

No. K-22019/8/2024-EOU  
Ministry of Commerce & Industry  
Department of Commerce  
EOU Section

Vaniya Bhawan, New Delhi  
Dated: 25<sup>th</sup> Nov' 2024

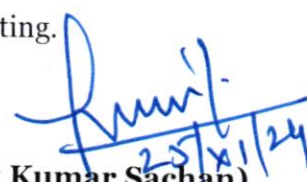
**MEETING NOTICE**

**Subject: 6<sup>th</sup> Meeting (2024 series) of Board of Approval (BOA) for EOUs scheduled to be held on 06.12.2024.**

The undersigned is directed to enclose herewith the Agenda for the 6<sup>th</sup> Meeting (2024 series) of the BOA for EOU scheme scheduled to be held on **6<sup>th</sup> December, 2024 (Friday) at Conference Hall, IInd Floor, Administrative Building, Noida SEZ** under the chairmanship of Commerce Secretary, D/o Commerce in hybrid mode, for information and necessary action.

2. 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.**

  
(Sumit Kumar Sachan)  
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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
9. Shri A.S. Purty, Director (S), IS-1 Division (Security Desk), Ministry of Home Affairs
10. Shri Kapil Meena, Under Secretary, Industrial Licensing Section, DPIIT
11. Shri Noman Hafiz, CPO (DIP), D(DIP) Section, Ministry of Defence
12. Dr. Bhardwaj Adiraju, JD/Scientist 'D' Ministry of Environmental Forest and Climate Change
13. Shri Sunil Kumar, JS (Industry), Export Promotion Section – 14, Directorate of Industry and Industrial Promotion, Kanpur, Uttar Pradesh
14. Shri P.K. Singh, Section Officer, Arms Section, Ministry of Home Affairs

**Copy to: PSO to CS/PPS to AS(LSS)/PS to JS(VA)/PPS to DIR(SNS).**

**Agenda for the 6<sup>th</sup> meeting of the Board of Approval (BOA) for EOUs (2024 series) to be held on 6<sup>th</sup> December, 2024**

**Agenda Item No. 6.1(24):**

**Ratification of the Minutes of the 5<sup>th</sup> meeting of the Board of Approval (BOA) for EOUs (2024 Series) held on 5<sup>th</sup> November, 2024.**

## **Agenda Item No. 6.2(24)**

### **Industrial License cases under IDR Act, 1951 [02 proposals – 6.2.1(24) & 6.2.2(24)]**

**Rule Position:** Para 6.32(b)(i) states that “Items of manufacture requiring industrial licence under Industrial (Development & Regulation) Act, 1951 shall be considered by BOA.”

**6.2.1(24) Proposal for grant of Industrial License for manufacture of defence goods under IDR Act, 1951 - M/s MKU Limited, EOU under jurisdiction of NSEZ (location of the factory: MKU Limited, 118-E, Shyam Nagar, Kanpur – 208013, Uttar Pradesh).**

#### **Jurisdictional SEZ – NSEZ**

M/s MKU Limited, an EOU under jurisdiction of NSEZ, had applied for Industrial License under IDR Act, 1951 for manufacturing following defence goods:

<b>Sr. No</b>	<b>Item Descriptions</b>	<b>NIC Code</b>
1	Imaging or Countermeasure Equipment Recorders and Image Processing Equipment, Image Intensifier Equipment Including Interactive Environment Systems, Infrared or Thermal Imaging Equipment, Countermeasure or Counter-Countermeasure Equipment.	26700
2	Night Vision Weapon Sight, Night Vision Monocular, Night Vision Binoculars, Night Vision Bi-Ocular, Night Fighting Systems, Image Intensifier Equipment Including Interactive Systems	
3	Thermal Imager, Infrared or Thermal Imaging Equipment Including Weapon Sight, Thermal Imaging Monocular, Thermal Imaging Binoculars, Thermal Imaging Bi-Ocular, Cooled Thermal Imaging Camera	
4	Uncooled Multi-Sensor Hand Held Thermal Imager (HHTI), Cooled Multi-Sensor Hand Held Thermal Imager (HHTI), Clip on Thermal Imaging Weapon Sights , Clip on Thermal Imager for Goggle	
5	Panoramic Night Vision Goggle, Fusion Based Night Vision Devices, Digital Binocular, Monocular With LRF, Aviation Night Vision Goggle , Clip-on Night Vision Weapon Singh , Digital Monocular	
6	Driver Night Sight for Tanks and Armoured Vehicle, Gunner Sight for Tanks and Armoured Vehicle, Commander Sight for Tanks and Armoured Vehicle, Electro Optical Fire Control System	
7	Telescopic Sight for Fitting to Arms, Infrared Aiming Device, Laser Zeroing Device, Electro Optical Sight for Shoulder Mounted Weapons	
8	Electro-Optical Sensor, Red Dot Sight, Laser Range Finder Devices, Recorders and Image Processing Equipment, Gimbal Based Electro	



	Optical Payload Camera	
9	Mast Mounted Cooled and Uncooled Multi Sensor Thermal Camera. Night Vision Glasses & Devices	
10	Image Intensifier Tubes, Parts & Accessories for All Electro Optical Equipment	

The location of the factory for manufacturing above items is as under:

“MKU Limited, 118-E, Shyam Nagar, Kanpur – 208013, Uttar Pradesh.”

