

**Minutes of the 6<sup>th</sup> Meeting (2019 Series) of the Units Approval Committee (UAC) for EOUs held on 19.12.2019 at 12:00 Hrs. in the Office Chamber of the Development Commissioner, City office, Kandla SEZ, Ahmedabad under the Chairpersonship of Shri. Satyadeep Mahapatra, JDC, KASEZ.**

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Following were present:

- (1) Shri Nilesh B. Kadve, Supdt. EPC-2, Customs Paldi Div., Ahmedabad.
- (2) Shri M.P. Chauhan, FTDO, O/o. Addl. DGFT, Ahmedabad.

**M/s. Can Ends (India) Pvt. Ltd.**

1. The proposal is for setting up of a new unit under EOU Scheme at Survey No. 231, 228, Village-Punaj, Tal. Matar, Dist. Kheda, Gujarat-387530 for manufacturing of Plain/printed/coated Tinplate or tin free steel sheets, open top sanitary cans, easy open ends, etc.-ITC (HS) code 73102910, 83099010, 83099090 and 73262090 respectively.
2. Shri. Himanshu Gupta, Chairman of the company appeared before the UAC for personal interview and explained about the proposal. Shri. Himanshu Gupta gave a brief about their company and stated that they will manufacture Tin Plate Cans of different sizes from their proposed unit which they will supply to various companies engaged in manufacture of Juices and other food items.
3. On being asked by the Chairman as to why they decided to set up unit under 100% EOU scheme, Shri Himanshu Gupta stated that the proposed project is intended as a backward integration to their existing business. Presently they are operating from 3 locations i.e. Hong-Kong, India and Dubai since 13 years and are selling their products in 30 countries. Their present customers include big names in the food industry both domestic and international brands such as Nestle, Danone, Amul, Haldirams, MTR, Del Monte etc.
4. The proposed unit has common Directors from their existing firm such as RGSK Easy Pack Pvt. Ltd. (India) and Can Ends FZE (UAE) and is mainly intended as a backward integration project for their existing business from these companies.
5. Further he stated that they have already acquired the required land near Kheda in Gujarat. The proposed project cost is Rs. 51.14 crores which will be funded from their



Business earnings since last 13 years and Rs. 14.00 crores will be invested through Bank Loan in the 1st phase. The main raw material is Tin Plate (80%), Aluminium foils etc. All the raw materials are freely importable.

6. **Observation/Decision of the Committee:**

- Projected Export for the 5 year period is Rs. 199.79 crores.
- Net Foreign Exchange Earnings projected for the 5 year period is Rs. 04.18 crores.
- The Committee also noted that even though the investment is higher than Rs. 50 crores being a new unit and **not** a case of conversion from DTA to EOU unit the case falls within the competence of the UAC and is not required to be sent to the BOA.
- The UAC also observed that the DC office while processing the proposal noticed that there is a foreign investment component of nearly 75%. Thereafter, the DC office had directed the unit to obtain FIPB clearance. Consequent to the direction of the DC office the representatives of the unit approached the "Invest India" Portal- the National Investment Promotion and Facilitation Agency of India which acts as the first point of reference for investors in India who clarified that for setting up a metal cans manufacturing unit, FIPB approval is **not** required. Therefore, the UAC is the competent authority to decide on the proposal and need not be referred to the BOA.

7. The proposal meets with the requirement of approval under EOU Scheme under the Automatic Approval Route. The Committee, therefore, decided to approve the proposal subject to standard terms and conditions.

8. The meeting ended with thanks to all present.



(Satyadeep Mahapatra)  
Jt. Development Commissioner,  
Kandla Special Economic Zone.