

Agenda Item

Pending applications of units for setting up EOU

1. **M/s. Third Eye Inc., Ahmedabad**

M/s. Third Eye Inc., 805, Shapath II, Rajpath Club, S. G. Road, Ahmedabad vide their application dated 12.06.2014 had applied for setting up EOU unit for manufacture and export of Online Database Management Software creation, alteration and repair, etc. As certain information/documents were required from the unit this office had vide letter dated 11.07.2014 had requested the unit to furnish details/documents. However, no reply/documents have been received from the unit till date.

The proposal is placed before UAC for further course of action.

2. **M/s. Patel Trading Co., Jamnagar**

M/s. Patel Trading Co., Ranjit Sagar Road, Opp. Bhagwati Restaurant, Sagar Park, Jamnagar vide their application dated 23.06.2014 had applied for setting up EOU unit for manufacture and export of Brass Parts for Electrical and Electronic Apparatus/Auto Parts, etc. As the proposed location wherein they want to start their EOU was on agricultural land, this office had vide letter dated 04.02.2015 had requested the unit to furnish NOC from Land Revenue Department for industrial use of such land. However, no reply/documents have been received from the unit till date.

The proposal is placed before UAC for further course of action.

3. **M/s. VHCL Industries Ltd., Umbergaon**

M/s. VHCL Industries Ltd., Survey No. 17/6, 17/7/1, 18/5/paiki 1, 19/1, Village Sanjan, Taluka Umbergaon, Dist. Valsad vide their application dated 19.12.2014 had applied for conversion of their existing DTA unit into EOU for manufacture and export of Copper

Alloy Ingots/Strips/Rods/Wires/Profiles, etc. The proposal of the unit was taken up in the 2nd meeting held on 14.05.2015 but no representative of the unit attended UAC, hence their case was deferred. After that the unit had not approached this office for taking up their case before the UAC. Agenda note placed before last UAC is attached.

The proposal is placed before UAC for further course of action.

4. **M/s. Nimex Trading Corporation, Anand**

M/s. Nimex Trading Corporation, 735/5, Village Shekdadi, Pandoli Road, Taluka Petlad, Dist. Anand vide their application dated 01.06.2015 had applied for conversion of their DTA unit into EOU for manufacture and export of Khaini and filter Khaini, Chuna Mix/Zarda, etc. As the proposal was for tobacco and tobacco products and it was felt that it required industrial licence; their proposal was sent to DOC for consideration in the BOA in consultation with the DIPP. However, MOC vide its letter dated 05.02.2016 has informed that the matter has been considered with DIPP and DIPP vide their O.M. dtd 18.12.2015 has confirmed that there is no restriction on manufacture of Guthka, Scented Khaini, Flavoured Chewing Tobacco and Pan Masala and as on date these are non-licensable products. Hence, there is no need for industrial licence for these products.

The proposal is placed before UAC for further course of action.

5. **M/s. Shah Pareshkumar Kumarpal, Borsad**

M/s. Shah Pareshkumar Kumarpal, Survey Nos. 536/3B, Nisaya Road, Near Railway Station, Borsad vide their application dated 22.06.2015 had applied for setting up EOU unit for manufacture and export of Guthka, Khaini, Zarda, etc. As the proposal was for tobacco and tobacco products and it was felt that it required industrial licence; their proposal was sent to DOC for consideration in the BOA in consultation with the DIPP. However, MOC vide its letter dated

05.02.2016 has informed that the matter has been considered with DIPP and DIPP vide their O.M. dtd 18.12.2015 has confirmed that there is no restriction on manufacture of Guthka, Scented Khaini, Flavoured Chewing Tobacco and Pan Masala and as on date these are non-licensable products. Hence, there is no need for industrial licence for these products.

The proposal is placed before UAC for further course of action.

