

Agenda Item for approval under Automatic Approval Scheme
M/s Ambark Worldwide, Jamnagar

M/s Ambark Worldwide is a Partnership Firm handled by four partners. The unit have submitted application for setting up a unit under 100% EOU Scheme for manufacturing and export of ferrous and non-ferrous metal parts, components and articles like sanitary bathroom fittings and builder hardware. The partners are well educated and experienced in international business possessing a good knowledge in the field of manufacturing of the products as they proclaims. They have proposed to invest Rs.36.52 lakhs in Plant & Machinery (Minimum investment of Rs. One crore does not apply to the units of Brass Hardware sectors as required by Para 6.6(d) of Foreign Trade Policy. The total project investment is **Rs.123.04** lakhs including proprietor's contribution. They have projected total NFE in 5 years as **Rs.1096.62 lakhs/\$1827.70 thousand. They have also declared that they have Ingots making facility and proposes to achieve value addition as required in light of Appendix-14-I-B.** They have developed extremely good relations with the overseas agents for sourcing of raw materials. The Annual capacity of the unit is 289.5Mt. Antecedent Verification report from other SEZ and other concerned authorities have also been required and are awaited. However, an Antecedent Verification report from Visakhapatnam Special Economic Zone has been received which informed that M/s Ambark Worldwide and their partners name are not appearing in the list of fraudulent units as the records available in their office. It appears that they have sound knowledge of manufacturing and export of the item and also have a profound business knowhow/tactics to earn foreign exchange.

Summary of their 5 years projection is as under:

	(Rs. In Lakhs)
1. FOB value of export	: 5384.17 Lakhs.
2. Imported Capital Goods	: Nil.
3. Total investment in Plant & Machinery	: Rs.36.52 Lakhs
4. Imported Raw materials , components etc.	: 4233.70 Lakhs
5. Other F.E. out go (Commission on export) in Foreign Tour, E.C. etc	: 53.84 Lakhs
6. Net foreign exchange earnings	: 1096.62 Lakhs.

The unit is being handled by well qualified partners who have explored the market of their product in Germany, Poland, France and Gulf Countries where they have taken part in the Business Exhibitions and trade fairs .

As the proposal requires approval under EOU scheme under the automatic approval route in a manner as applicable to new units in light of Point (1) of Appendix 14-I-O, therefore, the proposal is placed before the UAC for consideration.

Agenda of M/s Deep Recycling Industries, Jamnagar

M/s Deep Recycling Industries was issued LOP No. KASEZ/ 100%EOU/ II/67/ 2002-03/19114, dated 17.01.2003 for manufacture and export of Brass Components, Building Hardware, Electrical wiring, Sanitary Fittings and Copper articles, wire, ingots/billets/Rods etc.

The unit was granted letter of permission no.KASEZ/100%EOU/II/67/2002-03/14110, dated 12.03.2004 for broad banding and "ZINC INGOTS" was included with the approved items for manufacture and export of LOP dated 17.01.2003 on their request(P.141/c).

Further, the unit vide letter dated 17.04.2014 requested and required permission to import additional items (Raw Material) i.e. **Zinc Ingots** to manufacture their existing final products due to reason of shortage of Metal Scrap worldwide and also due to economic reasons(P.35/c).

The request of the unit was considered **in the UAC** and a letter even no. 1306, dated 03.05.2012 was issued to the Assist.Commissioner, Central Excise & Customs inviting comments on the application of the unit (P.37/c).

The unit once again made request vide their letter dated 01.07.2014 for import of Zinc Ingots (approved final product through Broadbanding) as Raw material for manufacture of their final products i.e. various Brass components.

The Assisitant Commissioner, Central Excise Division, Jamnagar with reference to the above letter intimated this office vide letter F.No. VIII/40-01/Cus-T/2003-04/395, dated 26.06.2014 *"that as per the Exim Policy trading activities are not permitted by the unit of 100% EOU's. Each and every EOU's are maintaining their statutory records for the Import & Export and consumption of the raw materials used for final products. If required, separate registers will be maintained for the import consignment of Zinc Ingots showing consumption of the zinc by the unit. The unit is responsible for any clandestine removal & sells imported duty free raw materials in domestic market."*

Further, they also confirmed that *"till date no offence case has been booked against the applicant and therefore, if deemed fit, the permission for import of Zinc Ingots may be granted."*

Comments: As above, the unit is requesting for two things i.e. firstly, they want to exclude the Zinc Ingots from the list of Approved products for manufacturing and export, and secondly, they want permission for import of Zinc Ingots as raw material.

1. There is no statutory provision for exclusion of any item from approved items of LOP under Foreign Trade Policy(2009-14).
2. The Unit Approval Committee may consider the matter and grant all approvals and clearances for establishment and operation of EOUs under Para-6.31.1(h) of HBP.

Lth UAC

Agenda Item for approval under Automatic Approval Scheme

M/s Indianic Infotech Ltd., Ahmedabad

M/s. Indianic Infotech Ltd., Ahmedabad has submitted an application for conversion of its DTA unit into 100% EOU at 3rd Floor Camex House, Stadium Commerce Road, Navrangpura, Ahmedabad, Gujarat. for I.T. related services & software viz. **Web Development, Web Designing, E-Commerce Solution etc. etc.**

The company was incorporated as a Private Limited Company on 02.01.2000. The unit has three Directors.

The total project cost is Rs. 392.52 Lakhs which will be financed through Share Capital and Reserve and Surplus of the Company. The unit will provide employment to around 600 employees.

