Laurus Labs Limited comes under the jurisdiction of Development Commissioner, VSEZ and the location proposed to be included in the existing LoP is outside the territorial jurisdiction of the original Development Commissioner. The location proposed to be included in the existing LoP comes under the jurisdiction of Development Commissioner, NSEZ.

Relevant provision: Para 6.35 of HBP 2023 stipulates that BOA may consider change of location of EOU unit from place mentioned in LoP to another and/ or to include additional location outside territorial jurisdiction of original DC/ Designated Officer, subject to such conditions as BOA may decide.

DC's Recommendation: DC-VSEZ has recommended the proposal of the unit.

5.2(24) Proposal for conversion of existing DTA into EOU unit - M/s Mireen Industries Private Limited.

M/s Mireen Industries Private Limited is a DTA unit located at Plot No. 274-275, Sector 37, Udyog Vihar, Phase-6, Gurugram, Haryana-122001. The unit is working in DTA since 21.01.2021. The unit has applied for conversion of their existing DTA unit into 100% EOU for manufacture and export of Saddlery Items (Non-Leather).

Export performance for the last 3 years

Year	Export (in crores)
2021-22	61.72
2022-23	55.58
2023-24	55.06

Projection of export-imports for the next 5 years (in crores)

Total Inflow	479
Total Outflow	105.07
NFE	373.93

The unit has shown investment in Plant & Machinery as Rs. 250 crore and FOB value of export is shown as Rs. 479 crore.

It has also been informed that site inspection report has been sought from Jurisdictional Customs authorities which has not been received yet. Antecedent report from other SEZs has also been sought. VSEZ, ISEZ and MEPZ have furnished positive report. Report from rest of the SEZs is still awaited.

Relevant provision: Para 6.18 (c) of FTP 2023 stipulates that "Applications for conversion into an EOU 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.

5.3 Proposal for setting up of a new 100% EOU unit having lower minimum investment criteria - M/s. Vadain Private Limited.

M/s. Vadain Private Limited has applied for setting up of a new EOU unit at Plot No. 12, Sector 05, IMT Manesar, Gurugram, Haryana-122051 for manufacture and export of following items:

Items	Annual Capacity	HS Codes
Curtains/Blinds	20000 PC/Pair	63039200, 63039990, 63039100, 63031200
Cushion/Pillow	1000	94042990
Cushion Cover	PC/pair	63049280
Fabric Display set		63079099
Quilts		94044010
Bed		63041910
Spreads/Sheets		63049190
Fabric		59039090 54071019
Job Work		SAC Code
Handling		995479
Job Work		998821

Projections of exports-imports for next 5 years (in crores):

Total Inflow	160.65
Total Outflow	23.82
NFE	136.83

Jurisdictional Customs authorities has also been requested for site inspection report which is pending. Antecedent reports from other SEZs has been sought. The reply in the matter is awaited. Since, the applicant doesn’t meet the investment criteria of Rs. 1.00 Crore as per para 6.06 of FTP 2023, the proposal is placed before BOA for consideration.

The unit has shown investment in plant & machinery for Rs. 1.82 Crore in five years. In the first year the investment in plant & Machinery is

just Rs. 60.00 lakhs in the first year.

Relevant Provision: Para 6.06 of FTP 2023 states that only projects having a minimum investment of Rs.1 Crore in plant & machinery shall be considered for establishment as EOUs. However, this shall not apply to existing units, units in EHTP / STP/ BTP, and EOUs in Handicrafts/Agriculture/Floriculture/Aquaculture/Animal Husbandry/Information Technology, Services, Brass Hardware and Handmade jewellery sectors. BoA may allow establishment of EOUs with a lower investment criteria.

DC's Recommendation: DC-NSEZ has recommended the proposal.