6. **M/s. Thrishul Zarda Pouches, Vadodara**

M/s. Thrishul Zarda Pouches, R. S. No. 350 [(1) 45*160 Ft(2) 35*160 Ft(3) Open Chowk 60*160], Chimanbhai Jorabhai Patel, At Raniya, Tal. Savli, Dist. Vadodara vide their application dated 16.07.2015 had applied for setting up EOU unit for manufacture and export of Guthka, Khaini, Zarda, etc. The proposal was kept pending as this office had taken up the issue with DOC for consideration in the BOA in consultation with the DIPP. However, MOC vide its letter dated 05.02.2016 has informed that the matter has been considered with DIPP and DIPP vide their O.M. dtd 18.12.2015 has confirmed that there is no restriction on manufacture of Guthka, Scented Khaini, Flavoured Chewing Tobacco and Pan Masala and as on date these are non-licensable products. Hence, there is no need for industrial licence for these products.

The proposal is placed before UAC for further course of action.

7. **M/s. Renown Pharmaceuticals Pvt. Ltd., Vadodara**

M/s. Renown Pharmaceuticals Pvt. Ltd., 143/A, 143/B, Ranu, Ranu-Dabhasa, Taluka Padra, Dist. Vadodara vide their application dated 24.08.2015 had applied for conversion of their DTA unit into EOU for manufacture and export of Soft Gelatin Capsules, Tablets, etc. The unit was requested to attend the UAC scheduled on 13.10.2015, however, the unit vide letter dated 10.10.2015 had informed their inability to attend the UAC due to unavoidable circumstances.

Further, this office vide letter dated 14.10.2015 had requested the unit to indicate the date to attend the UAC. However, no reply has been received from the unit till date. Agenda note for UAC meeting of 13.10.2015 is enclosed.

The proposal is placed before UAC for further course of action.

8. **M/s. Sugandha Exports, Valsad**

M/s. Sugandha Exports, Plot No. 761, Gala No. 1/B, 40 Shed Area, GIDC, Vapi, Dist. Valsad vide their application dated 03.12.2015 had applied for setting up EOU unit for manufacture and export of Guthka, Khaini, Zarda, etc. The proposal was kept pending as this office had already taken up the issue with DOC for consideration in the BOA in consultation with the DIPP. However, MOC vide its letter dated 05.02.2016 has informed that the matter has been considered with DIPP and DIPP vide their O.M. dtd 18.12.2015 has confirmed that there is no restriction on manufacture of Guthka, Scented Khaini, Flavoured Chewing Tobacco and Pan Masala and as on date these are non-licensable products.

The proposal is placed before UAC for further course of action.

9. **M/s. Best Value Chem Pvt. Ltd., Vadodara**

M/s. Best Value Chem Pvt. Ltd., Unit-2, Survey No. 306, Sankarda Bhadarwa Road, At & PO: Moxi, Taluka Savli, Dist. Vadodara vide their application dated 12.01.2016 had applied for conversion of their DTA unit into EOU for manufacture and export of Amyl Salicylate, Verdyl Acetate, Verdyl Propionate, etc. As the unit had not furnished detailed project report and other related documents, this office had vide letter dated 01.04.2016 had requested the unit to furnish the same. However, no reply/documents have been received from the unit till date.

The proposal is placed before UAC for further course of action.

Agenda Item for approval under Automatic Approval Scheme.

M/s.VHCL Industries Ltd., Umbergaon:

M/s. VHCL Industries Ltd., Survey No. 17/6, 17/7/1, 18/5/paikki, 19/1, vill.Sanjan, Tal. Umbergaon, Dist. Valsad has submitted an application for setting up of new 100% EOU unit for manufacturing of 1. Copper Alloy Ingots/Strips Rods/Wires/Profiles/Sections/Blocks/Flanges/Tubes/Pipes/Valves etc. 2. Aluminium Alloy Ingots Strips Rods/Wires/Profiles/ Sections/Blocks/ Flanges/ Tubes/ Pipes/Valves etc.

The nature of the applicant firm is **Public Limited Company**. The company has three Directors. The main promoter is Mr. Pankaj Valia & his associate team, who has wide experience in running the similar business. The company propose to produce 10,000 MT/annum of copper alloy electrical conductors and 24,000 MT/annum of aluminum alloy ingots.

