

**AGENDA for EOUs**

**AGENDA FOR THE UAC MEETING OF EXPORT ORIENTED UNITS IN THE STATE OF ANDHRA PRADESH SCHEDULED AT 1100 A.M ON 21.10.2021 THROUGH VIDEO CONFERENCING UNDER THE CHAIRMANSHIP OF DEVELOPMENT COMMISSIONER,VSEZ ,VISAKHAPATNAM.**

**Visakhapatnam Special Economic Zone**

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## AGENDA for EOUs

Agenda-01 : Ratification of Minutes of the meeting held on 27.09.2021 (UAC) : Copy enclosed.

**Agenda-02: Ratification of LOP issued to M/s Kaleesuwari Refinery and Industry Pvt Ltd for conversion of existing DTA into EOU unit under EOU scheme : Located at Phase.III, Industrial Park, Vakalpudi, Kakinada Rural, Kakinada, Andhra Pradesh- 533 005.**

M/s.Kaleesuwari Refinery and Industry Pvt.Ltd., having their factory (DTA unit) at Vakalapudi, Kakinada Rural, Kakinada and registered office at Hyderabad made a proposal on 05.11.2018 to DC, VSEZ to partially convert their DTA facility under EPCG licence to a 100% Export Orient Unit for manufacture of ' Bio-diesel and its by-product ( Crude Glycerin ) from imported used Cooking Oil.

The proposal was approved 'in-principle, by the Unit Approval Committee on 27.03.2019 subject to , among other conditions, approval of Board of Approvals for import of the used cooking oil for manufacture of the proposed products. Accordingly, the Letter of Permission for manufacture was issued by office of DC, VSEZ on 30.08.2021. However, subsequently, the Letter of Permission was withdrawn by the office on 08.11.2021 till further orders due to rejection by the Board of Approvals, DoC, New Delhi in the meeting held on 4.10.2019 for import of used cooking oil for manufacture of the proposed products.

Subsequently, the unit vide their letter dt.26.08.2021 requested for extension of the Letter of Permission (LoP) stating that they would manufacture Bio-diesel and its by-product Glycerin by importing alternate raw material viz., Palm acid oil and Spent Earth Oil. **The proposal was placed before UAC on 27.09.2021 and UAC directed the Unit to submit fresh application since the withdrawn LoP cannot be revived and the matter be dealt on file.**

Accordingly, the proposal was dealt on file of Office of DC, VSEZ. After submission of the required documents by the unit and after receipt of recommendations (Inspection Report) from Asst. Commissioner of Customs, Preventive , Kakinada vide letter dated 06.10.2021, the LoP approved on file by DC, VSEZ was issued on 08.10.2021( copy enclosed) with standard conditions and fulfillment of condition with regard to the EPCG obligation and also subject to ratification of the LOP by the Unit Approval Committee.

The details of the proposal are as follows:

### **Items of production & annual capacity**

1. Bio-diesel: 90,000 MT
2. Glycerin : 15,000 MT

### **Imported raw material used for manufacture of the above products:**

**Palm acid oil and Spent Earth Oil**

### **Investment & Exports and Net Foreign Exchange earnings:**

1. Investment in Plant & Machinery (existing) : Rs.11.92 cr.
2. FoB value of exports for the next 5years period : Rs.1514.23 cr.

3. Import of raw material for the next 5-year period : Rs.1148.00 cr.  
 4. Net Foreign Exchange Earnings for the 5-year period: Rs.366.23 cr.

**Employment figures:**

Men: 24 & women: 5 ( at supervisory level)

Men:235 & women 5 ( non-supervisory level)

Applicant has furnished the application in ANF- 6A along with DD of Rs. 5000/- towards application fees. The following are the details of the proposal:

1	Name of the unit	<p><b>M/s Kaleesuwari Refinery and Industry Pvt Ltd for conversion of existing DTA into EOU unit under EOU scheme : Located at Phase.III, Industrial Park, Vakalpudi, Kakinada Rural, Kakinada, Andhra Pradesh- 533 005.</b></p> <p>Ph.No.044 46163933/ 040 27614442          Fax No. NS          E. Mail: <a href="mailto:biodiesel@kaleesuwari.com">biodiesel@kaleesuwari.com</a>  <a href="mailto:Suriyanarayanan.s@kaleesuwari.com">Suriyanarayanan.s@kaleesuwari.com</a>/<a href="mailto:cheran.k@kaleesuwari.com">cheran.k@kaleesuwari.com</a>, <a href="mailto:sowmya.ca@jcssglobal.com">sowmya.ca@jcssglobal.com</a>          Website : - <a href="http://www.kaleesuwari.com">www.kaleesuwari.com</a>          Passport No. NS          Name of the Bank: Indian Bank ,YES BANK LTD, Ground Floor, Lancor West Minister, 108, Dr. Radhakrishnan Sali, Mylapore, Chennai- 600 004          A/C No. : 059481400002807/ IFSC-YESB0000594          PAN No. : AABCN 7337 H          Digital Signature : Not submitted</p>											
2	The proposal is for	<p>Conversion of existing DTA unit (partial) into EOU for Manufacturing of          1. BIO DIESEL 2. GLYCERINE (BY-PRODUCT)</p>											
		<table border="1"> <thead> <tr> <th data-bbox="634 1514 857 1686">Item Description</th> <th data-bbox="857 1514 992 1686">Annual capacity (MT Per Annum)</th> <th data-bbox="992 1514 1339 1686">ITC Classification(HS)</th> </tr> </thead> <tbody> <tr> <td data-bbox="634 1686 857 1862">1. BIO DIESEL</td> <td data-bbox="857 1686 992 1862">90,000</td> <td data-bbox="992 1686 1339 1862">38260000</td> </tr> <tr> <td data-bbox="634 1862 857 1862">2. GLYCERINE(By-Product)</td> <td data-bbox="857 1862 992 1862">15,000</td> <td data-bbox="992 1862 1339 1862">15200000</td> </tr> </tbody> </table>	Item Description	Annual capacity (MT Per Annum)	ITC Classification(HS)	1. BIO DIESEL	90,000	38260000	2. GLYCERINE(By-Product)	15,000	15200000		
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1. BIO DIESEL	90,000	38260000											
2. GLYCERINE(By-Product)	15,000	15200000											

