

APPENDIX-6K
GUIDELINES FOR EXIT OF EOU/EHTP/STP UNITS

(Please see Para 6.17 (d) of FTP)

- a) Applicable customs and excise duties and/or taxes and compensation cess would be paid, on the imported and indigenous capital goods, raw materials, components, consumables, spares and finished goods in stock. The unit may be allowed to dispose off raw material, components, consumables etc. against duty free licenses. The unit may also be permitted to export the CG, raw material/components etc.
- b) The penalty imposed by the appropriate authority, under the Foreign Trade (Development and Regulation) Act, 1992, as amended, for non-fulfillment of the conditions of approval, would be paid. In case an appeal against an order imposing penalty is pending, exit from the Scheme would be considered if the unit has obtained a stay order from Competent Authority and has furnished a Bank Guarantee for the penalty adjudicated by the appropriate authority unless the appellate authority makes a specific order exempting the unit from this requirement.
- c) In case the unit has failed to fulfill the terms and conditions of LOA and penal proceedings are to be taken up/are in process, a legal undertaking for payment of penalties, that may be imposed, would be executed with the concerned Development Commissioner as per enclosed proforma at **ANNEXURE**.
- d) EOUs wishing to continue operations in the DTA would need to comply with industrial, locational, environment or other laws, rules and regulations in force for DTA units.

Note:

- i) The unit would fulfill the above mentioned standard conditions in a period of six months from the date of issue of 'in principle' exit letter and obtain final exit permission from the Development Commissioner/SIA (in case manufacturing of item requires Industrial Licence) failing which the approval granted would lapse automatically. DC may however allow a further extension for fulfillment of the standard conditions in deserving cases.
- ii) Further, the unit would continue to be treated as EOU/EHTP/STP unit till the date of final exit order or issue of fresh LOP under the new scheme in cases of conversion from one scheme to the other and subject to monitoring of the stipulated obligations under the relevant scheme.

ANNEXURE

FORM OF LEGAL UNDERTAKING FOR EXIT OF THE UNIT

M/s _____ were granted LOA/LOP No. _____ dated _____ for setting up a EOU Unit _____ at _____ for the manufacture and export of _____ subject inter-alia to the condition that they would achieve positive NFE on cumulative basis as per provisions of EOU Scheme.

The unit filed a legal undertaking as per **APPENDIX-6E** of EOU Scheme on _____ with the President of India through the Development Commissioner, _____ SEZ for achieving the above mentioned commitments.

As against the above commitments, the unit's actual performance has been as under: -

<u>Year</u>	<u>Import</u>	<u>Export</u>
	<u>CG</u>	<u>RM</u>

The unit applied for exit from the EOU Scheme which was approved vide letter No. _____ dated _____ subject to, inter-alia, the condition that penalty imposed by appropriate Authority under the FT(D&R) Act, 1992, as amended, for non fulfilment of the conditions of approvals would be paid.

In view of the approval for exit, I/We _____ hereby undertake as under:

- (i) That I/We _____ shall pay whatever penalties are imposed by the Development Commissioner under FT(DR) Act for non-fulfilment of the terms and conditions of LOA/LOP.
- (ii) That I/We _____ shall adhere to the mode of payment of penalties, if any, and time frame in which penalties are required to be paid to the Director General of Foreign Trade without any demur or protest.

Full and expanded description
of the unit with full address.

IN WITNESS WHEREOF the unit hereto has duly executed this agreement on _____ this _____ day of _____ 202__ signed, sealed and delivered by the unit in the presence of :

1. Name _____
Address _____

2. Name _____

Address _____

(To be authenticated/affirmed by 1st class Magistrate/ Notary Public)
Accepted by me on behalf of the President of India.

Dy./Jt. Development Commissioner,____SEZ