The total project cost is Rs.4700 lakhs which will be own financed by directors, from financial institutions & by increasing equity, if required. The unit will provide employment to around 120 employees over a period of 5 years. Other features of the project are as under:

FOB value of export	: 342888.00 Lakhs
Imported Capital Goods	: 2000.00 Lakhs
Total investment in Plant & Machinery	: 3200.00 Lakhs
Imported Raw materials, components etc.	: 295243.70 Lakhs
Other F.E. out go in Foreign Tour, Royalty etc	: 105.00 Lakhs
Net foreign exchange earnings	: 45539.30 Lakhs

As per the manufacturing process furnished by the applicant and as detailed in the project report, after inspection incoming scrap takes place for cold refining where unwanted scrap separated by sorting. The copper alloys are produced by melting solid copper into the induction furnaces. To manufacture copper rods the molten metal directly transferred to up rod caster which is a automatic machine of dye coolers can be used to cast the different sizes of rods. To manufacture the electric strips & wires, the rod is fed into extrusion press & required size of strip is extruded. Similarly for Aluminium Scrap, melting of aluminium scrap in tilting rotary, shifting of molten metal to holding furnace, degassing of aluminium molten metal to reduce percentage of soluble hydrogen gas, filtration of aluminium oxide and other solid impurities, casting in the form of alloy ingots, warehouse for dispatch.

Comments and Recommendations:

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.

M/s. Nimex Trading Corporation, Anand, Gujarat.

M/s. Nimex Trading Corporation, a proprietorship firm having Star Export House Certificate, has submitted an application for **conversion of existing DTA unit into EOU** at 735/5, village Shekdadi, Pandoli Road, Tal. Petlad, Dist. Anand-388450, Gujarat for manufacturing of **Khaini and filter Khaini, Chuna Mix/Zarda, Panderpuri, Chewing Tobacco and Tobacco** with annual capacity of 2,30,400 Kgs. per annum under ITC (HS) classification chapter heading 2401 and 2403.

The total project cost is Rs. 30.30 lakhs which will be financed through proprietor's capital. The unit will provide employment to around 20 employees.

Summary of Projection for 5 years NFE Earnings:-

	<u>(Rs. in Lakhs)</u>
1. FOB value of export	: 7268.00 Lakhs
2. Imported Capital Goods	: 00.00 Lakhs
3. Total investment in Plant & Machinery (Rs. 30.30 lakhs in indigenous Plant & Machinery)	: 00.00 Lakhs
4. Imported Raw materials, components etc.	: 00.00 Lakhs
5. Other F.E. out go in Foreign Tour, Royalty etc	: 50.00 Lakhs
6. Net foreign exchange earnings	: 7218.00 Lakhs

The unit vide its letter dated 30.04.2016 has and stated that they are manufacturing Khaini and Zarda at their existing DTA unit and they will not manufacture GHUTHKHA and also not utilize Betel nut for the production. Further, unit has also stated that the Khaini, Zarda and chewing tobacco are not restricted by the Gujarat State Government.

Comments & Recommendations:

1. This proposal is for **conversion of existing DTA unit into EOU**, the minimum investment of Rs. 1 crore in Plant and Machinery is not applicable in terms of Para 6.06 of FTP.
2. As the proposal was for tobacco and tobacco products and it was felt that it required industrial licence; their proposal was sent to DOC for consideration in the BOA in consultation with the DIPP. However, MOC vide its letter dated 05.02.2016 has informed that the matter has been considered with DIPP and DIPP vide their O.M. dtd 18.12.2015 has confirmed that there is no restriction on manufacture of Guthka, Scented Khaini, Flavoured Chewing Tobacco and Pan Masala and as on date these are non-licensable products. Hence, there is no need for industrial licence for these products.
3. This proposal is recommended with condition that no DTA sale will be allowed.

The proposal meets with other requirements of approval under EOU scheme.

M/s. Shah Paresh Kumar Kumarpal, Borsad, Dist. Anand, Gujarat.

