

Agenda Item of the 4th Meeting (2019 series) of the Units Approval Committee for EOUs to be held on 17.10.2019 at 12:00 Hrs, under the Chairpersonship of Shri Satyadeep Mahapatra, IRS, Joint Development Commissioner, KASEZ.

M/s Patel Technomation Private Limited

M/s Patel Technomation Private Limited, Survey No. 128, Hadamtala Industrial Area, Taluka : Kotda Sangani, NH-27, Village: Hadamtala, District: Rajkot, Gujarat - 360311., have applied for setting up a new 100% EOU scheme at Survey No. 128, Hadamtala Industrial Area, Taluka : Kotda Sangani, NH-27, Village: Hadamtala, District: Rajkot, Gujarat - 360311, for manufacturing of Nut, Bolt, Washer, Clamp, Pulley, Shaft, Cotter Pressed, Connector Tranverse, Top Plate STH4 220, Reinforcement Traverse, Gear Box Tube Connector, Square Tube Connector, Reinforcement Plate, Main Frame Profile, Hat Profile, Reinforce Post Trapez, and Square Tube etc. The nature of applicant firm is **Private Limited**. Total project cost is Rs. 1329.00 lacs which have invested through term loan from bank and Directors' contribution.

Summary of their 5 year proposal is as follows:

1. FOB value of exports	: Rs. 39780.00 lakhs
2. Import of capital goods	: Rs. 00.00 lakhs
3. Imports - RM & components	: Rs. 19100.00 lakhs
4. Other outflow of Foreign Exchange	: Rs. 25.00 lakhs
5. Total outflow of Foreign Exchange	: Rs. 19125.00 lakhs
6. Net Foreign Exchange Earnings.	: Rs. 20655.00 lakhs

Comments and Recommendation:

A copy of manufacturing process/flow chart furnished by the applicant is enclosed herewith.

The proposal meets with the requirements of approval under EOU Scheme under Automatic Approval. Therefore, the proposal for setting up a new unit under 100% EOU scheme is placed before UAC for consideration.

Agenda Item of the 4th Meeting (2019 Series) of the Units Approval Committee (UAC) for EOUs to be held on 17.10.2019 at 12:15 Hrs., under the Chairpersonship of Shri Satyadeep Mahapatra, Development Commissioner, KASEZ.

Sub: Request for retrospective broadbanding of LoP - M/s. La-Chandra Pharmalab Pvt. Ltd., Banaskantha, Gujarat.

M/s. La-Chandra Pharmalab Pvt. Ltd., was approved for setting up a unit at Banaskantha, Gujarat for manufacturing of **Pharmaceutical API viz. Progesterone API, Testosterone API etc.** vide LOP dated 15-07-2015, as amended.

The unit vide letter dated 15.03.2018 has applied for in-principle debonding of their unit due to emergence of GST regime. This office has issued in-principle approval for exit from EOU Scheme as prescribed under para 6.18 of FTP, 2015-20.

A letter dated 13/18.06.2019 received from Deputy Commissioner, Customs Division, Paldi, Ahmedabad stated that the unit has applied for NOC from Customs for Debonding and submitted certain documents, from which they noticed that unit has shown Goods Export and service export separately in their APR, whereas their LOP is only for manufacturing not for services.

The Authority has also stated in their above letter that value of duty free raw material is much higher than the value of export of goods and also value of DTA sales is much higher than the value of exports of goods.

The unit vide their letter dated 21.06.2019 has claimed that in the Pharmaceutical API Industry, Services, such as R&D, Dossiers and regulatory filings for a particular product are an integral part of their manufacturing process and service required for regulatory filings are mandatory prior to sale of a product and it is a part of their manufacturing process.

Further unit vide their letter dated 06.08.2019 has requested for retrospective broad-banding to include services in their existing LOP.

Comments & Recommendations:

On scrutiny of the proposal it is noted that unit has not informed this office about the commencement of commercial production and submitted APRs for three years i.e. 2015-16, 2016-17 and 2017-18 all together on 24.12.2018 at the time of application for exit from EOU. Hence unit has violated para 3 and para 6 of LUT and liable for action under FTDR Act.

As per para 6.34 (5) of HBoP, 2015-20, DC have powers to permit broad-banding for similar goods and active ities mentioned in LoP or to provide for backward or forward linkages to existing line of manufacture.

As per FTP, 2015-20 there is no provision of retrospective Broad banding.

Their request for retrospective Broad banding to include services in their existing LOP is placed before UAC for consideration.

Agenda Item of the 4th Meeting (2019 Series) of the Units Approval Committee (UAC) for EOUs to be held 17.10.2019 at 12:30 Hrs. under the Chairmanship of Shri Satyadeep Mahapatra, Development Commissioner, KASEZ.

Sub: Request for Amendment in LOP.

M/s. Caterpillar Signs Pvt. Ltd., Gandhinagar, was approved for conversion of DTA unit into EOU unit for manufacturing of '**Advertising Material (with or without Banner stand), Fabric, Flex, Vinyl, Banner Stand & Hardware, Display Sign, others.**' vide LOP dated 08-05-2018, as amended. The unit has started its commercial production on 17.09.2018.

The unit was also permitted for Broadbanding to include new products in their LOP namely, "**Printed Fabric Cloth Banner, Printed Flex Banner, Printed Vinyl, Printed Flex Banner with stand, Printed Corrugated Signs, Printed Fabric Banner with stand, Printed Floor Carpet, Banner Stand, Hanging Accessories, Printed Aluminium/Metal Signs, Printed Acrylic Signs and Brochure/Business, Custom Furniture covers/slipcovers, Tarpaulin and Aluminium Sign.**"

The Unit vide its letter dated 28.09.2019 has applied for Broadbanding for **Printed Home Décor, Apparel & Clothing Accessories** as additional products in their existing EOU and intimated that the above products are similar to their existing products.

Now Unit vide its letter dated 14.10.2019 has informed that their main item of production is **Advertising Material** but they are getting so many orders for printing on various types of media and also getting lots of inquiries related to printed materials and requested to amend item of production in LOP from Advertising Material (with or without Banner stand), Fabric, Flex, Vinyl, Banner Stand & Hardware, Display Sign, others to "**Printing & Stitching on different types of Materials.**"

The proposal is placed before UAC for its consideration.

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M/s. Viitorcloud Technologies Pvt. Ltd.

M/s. Viitorcloud Technologies Pvt. Ltd., 103, Somnathpark Society, Sarghasan, Gandhinagar-382421., has submitted an application for setting up of new unit in EOU Scheme at 302, Avadhesh House, Bodakdev, Ahmedabad-380051., Gujarat, for manufacturing/Service of **IT/ITES Services, DATA ANALYSIS.**

The company was incorporated as a Private Limited Company on 03.06.2011. The unit has two Directors.

The total project cost is Rs. 524.00 Lakhs which will be invested through Self-Finance (Invested by Promoters only). The unit will provide employment to around 259 employees.

Summary of Projection for 5 years NFE Earnings:-

	<u>(Rs. in Lakhs)</u>
1. FOB value of export	: 4504.94 Lakhs
2. Imported Capital Goods/ Spares	: 105.00 Lakhs
3. Investment in Plant & Machinery (<u>Indigenous</u>)	: (395.00)Lakhs
4. Imported Raw materials, components etc.	: 00.00 Lakhs
5. Other F.E. out go in Commission, Foreign Tour etc.	: 10.00 Lakhs
6. Total F.E. outgo	: 115.00 Lakhs
7. Net foreign exchange earnings(1-6)	: 4389.94 Lakhs

Comments & 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.
