

**AGENDA for EOUs**

. **Agenda-01 : Ratification of Minutes of the meeting held on 11.04.2022 (UAC) : Copy enclosed.**

**Agenda item No.2:** Proposal of M/s.Kaleesuware Refinery and Industry Pvt.Ltd., Kakinada to export Bio-diesel manufactured from using Used Cooking Oil for fuel purposes.

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M/s.Kaleesuware Refinery and Industry Pvt.Ltd., was issued LoP dt.30.08.2019 for conversion of their existing DTA unit under EPCG obligation to EoU for manufacture and export of Bio Diesel with crude Glycerin as by-product by using imported Used Cooking Oil subject to the condition that permission from BoA is granted for import of UCO. The BoA rejected the proposal of the unit for import of Used Cooking Oil. Consequently, the LoP was withdrawn by this office till further orders.

Meanwhile, O/o Addl.DGFT also vide their letter dt.18.11.2021 pointed out that as per DGFT Trade Notice No.44 of 2019 approval of BoA is required for export of Bio-diesel for fuel purposes.

The Unit approached PRC for relaxing the policy provision for import of prohibited item UCO for manufacture and export of Bio-diesel. The PRC vide letter dt.13.01.2022 relaxed the condition as follows:

*“The said matter has been examined in this directorate. Accordingly, with due approval of competent authority decision has been taken to relax para 6.01(d)(i) read with para 2.01(a) of the FTP for granting permission to import ‘Used Cooking Oil’(UCO)-ITC(HS) 15180040 for manufacture and export of Biodiesel to M/s.Kaleesuware Refinery and Industry Pvt.Ltd., Kakinada, EOU unit, subject to the condition that neither the imported UCO nor the final product will be diverted to any company(other than the company with which the applicant has the contract) or in the domestic market.*

*The import is subject to Actual user condition. A contract is to be signed with British Petroleum Singapore Pvt.Ltd., for export of Bio-diesel made out of Used Cooking Oil (UCO) supplied by them and copy supplied to the Development Commissioner, Vizag SEZ and this office.”*

The Unit vide letter dt.21.2.2021 submitted copy of the Purchase and Agreement entered into with M/s.BP Singapore Pte.Ltd., for supply of UCO having certain specifications ( copy enclosed) .

The matter was referred to DoC vide this office letter dt.03.03.2022 with a request to convey necessary permission for export of 'Cooking Oil Methy Ester (UCOME)' as Bio-diesel **for fuel purposes** by the unit w.r.t purchase and Sale Agreements made by the unit with M/s.BP Singapore Pte Ltd., sent to DoC in view of the Trade Notice No.44 of 2019 as pointed out by O/o Addl.DGFT, Hyderabad "

DoC in their letter dt.15.3.2022 requested O/o DGFT, New Delhi to clarify whether the relaxation given by DGFT vide their letter dt.13.01.2022 is for export of bio-diesel **for fuel purposes or non-fuel purposes**.

The DGFT vide letter dt.8.4.2022 informed DoC the following:

*" With reference to the earlier letter of even no dt.13.01.2022, it is reiterated the said approval was provided with the approval of the PRC and subsequently HCIM for suitable relaxation to **para 6.01(d)(i) read with para 2.01(a) of the FTP for granting permission to the said firm M/s.Kaleesuwari Refinery and Industry Pvt. Ltd., to import" used cooking oil" for manufacture and export of bio-diesel.***

*As already approved and communicated earlier, it is reiterated that the said import shall be subject to Actual User condition. The said exports shall also be under contract of the applicant with British Petroleum Singapore Pvt.Ltd., for export of Bio-diesel of of imported Used Cooking Oil(UCO).*

*This issues with the approval of Competent Authority".*

DoC vide e-mail dt.21.4.2022 forwarded the above clarification to this office.

The matter is placed before UAC to deliberate on the clarification received from DGFT through DoC to take necessary decision on whether permission for export of Bio-diesel by the Unit could be granted w.r.t. the purchase and sale agreement entered into by the Unit with BPSingapore Pvt.Ltd.,

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