M/s. Shah Pareshkumar Kumarpal, a proprietorship firm, has submitted an application for setting up of a new EOU unit at Survey No. 536/3B, Nisaya Road, Near Railway Station, Borsad-388540, Dist. Anand, Gujarat for manufacturing of Guthka, Khaini, Zarda, Pan Masala and Chewing Tobacco with annual capacity of 1, 00, 000 Kgs. per annum under ITC (HS) classification chapter heading 2403 and 2106.

The total project cost is Rs. 125 lakhs which will be financed through proprietor's capital, Reserves and Loan. The unit will provide employment to around 15 employees.

Summary of Projection for 5 years NFE Earnings:-

	<u>(Rs. in Lakhs)</u>
1. FOB value of export	: 5500.00 Lakhs
2. Imported Capital Goods	: 00.00 Lakhs
3. Total investment in Plant & Machinery	: 00.00 Lakhs
(Rs. 125 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	: 40.00 Lakhs
6. Net foreign exchange earnings	: 5460.00 Lakhs

Comments & Recommendations:

1. As the proposal was for tobacco and tobacco products and it was felt that it required industrial licence; their proposal was sent to DOC for consideration in the BOA in consultation with the DIPP. However, MOC vide its letter dated 05.02.2016 has informed that the matter has been considered with DIPP and DIPP vide their O.M. dtd 18.12.2015 has confirmed that there is no restriction on manufacture of Guthka, Scented Khaini, Flavoured Chewing Tobacco and Pan Masala and as on date these are non-licensable products. Hence, there is no need for industrial licence for these products.
2. This proposal is recommended with condition that no DTA sale will be allowed.

The proposal meets with other requirements of approval under EOU scheme.

M/s. Thrishul Zarda Pouches, Savli, Dist. Vadodara, Gujarat.

M/s. Thrishul Zarda Pouches, a partnership firm, has submitted an application for setting up of a new EOU unit at R. S. No. 350[(1) 45*160 Ft (2) 35*160 Ft (3) Open Chowk, 60*160], Chimanbhai Jorabhai Patel, At-Raniya, Tal-Savli, Dist. Vadodara-388 540, Gujarat for manufacturing of Guthka, Khaini, Zarda, Pan Masala and Chewing Tobacco with annual capacity of 1, 00, 000 Kgs. per annum under ITC (HS) classification chapter heading 2403 and 2106.

The total project cost is Rs. 125 lakhs which will be financed through partner's capital. The unit will provide employment to around 15 employees.

Summary of Projection for 5 years NFE Earnings:-

		<u>(Rs. in Lakhs)</u>
1.	FOB value of export	: 5500.00 Lakhs
2.	Imported Capital Goods	: 00.00 Lakhs
3.	Total investment in Plant & Machinery (Rs. 125 lakhs in indigenous Plant & Machinery)	: 00.00 Lakhs
4.	Imported Raw materials, components etc.	: 00.00 Lakhs
5.	Other F.E. out go in Foreign Tour, Royalty etc	: 40.00 Lakhs
6.	Net foreign exchange earnings	: 5460.00 Lakhs

Comments & Recommendations:

1. As the proposal was for tobacco and tobacco products and it was felt that it required industrial licence; their proposal was sent to DOC for consideration in the BOA in consultation with the DIPP. However, MOC vide its letter dated 05.02.2016 has informed that the matter has been considered with DIPP and DIPP vide their O.M. dtd 18.12.2015 has confirmed that there is no restriction on manufacture of Guthka, Scented Khaini, Flavoured Chewing Tobacco and Pan Masala and as on date these are non-licensable products. Hence, there is no need for industrial licence for these products.
2. This proposal is recommended with condition that no DTA sale will be allowed.

The proposal meets with other requirements of approval under EOU scheme.

Agenda Item for approval under Automatic Approval Scheme.