The subject items for which Industrial License has been sought by the unit is licensable as per DPIIT's Press Note I (2019 series) dated 01.01.2019.

Vide OM dated 24.06.2024, the proposal of the unit was shared with various departments for their comments which has been received as under:

Departments	Comments
<b>IS-I Division, (Security Desk), MHA</b>	<p>Vide OM dated 25.09.2024, Security Desk-MHA has <b>conveyed security clearance</b> in respect of M/s MKU Limited and its directors namely S/Shri Manoj Gupta, Sumit Khandelwal, Neeraj Gupta, Neelam Gupta, Manish Khandelwal, Vaibhav Gupta and Manoj Mukund Narvane.</p> <p>MoD may recommend appropriate security and auditing procedures for the firm as well as its supply-chain depending upon the threat perception and sensitivity of the products to be manufactured as per the security instruction/architecture prescribed in the Security Manual for Licensed Defence Industries, issued by MoD.</p> <p>The Ministry of Commerce &amp; Industry should ensure that all security instructions/architecture prescribed in the Security Manual for Licensed Defence Industries, issued by MoD from time to time are strictly adhere to.</p>
<b>IS-I Division, (Arms Section), MHA</b>	Vide OM dated 28.06.2024, Arms Section-MHA has offered <b>No Comments</b> as the subject items do not fall under the category of small arms and ammunition as per the Arms Act, 1959 & the Arms Rules, 2016.
<b>DPIIT</b>	<p>DPIIT vide OM dated 04.10.2024 has offered <b>No Objection</b> from FDI and Explosive angle.</p> <p>However, in case manufacturing of the subject items requires any kinds and quantities of explosives covered under Explosive Rules, 2008, a license under the said rule is obligatory for manufacturing/possession/use and transport of the same.</p> <p>Further, it has been informed by DoDP that the Company has executed 2 contracts with Air Hqrs, MoD for supply of Light weight</p>

	polyethylene fibre-based armour plating for MI-17 V5 Helicopter (NIJ Level III) and Kevlar Safety Screen for ALH. The items for which the company has been awarded contract is a licensable defence activity as per Press Note 1 of the 2019 Series, however, it is to be noted that the company does not possess defence license for the manufacture of the same. This information may be considered appropriately while considering grant of license under the IDR Act, 1951
<b>D/o Defence Production</b>	<p>Vide OM dated 21.10.2024, DoDP has conveyed <b>No Objection</b> for grant of license for manufacture of said items specially designed for military use subject to standard terms and conditions under IDR Act, 1951.</p> <p>Further, the company may be directed to follow the security guidelines for Category 'A' mentioned in the Security Manual available at DDP's website while undertaking manufacturing of items for defence use.</p>
<b>M/o EF&amp;CC</b>	<p>Vide OM dated 31.07.2024, M/o EF&amp;CC has stated that the following may please be taken note of:</p> <ol style="list-style-type: none"> <li>i. The proposed project doesn't attract the provisions of EIA Notification, 2006 and accordingly, Environment Clearance (EC) is not applicable in the extant matter.</li> <li>ii. However, if the proposed project involves the construction of a building exceeding 20,000 sqm., it would fall under item 8(a) of the Schedule of the EIA Notification, 2006, and its subsequent amendments and accordingly prior EC will be required.</li> <li>iii. Further, the construction of NSEZ may require prior EC as per provision of EIA Notification, 2006, if applicable.</li> <li>iv. The provisions of the E-Waste (Management) Rules, 2022, and the Hazardous and other Wastes (Management &amp; Transboundary Movement) Rules, 2016 shall be applicable depending on the waste generated in the proposed project.</li> <li>v. If the proposed project/activity involves the diversion of forest land, or passes through any Protected Area or Eco-sensitive zone, provisions of Forest (Conservation) Act, 1980 and Wildlife (Protection) Act, 1972 respectively would be applicable.</li> <li>vi. Consent to Establish (CTE) and Consent to Operate (CTO) from the concerned State Pollution Control Board would be required under the provision of Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974, if applicable.</li> </ol>



<b>State Govt. of Uttar Pradesh</b>	Vide letter dated 01.10.2024, State Govt. of Uttar Pradesh has offered <b>No Objection</b> to the proposal subject to obtain necessary licenses/clearances from concerned departments and follow all rules and regulations of State Govt. and Central govt. and IDR Act, 1951.
<b>NSEZ</b>	Vide letter dated 22.08.2024, O/o NSEZ has provided details of the unit and requested to process the application of the unit as per rules.

