

AGENDA FOR THE UAC MEETING OF EXPORT OREINTED UNITS IN THE STATE OF ANDHRA PRADESH SCHEDULED AT 11.00 A.M ON 10.02.2023 THROUGH VIDEO CONFERENCING UNDER THE CHAIRMANSHIP OF DEVELOPMENT COMMISSIONER,VSEZ .

Visakhapatnam Special Economic Zone

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Agenda-01 : Ratification of Minutes of the meeting held on 14.11.2022 (UAC) :
Copy enclosed.

Agenda-02: Proposal of M/s.Sri Ganga Stone Exports for conversion of their existing DTA unit under EPCG obligation to an EOU for manufacture of Polished Granite Slabs & Tiles.

M/s.Sri Ganga Stone Exports, Chimakurthy, Prakasham Dist has submitted an application in ANF-6A for conversion of their existing DTA unit under EPCG obligation to an EOU for manufacture of **Polished Granite Slabs & Tiles** under ITCH 6802 2310 at an annual capacity of 204000 SQFT.

I. Details of the proposal is as below:

1	Name of the unit	<p>M/s. Sri Ganga Stone Exports for conversion of existing DTA under EPCG obligation into EOU scheme under EPCG : Located at 1046/1,1046/3 &1046/4 (Total Area -2.29 Acres) Back side Ganga Weigh Bridge, Chimakurthy, Prakasham Dist, AP-523 223.</p> <p>Ph.No. Not furnished Fax No. Not furnished Mobile No: 85536 85777 E. Mail: srigangastoneexports27@gmail.com and subbugogineni27@gmail.com Website : -Not furnished Passport No. Not furnished Name of the Bank: State Bank of India, Chimakurthy Branch, Prakasham Dist A/C No. : 40304318421 PAN No. : AFEPG0476K Digital Signature : Not submitted Fees: Submitted 5000/- as DD</p>								
2	The proposal is for	<p>Conversion of existing DTA unit into EOU for Manufacturing of “Polished Granite Slabs & Tiles”</p> <table border="1" data-bbox="631 1728 1515 1885"> <thead> <tr> <th data-bbox="631 1728 976 1885">Item Description</th> <th data-bbox="976 1728 1151 1885">Annual capacity (MT Per Annum)</th> <th data-bbox="1151 1728 1515 1885">ITC Classification(HS)</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>			Item Description	Annual capacity (MT Per Annum)	ITC Classification(HS)			
Item Description	Annual capacity (MT Per Annum)	ITC Classification(HS)								

		Polished Granite Slabs & Tiles	204000 SQFT per annum	6802 2310 (*)		
		(*) As per ITC(HS), 2022 Schedule 2- Export Policy , there is no policy condition for Export for ITC HS 68022310 and product description indicated as “Granite blocks or tiles”				
3	Location of the project	1046/1,1046/3 &1046/4 (Total Area -2.29 Acres) Back side Ganga Weigh Bridge, Chimakurthy, Prakasham Dist, AP- 523 223.				
4	Manufacturing/Service	Manufacturing				
5	Nature of the Applicant Firm	Proprietorship				
6	Investment	Land –(existing)	:250.00 Lakhs			
		Building–(existing)	:175 Lakhs			
		Plant & Machinery (Exising)				
		Indigenous :	87.00 Lakhs			
		Import CIF value:	580.28 Lakhs (Existing)			
			Rs.668.19 Lakhs			
7	Import Requirement	Capital goods	Nil			
		Raw materials	Nil			
		Spares & Consumables	2200 Lakhs			
		Other OFE	NIL			
		Total	2200 Lakhs			
8	FOB Value of export	Rs. 12400 Lakhs over a period of 5 years i.e 14941 US \$ (in Thousands)				
9	Indigenous requirement	Capital goods	Nil			
		Raw materials, spares, Consumables Components etc.	NIL			
10	Rejects	5%				
11	Foreign Technology	No.				
12	NFE (Sl. No. 8 –7)	Rs.10200 Lakhs				
13	Employment		Existing		Proposed	
		a. Supervisory	8	NIL	Men:14	Women:0
		b. Non-Supervisory	16		Men:24	Women:03
14	Destination of Export	Furnished				
15	Whether project Submitted	Submitted				
16	Marketing tie-ups submitted	Yes				

17	Residence proof in respect of individual/partnership firms of all Directors/ Partners. (Passport/ration card/driving licence/voter identity card/aadhar card or any other proof to the satisfaction of Development Commissioner)	Furnished the PAN number and Aadhar Card of Propreitor : Sri Gogineni Nagaiah
18	Income Tax return of all the promoters for the last three years;	Submitted IT Returns of Proprietor Sri Gogineni Nagaiah
20	Directors/Proprietor	Sri Gogineni Nagaiah, S/o Pedda Venkaiah,1-32-2,Racha Mitta Centre, Chimakirthy, Prakasham Dist, AP-523226
21	Article and Memorandum of Association	Furnished
22	Equity including Foreign Investment	i) Authorised - NA ii) Subscribed iii) Paid up capital - Pattern of share holding in the paid up capital a) Foreign holding b) Non Resident Indian Company/individual holding i) Repatriable NIL Non repatriable NIL c) Resident holding NIL d) Commercial Borrowing Nil e) ECB -NIL
24	Means of finance	Already invested Rs.3504.15 Lkhs To be invested Rs. 1326.15 Lakhs
25	Lease Agreement	Sale deed agreement furnished

