

File No.EOU-11/239/2022-STs

MINUTES OF THE MEETING (2022 SERIES) OF THE APPROVAL COMMITTEE FOR EXPORT ORIENTED UNITS HELD UNDER THE CHAIRMANSHIP OF DEVELOPMENT COMMISSIONER, SEEPZ-SEZ ON 31.03.2023 AT 11:30 AM THROUGH VIDEO CONFERENCE.

Members Present:-

Sr. No.	Name of Members	Designation	Organization
1	Shri. C. P. S. Chauhan	Jt. Development Commissioner,	SEEPZ-SEZ.
2	Shri. Harmesh Lal	Addl. Commissioner Income Tax	Nominee of Income Tax office, Kautilya Bhawan, Bandra, Mumbai.
3	Shri. Himanshu Dhar Pandey	Asstt. DGFT	Nominee of the DGFT, Mumbai.
4	Smt. Kirti Deshmukh	Deputy Director Industry	Nominee of Directorate of Industries, Mumbai.
5	Shri. Indrajeet Deshmukh	Filed Officer	Nominee of MPCB, Mumbai.

At the outset, the Chairperson welcomed the members on joining meeting through Video Conference.

Special Invitee:-

Smt. Kiran Vanker, ADC (EOU); Shri G. S. Bhandari, Asstt, attended for assistance and smooth functioning of the meeting.

Agenda Item No.01:-Confirmation of minutes of meeting held on 25.11.2022.

The Committee confirmed the minutes of meeting held on 25.11.2022 with consensus.

Agenda Item No. 02:- Application for conversion of existing DTA unit into EOU of M/s. Chowgule and Company Pvt Ltd.,

The Committee was informed that M/s. Chowgule and Company Pvt Ltd has submitted the proposal for conversion of existing DTA into EOU at Survey No. 310/1 & 310/2 Rassaim Yard, Rassaim Goa-403718 for manufacture and export of all types of Vessels Ships with export turnover of Rs.60,435.00/- Lakhs, NFE of Rs. 18,094.82/- lakhs and Employment 518 Persons.

The committee observed that there are some technical issues in respect of Total Investment details as well as value of the Land.

Decision: - After deliberation, the Committee deferred the proposal and directed that the details submitted by the applicant in respect of total investment as indicated in the application may be examined and additional information, if any, required, may be sought from the applicant company.



Agenda Item No. 03:- Application for setting up new EOU unit of M/s. Copiam Consumer Care Pvt Ltd.

The Committee was informed that M/s. Copiam Consumer Care Pvt Ltd has submitted the proposal for setting up of New Unit at Plot No. 104/1, 105/1, Milkat No. 332/2, Village Nandhal, Tal-Khalapur, District-Raigad-410206 for manufacture and export of “Candles” with export turnover of Rs. 20,924/- Lakhs, NFE of Rs. 3,778/- lakhs, Investment in plant & machinery of Rs. 198.78/- Lakhs and Employment of 40 persons

Decision: - After deliberation, the Committee approved the proposal for setting up of New Unit at Plot No. 104/1, 105/1, Milkat No. 332/2, Village Nandhal, Tal-Khalapur, District-Raigad-410206 for manufacture and export of “Candles” in terms of Para 6.05(a) of FTP 2015-2020 read with Para 6.01(b) of HBP 2015-2020. The Committee also directed the applicant company to furnish letter from the concern bank regarding funding of the project.

Agenda Item No. 04:- Monitoring performance of M/s. Shagoon Packaging Pvt Ltd .

1] The Committee was informed that, M/s. Shagoon Packaging Pvt Ltd., has been issued LOP No PER:32(2006):SEEPZ/EOU/60/06-07/1370 dated 07.03.2007 and amended for Manufacture & Export of “Plain/Printed Polybags, Plain/Printed Rolls, Plain/Printed Sheets”. The date of commencement of production is w.e.f. 08.10.2007

2] The Unit had submitted all the APRs duly certified by Chartered Accountant. The performance of the unit was calculated in terms of provision of FTP/HBP. The unit has achieved positive NFE on cumulative basis for the 1th block period (2008-09 to 2012-13) are as follows:-

Year of Monitoring [1 st Block Period]	NFE (Rs. in lacs)
2008-09	107.72
2009-10	252.55
2010-11	366.14
2011-12	679.27
2012-13	1189.02

(a) As regards, Audit objections:-The Committee was informed that the requisite reply was forwarded to the Specified Officer Audit i.r.o. Audit Memo No.13 for onward submission to CRA Audit for closure of said audit para, however reply of the same is awaited from CRA Audit.