Initially vide OM dated 14.10.2024, DoDP drawn attention towards the manufacturing activities of licensable items by the unit without possessing the necessary valid license. The same has also been highlighted by DPIIT in their comments as mentioned in the table above.

In light of the comments from DoDP, O/o NSEZ was requested to examine the matter and submit a detailed report in this regard. Specific reply in the matter has not been received from O/o NSEZ yet.

Meanwhile, vide OM dated 21.10.2024, in continuation of their earlier OM dated 14.10.2024, DoDP has conveyed **No Objection** to the proposal of the unit for grant of license to the unit.

Since clearances have been received from all concerned departments, the proposal of the unit is placed before BOA for consideration.

**6.2.2(24) Proposal for grant of Industrial License for manufacture of defence goods i.e. Armoured or protective equipment under IDR Act, 1951 - M/s MKU Limited, EOU under jurisdiction of NSEZ (location: MKU Limited, 100% EOU Division, 625 KA 638-639, Village-Khujaupur, Salempur Mode Rooma, Kanpur, Uttar Pradesh. PIN - 209402).**

**Jurisdictional SEZ – NSEZ**

M/s MKU Limited, an EOU under jurisdiction of NSEZ, had applied for Industrial License for manufacturing following defence goods i.e. Armoured or protective equipment:

<b>Sr. No.</b>	<b>Item Description</b>	<b>NIC Code</b>
<b>A</b>	<b>Construction of metallic or non-metallic materials, or combinations thereof, specially designed to provide ballistic protection for military system or any other items that provide ballistic protection of level III (NIL 0101.06, July 2008 or STNAG 2920 or equivalent) and above.</b>	32909/23913
a.	Vehicle Armor Panel & Compressed Armor Panel	32909
b.	Hard Armor Plate/Panel, Compressed Armor Plate, Panel, P.E. Panel	30909
c.	Ceramic Plates, Ceramic composite panels	23913
d.	Bullet Proof Glass, Bullet Proof Visor	32909
e.	Amour Panels and Plate for various applications including; Helicopter, Aircraft, Naval Vessels, Armoured Vehicles and other vehicles and platforms	32909
f.	Flexar Panel/Soft Armor Panel	32909
g.	Guard Room (Complete built up unit ) Turret Kit (Panels, Metals, Metallic, Components/ Attachments, Nut, Bolt, Glasses & Accessories)	32909
<b>B</b>	<b>Body armour or protective garments, Ballistic Helmets of Level III (NIL 0101.06, July 2008 or STANAG 2920 or equivalent and above) includes</b>	32909

	<b>explosive reactive armour, and modified or equipped with any type of accessories or any other protective equipment</b>	
a.	Bullet Proof over Vest, Bullet Proof Jacket, concealable Vest, Floatation Vest, Half Body Suit & Other jackets	32909
b.	Bullet Proof Helmet, Armored Helmet, Combat Helmet, PASGT Helmets, Helmet with Communication systems, Anti Riot Helmet, Other Helmets & Helmet Shell	32909
c.	Bomb Blanket/Bomb disposal Blankets	32909
d.	Ballistic Shield Hand Held, Ballistic Shield Foldable, Trolley mounted or platform mounted	32909
e.	Anti mine/Demining Suit/Bomb Suit/Mine Protection Gear	32909
f.	Ballistic Brief Case	32909
g.	Demining Boot, Ballistic Boots of all sorts	15909

The location of the factory for manufacturing above items is as under:

MKU Limited, 100% EOU Division,  
625 KA 638-639, Village-Khujaupur, Salempur Mode Rooma,  
Kanpur, Uttar Pradesh. PIN - 209402

As per para (iii) of Annexure-I of DPIIT's Press Note 1 (2019 series) dated 01.01.2019, the Armoured or protective equipment are compulsory licensable under IDR Act, 1951.