M/s. Renown Pharmaceuticals Pvt. Ltd., Vadodara

M/s. Renown Pharmaceuticals Pvt. Ltd., 143/A, 143/B, Village Ranu, Ranu-Dabhasa, Taluka Padra, Dist. Vadodara – 391 445, Gujarat have applied for conversion of their existing DTA unit into EOU under EOU scheme at 143/A, 143/B, Village Ranu, Ranu-Dabhasa, Taluka Padra, Dist. Vadodara – 391 445, Gujarat for manufacturing of Soft Gelatin Capsules, Tablets/Capsules and Sachets. The nature of the applicant firm is **Private Limited firm.**

Summary of their 5 year proposal is as follows: -

1. FOB value of exports	: Rs. 36360.00 lakhs
2. Import of capital goods	: Rs. 175.00 lakhs
3. Other outflow of Foreign Exchange	: Rs. 2690.61 lakhs
4. Total outflow of Foreign Exchange	: Rs. 2865.61 lakhs
5. Net Foreign Exchange Earnings.	: Rs. 33494.39 lakhs

As per the manufacturing flowchart for soft gelatin capsule manufacturing as furnished by the applicant, the ingredients is dispensed and then the gel mass preparation and medicament preparation, encapsulation, drying, etc. For tablet manufacturing, the ingredients is dispensed and then granulation activity is carried out, drying, sizing, blending, compression, etc. For hard gelatin capsule manufacturing, the ingredients is dispensed, sifting, dry mixing and blending, capsule filling, etc. For Sachet manufacturing, the ingredient is dispensed, sifting, mixing, etc..

M/s. Renown Pharmaceuticals wants to convert its DTA unit into EOU and as a DTA unit, they have made exports as under: -

2012-13	-	Rs. 1121.09 lakhs
2013-14	-	Rs. 1163.50 lakhs
2014-15	-	Rs. 2241.27 lakhs

As per Appendix 6A while approving project in respect of sensitive sectors such as yarn texturising unit, textile processing, pharmaceuticals/drugs formulations/re-cycling of ferrous and non-ferrous metal scraps etc. due care shall be taken. Projects for setting up units in sensitive sectors under EOU scheme shall be approved by the Development Commissioner after personal verification of the Directors and inspection of the factory site before signing LUT. Verification could also be carried out through General Manager, District Industries centre or jurisdictional DY/ Assistant Commissioner of Customs/Excise.

Comments and Recommendations:

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.

M/s. Sugandha Exports, VAPI, Dist. Valsad, Gujarat.

M/s. Sugandha Exports, a proprietorship firm, has submitted an application for setting up of a new EOU unit at Plot No. 761, Gala No. 1/B, 40 Shed area, GIDC, VAPI, Dist. Valsad, Gujarat for manufacturing of Guthka, Khaini, Zarda, Pan Masala and Chewing Tobacco with annual capacity of 1, 00, 000 Kgs. per annum under ITC (HS) classification chapter heading 2403 and 2106.

The total project cost is Rs. 125 lakhs which will be financed through proprietor's capital, Reserves and Loan. The unit will provide employment to around 15 employees.

Summary of Projection for 5 years NFE Earnings:-

		<u>(Rs. in Lakhs)</u>
1.	FOB value of export	: 5500.00 Lakhs
2.	Imported Capital Goods	: 00.00 Lakhs
3.	Total investment in Plant & Machinery	: 00.00 Lakhs
(Rs. 125 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	: 40.00 Lakhs
6.	Net foreign exchange earnings	: 5460.00 Lakhs

Comments & Recommendations:

1. As the proposal was for tobacco and tobacco products and it was felt that it required industrial licence; their proposal was sent to DOC for consideration in the BOA in consultation with the DIPP. However, MOC vide its letter dated 05.02.2016 has informed that the matter has been considered with DIPP and DIPP vide their O.M. dtd 18.12.2015 has confirmed that there is no restriction on manufacture of Guthka, Scented Khaini, Flavoured Chewing Tobacco and Pan Masala and as on date these are non-licensable products. Hence, there is no need for industrial licence for these products.
2. This proposal is recommended with condition that no DTA sale will be allowed.

The proposal meets with other requirements of approval under EOU scheme.