Decision:- After deliberation, the Committee noted the performance of the unit for the 1th block period i.e.2008-09 to 2012-13. The Committee also directed to send a reminder in respect of AM No.13

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Agenda Item No. 05:- Monitoring performance of M/s. Shagoon Packaging Pvt Ltd .

1] The Committee was informed that, M/s. Shagoon Packaging Pvt Ltd., has been issued LOP No PER:32(2006):SEEPZ/EOU/60/06-07/1370 dated 07.03.2007 as amended for Manufacture & Export of "Plain/Printed Polybags, Plain/Printed Rolls, Plain/Printed Sheets". The date of commencement of production is w.e.f. 08.10.2007.

2] The Unit had submitted all the APRs duly certified by Chartered Accountant. The performance of the unit was calculated in terms of provision of FTP/HBP. The unit has achieved positive NFE on cumulative basis for the 2nd block period (2012-13 to 2016-17) are as follows:-

Year of Monitoring [2 nd Block Period]	NFE (Rs. in lacs)
2012-13	1189.02
2013-14	820.03
2014-15	1603.65
2015-16	2128.68
2016-17	2589.33

(a) As regards, Audit objections:-The Committee was informed that the requisite reply was forwarded to the Specified Officer Audit i.r.o. Audit Memo No.13 for onward submission to CRA Audit for closure of said audit para, however reply of the same is awaited from CRA Audit.

Decision:- After deliberation, the Committee noted the performance of the unit for the 2nd block period i.e.2012-13 to 2016-17. The Committee also directed to send a reminder in respect of AM No.13

Agenda Item No. 06:- Monitoring performance of M/s. Shagoon Packaging Pvt Ltd .

1] The Committee was informed that, M/s. Shagoon Packaging Pvt Ltd., has been issued LOP No PER:32(2006):SEEPZ/EOU/60/06-07/1370 dated 07.03.2007 as amended for Manufacture & Export of "Plain/Printed Polybags, Plain/Printed Rolls, Plain/Printed Sheets". The date of commencement of production is w.e.f. 08.10.2007

2] The Unit had submitted all the APRs duly certified by Chartered Accountant. The performance of the unit was calculated in terms of provision of FTP/HBP. The unit has achieved positive NFE on cumulative basis for the 3rd block period (2017-18 to 2021-22) are as follows:-

Year of Monitoring [3 rd Block Period]	NFE (Rs. in lacs)
2017-18	577.73
2018-19	1015.73
2019-20	1225.02
2020-21	1214.38

2021-22	1203.74
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(a) As regards, Audit objections:-The Committee was informed that the requisite reply was forwarded to the Specified Officer Audit i.r.o. Audit Memo No.13 for onward submission to CRA Audit for closure of said audit para, however reply of the same is awaited from CRA Audit.

Decision:- After deliberation, the Committee noted the performance of the unit for the 3rd block period i.e.2017-18 to 2021-22. The Committee also directed to send a reminder in respect of AM No.13.

Agenda Item No. 07:- Monitoring performance of M/s. Tevapharm India Pvt Ltd.,

1] The Committee was informed that, M/s. Tevapharm India Pvt Ltd., has been issued LOP No PER/127(2005)EOU/10/05-06/4441 dated 05.05.2005 as amended for Manufacture & Export of "Pharma research & Development Services". The date of commencement of production is w.e.f. 13.10.2005

2] The Unit had submitted all the APRs duly certified by Chartered Accountant. The performance of the unit was calculated in terms of provision of FTP/HBP. The unit has achieved positive NFE on cumulative basis for the 1st block period (2006-07 to 2010-11) are as follows:-

Year of Monitoring [1 st Block Period]	NFE (Rs. in lacs)
2006-07	2341.811
2007-08	5232.05
2008-09	11753.53
2009-10	15855.01
2010-11	19110.34

Decision:- After deliberation, the Committee noted the performance of the unit for the 1st block period i.e.2006-07 to 2010-11.