Summary of their 5 year proposal is as follows:-

	<u>(Rs. in Lakhs)</u>
1. FOB value of export	: 10720.60 Lakhs
2. Imported Capital Goods	: 00.00 Lakhs
3. Total investment in Plant & Machinery (Rs. 392.52 lakhs in indigenous Plant & Machinery)	: 392.52 Lakhs
4. Imported Raw materials, components etc.	: 00.00 Lakhs
5. Other F.E. out go in Foreign Tour, Royalty etc	: 1072.05 Lakhs
6. Net foreign exchange earnings	: 9648.55 Lakhs

The main object of the company is to provide cost effective and quality software solutions to their clients.

Comments & Recommendations:

Since this proposal is for establishment of a service unit, the minimum investment of Rs. 1 crore in Plant and Machinery is not applicable in terms of Para 6.6.2 of FTP. The proposal meets with other requirements of approval under EOU scheme under the automatic approval route. Therefore, the proposal is placed before UAC for consideration.

4th UAC

Agenda Item for approval under Automatic Approval Scheme

M/s Hidden Brains Infotech Pvt. Ltd, Ahmedabad

M/s. Hidden Brains Infotech Pvt. Ltd., Ahmedabad has submitted an application for conversion of its DTA unit into 100% EOU at 405, Baleshwar Square, Opposite Iskon temple, S.G. Road, Satellite, Ahmedabad, Gujarat for I.T. related services & software viz. **Web Development, Web Designing, E-Commerce Solution etc. etc.**

The company was incorporated as a Private Limited Company on 11.05.2004. The unit has Four Directors.

The total project cost is Rs. 730.44 Lakhs which will be financed through Share Capital and Reserve and Surplus of the Company. The unit will provide employment to around 460 employees.

Summary of their 5 year proposal is as follows:-

	(Rs. in Lakhs)
01. FOB value of export	: 13195.81 Lakhs
02. Imported Capital Goods	: 00.00 Lakhs
03. Total investment in Plant & Machinery	: 730.44 Lakhs
(Rs. 730.44 lakhs in indigenous Plant & Machinery)	
04. Imported Raw materials, components etc.	: 00.00 Lakhs
05. Other F.E. out go in Foreign Tour, Royalty etc	: 1319.58 Lakhs
06. Net foreign exchange earnings	: 11876.23 Lakhs

The main object of the company is to provide cost effective and quality software solutions to their clients.

Comments & Recommendations:

Since this proposal is for establishment of a service unit, the minimum investment of Rs. 1 crore in Plant and Machinery is not applicable in terms of Para 6.6.2 of FTP. The proposal meets with other requirements of approval under EOU scheme under the automatic approval route. Therefore, the proposal is placed before UAC for consideration.

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M/s Intech Creative Services Pvt. Ltd., Gandhinagar

M/s. Intech Creative Services Pvt. Ltd., Gandhinagar has submitted an application for conversion of its DTA unit into 100% EOU at 05, Ground Floor, Info Tower-1, Infocity, Airport Road, Gandhinagar-382009. for I.T. related services & software viz. **Web Development, Web Designing, E-Commerce Solution etc. etc.**

The company was incorporated as a Private Limited Company on 19.08.2011. The unit has three Directors.

The total project cost is Rs. 63.21 Lakhs which will be financed through Share Capital and Reserve and Surplus of the Company. The unit will provide employment to around 80 employees.

Summary of their 5 year proposal is as follows:-

	<u>(Rs. in Lakhs)</u>
1. FOB value of export	: 1716.60 Lakhs
2. Imported Capital Goods	: 00.00 Lakhs
3. Total investment in Plant & Machinery (Rs. 63.21 lakhs in indigenous Plant & Machinery)	: 63.21 Lakhs
4. Imported Raw materials, components etc.	: 00.00 Lakhs
5. Other F.E. out go in Foreign Tour, Royalty etc	: 171.66 Lakhs
6. Net foreign exchange earnings	: 1544.94 Lakhs

The main object of the company is to provide cost effective and quality software solutions to their clients.

Comments & Recommendations:

Since this proposal is for establishment of a service unit, the minimum investment of Rs. 1 crore in Plant and Machinery is not applicable in terms of Para 6.6.2 of FTP. The proposal meets with other requirements of approval under EOU scheme under the automatic approval route. Therefore, the proposal is placed before UAC for consideration.

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M/s Elsner Technologies Pvt. Ltd., Ahmedabad.

M/s. Elsner Technologies Pvt. Ltd., Ahmedabad has submitted an application for conversion of its DTA unit into 100% EOU at 305, 306, Iscon Centre, Shivrangani Cross Road, Satellite, Ahmedabad, Gujarat. for I.T. related services & software viz. **Web Development, Web Designing, E-Commerce Solution etc. etc.**

The company was incorporated as a Private Limited Company on 20.08.2009. The unit has two Directors.

The total project cost is Rs. 98.14 Lakhs which will be financed through Share Capital and Reserve and Surplus of the Company. The unit will provide employment to around 60 employees.

Summary of their 5 year proposal is as follows:-

		<u>(Rs. in Lakhs)</u>
1.	FOB value of export	: 2879.71 Lakhs
2.	Imported Capital Goods	: 00.00 Lakhs
3.	Total investment in Plant & Machinery	: 98.14 Lakhs
	(Rs. 98.14 lakhs in indigenous Plant & Machinery)	
4.	Imported Raw materials, components etc.	: 00.00 Lakhs
5.	Other F.E. out go in Foreign Tour, Royalty etc	: 287.98 Lakhs
6.	Net foreign exchange earnings	: 2591.74 Lakhs

The main object of the company is to provide cost effective and quality software solutions to their clients.

Comments & Recommendations:

Since this proposal is for establishment of a service unit, the minimum investment of Rs. 1 crore in Plant and Machinery is not applicable in terms of Para 6.6.2 of FTP. The proposal meets with other requirements of approval under EOU scheme under the automatic approval route. Therefore, the proposal is placed before UAC for consideration.
