

MINUTES OF THE APPROVAL COMMITTEEs MEETING FOR THE SEZs LOCATED IN VSEZ & OTHER PRIVATE SEZs in Andhra Pradesh HELD ON 27.7.2017 AT 3.00 PM AT VISAKHAPATNAM UNDER THE CHAIRMANSHIP OF SMT SOBHANA K.S.RAO, DEVELOPMENT COMMISSIONER, VSEZ

Present:

1. **Dr.G.Trinadh Kumar, Joint Development Commissioner, VSEZ, Visakhapatnam (Special Invitee).**
2. **Shri Punnam Kumar, Asst. DGFT, Visakhapatnam & Vijayawada**
3. **Shri B.Narendra Kumar, Asst.Commissioner(Customs), Visakhapatnam**
4. **Shri S.L.Nagaraj, Asst.Commissioner, GST (North)**
5. **Shri G.Dharmaraj, Asst.Commissioner, GST (South)**
6. **Shri G.Laxmi Narasiah, Asst. Development Commissioner (Labour),VSEZ**
7. **Shri P.V.Seshagiri Rao, Income Tax Officer, Income Tax, Visakhpatnam**
8. **Shri J.Uma Maheswara Rao, Asst.Director, District Industries Centre, Visakhapatnam**

Members Absent :

1. **Director, Ministry of Finance (Banking Division), New Delhi.**
2. **Director, Ministry of Commerce & Industry, New Delhi.**

VSEZ

The Development Commissioner, VSEZ and Chairperson, Approval Committee welcomed the Members and apprised them briefly about the proposals placed before the Committee for their consideration. The items listed in the Agenda were discussed and following decisions were taken.

It has been pointed out that pursuant to Service Tax notification No. 12/2013-ST dated 1.7.2013 under Finance Act, 1994, SEZ Developers/Co-Developers/Units were obtaining approval of the UAC in respect of taxable services availed by them. The expiry of the finance Act 1994 and Services Tax Rules 1994, has rendered the aforementioned notification irrelevant. As a consequence, Form A1 & A2 procedure to facilitate exemption in respect of services availed by the Units has also lost its relevance.

For the present dispensation, in view of GST provisions w.e.f. 1.7.2017, all supplies of goods and services to SEZ are defined as zero rated supplies under Section 16 of IGST Act. It has also been noted that there is no reference to “authorized operations” in the aforesaid Section.

UAC observed that SEZ Act and Rules are yet to be aligned with GST Act.

The Committee opined that in light of the above, it is not very clear whether approval of the UAC is required for services to be availed by the Units/Developers/Co-Developers. After deliberations it has been decided that a clarification to this effect may be obtained from the Ministry and the requests for approval of services may be kept in abeyance till such time. Accordingly, the agenda

items related to service approvals are kept in abeyance. The items listed in the Agenda were discussed and Items related to service approvals are kept in abeyance.

Agenda Item No.1: Ratification of the Minutes of the meeting held on 23.6.2017.

The Committee ratified the Minutes of the Joint Meeting of the Approval Committees held on 23.6.2017

Agenda Item No.2: Request for change of constitution of the company of Gemni Food Equipments (Proprietor) to M/s Gemni Food equipments (Partnership firm)– Request for approval of change of constitution in terms of SEZ rules.

The committee deliberated and advised to seek revised Partnership Deed.

Agenda No.3: Dr. Reddy’s Laboratories Ltd, Unit-IX in Visakhapatnam Special Economic Zone , Duvvada for inclusion of additional products in the existing LoA.

The committee deliberated and approved the proposal for inclusion of the following product in the LoA

S.No.	Product Name	Capacity	ITCHS
1	Calcitonin Salmon Inj. USP 200 IU/ml	2 millions	300 39090

Agenda Item No. 04 : Request of M/s. Divi’s Laboratories Ltd, (SEZ Unit), unit in Divi’s Laboratories Limited for inclusion of additional product in the LoA under broabanding.

The committee deliberated and approved the proposal for inclusion of the following products in the LoA.