Agenda Item No. 08:- Monitoring performance of M/s. Tevapharm India Pvt Ltd.,

1] The Committee was informed that, M/s. Tevapharm India Pvt Ltd., has been issued LOP No PER/127(2005)EOU/10/05-06/4441 dated 05.05.2005 as amended for Manufacture & Export of "Pharma research & Development Services". The date of commencement of production is w.e.f. 13.10.2005

2] The Unit had submitted all the APRs duly certified by Chartered Accountant. The performance of the unit was calculated in terms of provision of FTP/HBP. The unit has achieved positive NFE

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on cumulative basis for the 2nd block period (2011-12 to 2015-16) are as follows:-

Year of Monitoring [2 nd Block Period]	NFE (Rs. in lacs)
2011-11	2824.46
2012-13	5748.58
2013-14	9085.91
2014-15	11491.40
2015-16	15170.92

Decision:- After deliberation, the Committee noted the performance of the unit for the 2nd block period i.e.2011-12 to 2015-16.

Agenda Item No. 09:- Monitoring performance of M/s. Tevapharm India Pvt Ltd.,

1] The Committee was informed that, M/s. Tevapharm India Pvt Ltd., has been issued LOP No PER/127(2005)EOU/10/05-06/4441 dated 05.05.2005 as amended for Manufacture & Export of “Pharma research & Development Services”. The date of commencement of production is w.e.f. 13.10.2005

2] The Unit had submitted all the APRs duly certified by Chartered Accountant. The performance of the unit was calculated in terms of provision of FTP/HBP. The unit has achieved positive NFE on cumulative basis for the 3rd block period (2016-17 to 2020-21) are as follows:-

Year of Monitoring [3 rd Block Period]	NFE (Rs. in lacs)
2016-17	3792.06
2017-18	7780.06
2018-19	10004.31
2019-20	12930.45
2020-21	16045.06

Decision:- After deliberation, the Committee noted the performance of the unit for the 3rd block period i.e. 2016-17 to 2020-21.

Agenda Item No. 10:- Monitoring performance of M/s. Tevapharm India Pvt Ltd.,

1] The Committee was informed that, M/s. Tevapharm India Pvt Ltd., has been issued LOP No PER/127(2005)EOU/10/05-06/4441 dated 05.05.2005 as amended for Manufacture & Export of “Pharma research & Development Services”. The date of commencement of production is w.e.f. 13.10.2005

2] The Unit had submitted all the APRs duly certified by Chartered Accountant. The performance

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of the unit was calculated in terms of provision of FTP/HBP. The unit has achieved positive NFE on cumulative basis for the 4th block period (2021-22) are as follows:-

Year of Monitoring [4 th Block Period]	NFE (Rs. in lacs)
2021-22	2621.83

Decision:- After deliberation, the Committee noted the performance of the unit for the 4th block period i.e.2021-22.

Further , it was noticed that the facts were not verified by ADC before presenting the agendas thereby causing an embarrassing and avoidable situation before the Committee.

Also, due diligence was not taken about the legality of the matter regarding the jurisdiction of the Committee in respect of agenda item No. 2 pertaining to Conversion of DTA unit into EOU as to whether it was to be presented before Approval Committee or before BoA. Total investment in the project were not duly verified to ascertain the jurisdiction of the approving Authority. During the meeting matter of fact acknowledgment of the improper submission and the provision on proposal for conversion from DTA to EOU was recorded.

In respect of agenda No. 3, the figure for capital Goods were shown as 2,83,72,000.00 (Rs. In Lakhs) and for raw material as 1,67,40,96,103.68 (Rs. in lakhs) which were in fact 'in Rs.' and not in 'Rs. in Lakhs' as per the representative of the applicant. Such absurd figures presented before Committee reflect poorly in the agenda submission.

The aforementioned incident demonstrates the lackadaisical and improper application in office while submitting material to the UAC.

In view of the above, the Chairman directed to call for explanation of the ADC in respect of the said observations.

Meeting ended with a vote of thanks to the Chair

Chairperson-cum

Commissioner

**Signed by Shri. Shyam
Jagannathan**

Date: 25-04-2023 06:20:18

Reason: Approved

Development