

APPENDIX 14-I-B

CRITERIA TO BE ADOPTED FOR AUTOMATIC APPROVAL OF UNITS UNDER EOU SCHEME

(Please see Para 6.2.2 and 6.31.2 of HBP Vol.1)

APPROVAL OF NEW UNITS:

Proposals for setting up units under EOU scheme under automatic route shall be considered by the Unit Approval Committee taking into account the following: -

- (i) Residence proof in respect of individual/partnership firms of all Directors/Partners. (Passport/ration card/driving licence/voter identity card or any other proof to the satisfaction of Development Commissioner);
- (ii) Income Tax return of all the promoters for the last three years;
- (iii) Experience of the promoters;
- (iv) Marketing tie-ups;
- (v) In case of EOUs, inspection of the project site by an Officer;
- (vi) A report from other DCs as to whether any case under EOU Scheme in regard to diversion of goods etc. is pending.

Wherever necessary, the above may be verified through personal interview with the promoters of the project. In the event of the promoters being a well-established entity, the procedure of personal interview may be dispensed with.

The Unit Approval Committee shall meet on Monday, every week. In case of the absence of Development Commissioner, the meeting will be held by the next senior officer in the Zone. The unit shall intimate the problems being faced by them in advance. In the meetings, apart from the promoters, the other concerned agency with which difficulties are being faced by the unit, may also be called.

Recycling of ferrous and non-ferrous metal proposals will be considered only if the unit has Ingots making facility and proposes to achieve value addition.

SENSITIVE SECTORS:

Care shall be taken by the Development Commissioner while approving projects in sensitive sectors such as yarn texturing unit, textile processing, pharmaceuticals/drugs formulations/re-cycling of ferrous and non-ferrous metal scraps etc. Projects for setting up units in sensitive sectors under EOU scheme shall be approved by the Development Commissioner after personal verification of the Directors and inspection of the factory site before signing LUT. Verification could also be carried out through General Manager, District Industries centre or jurisdictional DY/ Assistant Commissioner of Customs/Excise.