

**PRESS NOTE NO. 14
(1998 SERIES)**

SUBJECT : Delegation of Powers for the Export Oriented Units and EPZ Units

Government had delegated certain powers to the Development Commissioners of EPZs for making post-approval amendments in respect of Export Oriented Units and EPZ units vide Press Note No. 4 (1995 Series) dated 19-4-1995, and No. 15 (1997 Series) dated 10-11-1997. Vide Press Note dated 10-7-1998 the procedure for submission of applications had been streamlined.

2. In tune with the ongoing economic reforms, Government have decided to delegate further powers to the Development Commissioners of EPZs as follows:

- i. **Enhancement in the value of Imported Capital Goods required for the project:-** To allow enhancement in the value of imported Capital Goods upto 75% of the value approved initially, subject to the maximum of Rs. 10.00 Crores. The enhancement in value of imported Capital Goods can be on account of additional items of import or on account of increase in prices of permitted items.
- ii. **Additional location for the EOU project:-** Sometimes, the entrepreneurs need some more space to run their EOU projects and as such details of additional premises are required to be incorporated in the approval letters.

The Development Commissioners of EPZs have been given powers to approve additional location(s) for an EOU project, provided the additional location(s) falls within the jurisdiction of the same Commissioner of Central Excise and Customs and all the premises are custom-bonded, as per rules.

- iii. **Revision in Export Obligation:-** Development Commissioners shall have powers to revise prospectively the export obligation stipulated in the approval letters (both upward and downward) provided the revised export obligation is not below the level of minimum export obligation prescribed in the EIM Policy/general or sector specific FDI guidelines.

(ADITI S RAY)
DIRECTOR
New Delhi the 16th October

(ASHOK KUMAR)
Joint Secretary to the Government of India