3	Location of the project	<b>Phase.III, Industrial Park, Vakalpudi, Kakinada Rural, Kakinada, Andhra Pradesh- 533 005.</b>			
4	Manufacturing/Service	Manufacturing			
5	Nature of the Applicant Firm	Private Limited			
6	Investment	Land -(existing) Rs.1.78 Crore.(EOU part) ( Sale deed copy furnished) Building-(existing) Plant & Machinery Rs. 10.14 Crore Indigenous : No new Investment in Plant & Machinery Import CIF value: -do- Details of list of Assets shown in Annexure -10 which is not clear.			
7	Import Requirement	Capital goods NIL Raw materials 114800 Lakhs Spares & Consumables NIL Other OFE NIL <b>Total 114800 Lakh</b>			
8	FOB Value of export	<b>Rs. 151423 lakhs over a period of 5 years i.e 201897 US \$ (in Thousands)</b>			
9	Indigenous requirement	Capital goods NIL  Raw materials, spares, Consumables Components etc. Rs. 1,51,010.00 Lakh Other Overheads for a period of 5 years Rs. - <b>Total Rs.1,51,010.00 Lakh.</b>			
10	Rejects	Nil			
11	Foreign Technology	No.			
12	NFE (Sl. No. 8 -7)	Rs. 36623 Lakhs			
13	Employment	Existing		Proposed	
	a) Super visory	22		Men: 24	Women:5
	b) Non- Supervisor	175		Men: 235	Women:5
	y				
14	Destination of Export	Not furnished and indicated as Not applicable			
15	Nature of application firm	Private Limited Company			
16	Whether project Submitted	Submitted			
17	Marketing tie-ups submitted	Submitted			
18	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	Furnished the PAN number and Passport details			

	to the satisfaction of Development Commissioner)	
19	Income Tax return of all the promoters for the last three years;	<u>submitted</u>  <u>IT Retunes of all the Directors of the company viz. M/s Kaleesuwari submitted for three years submitted</u>
20	Directors	1. Mr. G.Munuswamy 2. Mr.M.Arun 3. Mr. K. Ashok Kumar 4. Mr. S.Suriyanarayanan
21	Article and Memorandum of Association	Furnished
22	Equity including Foreign Investment	i) Authorised - Rs.3600.00 lakhs ii) Subscribed - Rs.3204.881 lakhs iii) Paid up capital - Rs.3204.881 lakhs Pattern of share holding in the paid up capital a) Foreign holding -NIL b) Non Resident Indian Company/individual holding i) Repatriable NIL Non repatriable 15.239 (individual holding) c) Resident holding 3189.643 d) Commercial Borrowing Nil e) ECB -NIL
23	Project Cost	i) Land - Not furnished for partial conversion ii) Building - -do- iii) Plant & Machinery(indig) NIL iv) Imported CIF value - NIL existing capital goods - Not furnished for partial convert Total (: additional to be added existing capital goods from EPCG scheme)
24	Means of finance	Working capital facility ( Fund/Non fund limits Rs. 75 Croress) with YES Bank, Chennai
25	Lease Agreement	<b>Sale deed agreement furnished</b>
26	Proforma for existing DTA units seeking conversion to EOU	Submitted at Annexure-13

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 Passports enclosed Aadhaar card enclosed
2	Income Tax return of all the promoter for the last 3 years	submitted
3	Experience of the promoter	furnished
4	Marketing Tie-Ups	indicated
5	Inspection of the project site by an officer	Inspection report of Asst. Commissioner of Customs, Kakinada Customs dated 06.10.2021 enclosed for reference.
6	Land Details	Sale deed submitted.
7	A Report from other DCs as to whether any under EOU Scheme in regard to diversion of goods etc. is pending/to be verified from Fraudulent list being maintained by PA to DC VSEZ	Action taken on file for getting the said report from all the Govt. SEZs

Accordingly the above LoP of the unit is placed before Unit Approval Committee for ratification.

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