Vide OM dated 14.06.2024, the proposal of the unit was shared with various departments for their comments. Reply has been received from all the departments except M/o EF&CC as under:

Departments	Comments
<b>IS-I Division, (Security Desk), MHA</b>	<p>Vide OM dated 25.09.2024, Security Desk-MHA has <b>conveyed security clearance</b> in respect of M/s MKU Limited and its directors namely S/Shri Neeraj Gupta, Manoj Gupta, Sumit Khandelwal, Manish Khandelwal, Neelam Gupta, Vaibhav Gupta and Manoj Mukund Narvane.</p> <p>MoD may recommend appropriate security and auditing procedures for the firm as well as its supply-chain depending upon the threat perception and sensitivity of the products to be</p>



	<p>manufactured, as per the security instructions/architecture prescribed in the Security Manual for Licensed Defence Industries, issued by MoD.</p> <p>The Ministry of Commerce &amp; Industry should ensure that all security instructions/architecture prescribed in the Security Manual for Licensed Defence Industries, issued by MoD from time to time are strictly adhere to.</p>
<b>IS-I Division, (Arms Section), MHA</b>	Vide OM dated 21.06.2024, Arms Section-MHA has offered <b>No Comments.</b>
<b>DPIIT</b>	<p>DPIIT vide OM dated 04.10.2024 has offered <b>No Objection</b> from FDI and Explosive angle.</p> <p>However, in case manufacturing of the subject items requires any kinds and quantities of explosives covered under Explosive Rules, 2008, a license under the said rule is obligatory for manufacturing/possession/use and transport of the same.</p> <p>Further, it has been informed by DoDP that the Company has executed 2 contracts with Air Hqrs, MoD for supply of Light weight polyethylene fibre-based armour plating for MI-17 V5 Helicopter (NIJ Level III) and Kevlar Safety Screen for ALH. The items for which the company has been awarded contract is a licensable defence activity as per Press Note 1 of the 2019 Series. However, it is to be noted that the company does not possess defence license for the manufacture of the same. This information may be considered appropriately while considering grant of license under the IDR Act, 1951.</p>
<b>D/o Defence Production</b>	<p>Vide OM dated 21.10.2024, DoDP has conveyed <b>No Objection</b> for grant of license for manufacture of said items specially designed for military use subject to providing ballistic protection of level III and above (NIJ 0101.06, July 2008 or national equivalent and above) and standard terms and conditions under I(D&amp;R) Act, 1951.</p> <p>Further, the company may be directed to follow the security guidelines for Category 'A' mentioned in the Security Manual available at DDP's website while undertaking manufacturing of items for defence use.</p>

<b>State Govt. of Uttar Pradesh</b>	Vide letter dated 26.07.2024, State Govt. of Uttar Pradesh has offered <b>No Objection</b> to the proposal subject to obtain necessary licenses/clearances from concerned departments and follow all rules and regulations of State Govt. and Central govt. and IDR Act, 1951.
<b>NSEZ</b>	Vide letter dated 25.07.2024, O/o NSEZ has provided details of the unit.

M/o EF&CC has not provided their comments in the instant case. However, M/o EF&CC has provided their comments dated 31.07.2024 in other Industrial License proposal of the unit [as mentioned at agenda 6.2(24) above] which is re-iterated as under:

- i. The proposed project doesn't attract the provisions of EIA Notification, 2006 and accordingly, Environment Clearance (EC) is not applicable in the extant matter.
- ii. However, if the proposed project involves the construction of a building exceeding 20,000 sqm., it would fall under item 8(a) of the Schedule of the EIA Notification, 2006, and its subsequent amendments and accordingly prior EC will be required.
- iii. Further, the construction of NSEZ may require prior EC as per provision of EIA Notification, 2006, if applicable.
- iv. The provisions of the E-Waste (Management) Rules, 2022, and the Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 shall be applicable depending on the waste generated in the proposed project.
- v. If the proposed project/activity involves the diversion of forest land, or passes through any Protected Area or Eco-sensitive zone, provisions of Forest (Conservation) Act, 1980 and Wildlife (Protection) Act, 1972 respectively would be applicable.
- vi. Consent to Establish (CTE) and Consent to Operate (CTO) from the concerned State Pollution Control Board would be required under the provision of Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974, if applicable.

Generally, in cases of Industrial License proposals, M/o EF&CC always furnished their comments as mentioned above. Since, the M/o EF&CC always furnished their comments as mentioned above in the Industrial license cases, we may consider these above comments in the instant case also.

Initially vide OM dated 14.10.2024, DoDP drawn attention towards the manufacturing activities of licensable items by the unit without possessing the necessary valid license. The same has also been highlighted by DPIIT in their comments as mentioned in the table above.

In light of the comments from DoDP, vide letter dated 28.10.2024, O/o NSEZ was requested to examine the matter and submit a detailed report in this regard. Specific reply has not been received from O/o NSEZ yet.

Meanwhile, vide OM dated 21.10.2024, in continuation of their OM dated 14.10.2024, DoDP has conveyed their **No Objection** to the proposal of the unit for grant of license to the unit.

Since clearances have been received from all concerned departments except M/o EF&CC, the proposal of the unit is placed before BOA for consideration.