26	Proforma for existing DTA units seeking conversion to EOU	Submitted in Annexure Under EPCG Authorisation No.2631000611 dt. 08.06.2022 Export obligation: INR 11,64,02952.00 (USD 15,13,692.48). the unit has imported 2 machines out of 3 machines against EPCG authorization. <ol style="list-style-type: none"> 1. The unit has taken installation certificate for two machines and informed that the 3rd machine is under sailing stage and will submit the installation certificate as soon as they receive the machine 2. The unit has furnished the details of EPCG authorization as per Appendix-6 M 3. EPCG copies - List of capital goods under EPCG authorization submitted as per (h) of Annexure) 4. The conversion of DTA unit into EOU with EPCG obligation is governed by Appendix 6M of FTP 2015-20.
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Brief Details of Project Profile furnished by the applicant:

M/s Sri Ganga Stone exports is a proprietary concern established by Sri Goineni Nagaiah who has been working as Head of Operations since 2009 as DTA unit in Granite manufacturing unit. The management of the firm is being managed by experienced persons for more than 15 years of experience in Granite Industry. Present proposal is for establishment of Granite Cutting & polishing unit for manufacturing of Granite Slabs/ Tiles by installing one multi wire saw machine , one Line polishing machine, Bridge cutting machine and one Gantry Crane for lifting raw block and other required machinery. They are importing advance Technology i.e multi wire granite cutting machine with the production capacity around 15000 Sqft per month with less wastage.

Criteria to be adopted for Automatic approval of units under EOU Scheme in terms of Appendix 6A of Hand Book of Procedures, 2015-20. Proposals for setting up of units under EOU Scheme under automatic route shall be considered by the Unit Approval Committee taking into account the following:-

1	Residence proof in respect of individual/partnership firms of all Directors/ Partners (passport/ ration Card / driving license/ voter identity card or any other Proof to the satisfaction of Development Commissioner	Copies of the PAN card and Aadhaar card furnished
2	Income Tax return of all the promoter for the last 3 years	Furnished the IT returns of the Proprietor
3	Experience of the promoter	furnished
4	Marketing Tie-Ups	furnished
5	Inspection of the project site by an officer	- To be inspected
6	Land Details	Sale deed submitted.
7	A Report from other DCs as to whether any under EOU Scheme in regard to diversion of	Report from the Govt. SEZs will be obtained

goods etc. is pending/to be verified from Fraudulent list being maintained by PA to DC VSEZ

In terms of para 6.06 of Foreign Trade Policy, 2015-20, the Criteria of a minimum investment of Rs. 1.00 Crore on plant and machinery prescribed for setting up of EOU is complied with in this proposal.

The present proposal does not fall under the category of requirement of Industrial license under I (D&R) Act, 1951.

The request of M/s Sri Ganga Stone exports for conversion of existing DTA under EPCG obligation into EOU scheme for manufacturing and Export of “Polished Granite Slabs & Tiles is placed before UAC in terms of Para 6.19 of FTP, 2015-20 read with Para 6.01 and 6.32 of HBP, 2015-20 for consideration.

Agenda item No.3

Proposal of M/s. Kaleesuware Refinery and Industry Pvt.Ltd., -100% EOU- Sale of Bio-diesel in DTA to Oil manufacturing Companies (IOCL, BPCL, HPCL) under National Blending Program-Reg

1. M/s.Kalesuwari Refinery & Industry Pvt.Ltd.,100% EOU was issued LoP dt. 30.08.2019 by this office partially converting their DTA unit with EPCG obligation into an EOU with the approval of UAC. It is pertinent to mention that PRC, DGFT had relaxed the condition for the manufacture of Bio-diesel and its by-product, Crude glycerin from Used Cooking Oil (UCO), a prohibited item for import and export of the above manufactured Bio-diesel. Further, the condition was to export exclusively to M/s British Petroleum as per the agreement between them with certain conditions put by O/o DGFT (copies enclosed)
2. The unit vide their letter dt.20.01.2023 informed that they had obtained Letter of Intent for supply of Bio-diesel manufactured from Non-UCO feed stock sourced indigenously under National Blending programme to Oil Marketing Companies such as Indian Oil Corporation Ltd., Bharat Petroleum Corporation Ltd., and Hindustan Petroleum Corporation Ltd., to participate in the OMC Tenders(copy enclosed)
3. As per para 4(ii) of Trade Notice No.44 dt.31.01.2019 issued by DGFT, the feed stock for production of bio-fuel for export by an EOU should be from imported sources. They are not allowed to export Bio-fuels if the feed stock is from indigenous sources.

4. M/s.Kaleesuwari proposes to procure indigenous feed stock for production of Bio-fuel in the EOU plant for supply in Domestic Tariff Area to Oil marketing companies under National Blending programme .The above proposal is a pure DTA activity/operation.
5. The request of the Unit for production of **Bio-diesel from indigenous feed stock to supply in DTA to IOCL, BPCL, HPCL under the National Blending Program** was placed in the UAC meeting held on 14.11.2022. The Committee concluded that the Unit may approach the PRC for such issues and advised the Unit to take permission for activities beyond the purview of the LOP

However, as per directions, the EOU's request is again placed before UAC to discuss the request of M/s.Kaleesuwari , a EOU unit, to undertake DTA (Domestic Tariff Area) activities/operations paralelly in their EOU plant i.e., for manufacturing Bio-diesel from non-UCO material procured domestically and supply the same to Domestic Oil companies under National Blending programme.