S.No	Name of the Product	Nutraceuticals	Annual Capacity	ITC HS Code No
1	BETA CAROTENE 7.5 DC/AFN	Nutraceuticals	20.00	29362100
2	BETA CAROTENE 30% SUN/N	Nutraceuticals	10.00	29362100
3	LYCOPENE 11% DC	Nutraceuticals	20.00	29369000
4	LUTEIN ESTER 10% DC/AFG 5% DG/Q	Nutraceuticals	20.00	29369090

Agenda Item No. 05 : Request of M/s. Divi’s Laboratories Ltd, (DSN SEZ Unit), unit in Divi’s Laboratories Limited for inclusion of additional product in the LoA under broad-banding.

The committee deliberated and approved the proposal for inclusion of the following product in the LoA.

S. N	Name of the Product	Nutraceuticals	Annual Capacity (In MTs)	ITC CODE NO.
1	CANTHAPET 10%	Nutraceuticals	200	29369000

Agenda Item No. 06 : Request of M/s Brandix India Apparel City Pvt Ltd, Developer, Atchutapuram , Visakhapatnam for procurement of goods for construction of Factory Building (Staging Unit-6) at Plot No-9 on the basis of default authorized operations.

The Committee deliberated and deferred the proposal as no one from the Brandix SEZ has attended to present the details of the request to the UAC.

Agenda Item No. 07: Request of M/s. Dr. Reddy's Laboratories Limited, (FTO SEZ Process Unit-02) unit in Dr. Reddy's Laboratories Limited SEZ, Srikakulam for inclusion of additional product under broad-banding in LOA.

The committee deliberated and approved the proposal for inclusion of the following product in the LoA.

S.N	Name of the Product	Capsules	ITC CODE NO.	Annual Capacity
1	ENZALUTAMIDE CAPSULE 40MG	CAPSULES	30049099	600,000 Nos

Agenda Item No.8: Request of M/s. Honour Lab Limited, unit in Hetero Infrastructure SEZ Limited for inclusion of additional product under broad-banding in LOA.

The committee deliberated and approved the proposal for inclusion of the following products in the LoA

S.No	Name of the Product	API	ITC CODE NO.	Annual Capacity (InTons)
1	SELEXIPAG (AMORPHOUS)	API	29329990	100
2	DAPAGLIFLOZIN PROPANEDIOL MONOHYDRATE	API	29319090	100

Agenda No.9: Proposal of M/s. CADEPLOY Engineering Private limited for setting up of a unit in M/s. L & T Hi-tech City Limited, Kesarapalli, Gannavaram Mandal, Vijayawada for rendering Steel structural Detailing and designing - Reg.

The committee deliberated and advised to seek the details relating to Exports, Imports, NFE, Investment and clarification on procurement and Imports etc.

Agenda Item No.10.: M/s.Meslova Systems Pvt.ltd, unit in L&T IT SEZ, Kesarpalli, Vijayawada.for approval of services for exemption from payment of Service Tax in terms of Notification No.12/2013 dt.1.7.2013

The proposal is kept in abeyance in light of the above decision.

Agenda No.11: M/s.Yamyah IT services Pvt. Ltd, unit in IT SEZ, Keserapalli requested for approval of services for exemption from payment of Service Tax in terms of Notification No.12/2013 dt.1.7.2013-Reg

The proposal is kept in abeyance in light of the above decision.

Agenda No. 12: M/s.IES Indian Engineering Services Private Limited, unit in IT SEZ,Keserapalli requested for approval of services for exemption from payment of Service Tax in terms of Notification No.12/2013 dt.1.7.2013-reg

The proposal is kept in abeyance in light of the above decision.

Agenda Item No.: 13: M/s. CCL Products India Pvt Ltd SEZ, Developer for procurement for procurement of goods required for development of the SEZ- Reg

The Committee deliberated and approved the proposal for procurement of the items for executions of the following works for a value of Rs.677.00 lakhs

Sl.No	Infrastructure to be developed	Quantum /Space in sqm/sqft	Amount (In Lakhs)
1	Security & time office	210 sqm	18.65
2	Canteen	390 sqm	44.45
3	Compound wall	1700 Rm	121.89
4	C.C.Roads and Drains	16968 Sqm	460.11
5	Provision of raw water supply line	2000 Rm	31.90
		Total	677.00

Agenda Item No. 14: Request of M/s. Indus Gene Expressions Ltd, Developer for procurement of certain materials for civil works in their SEZ.

The Committee deliberated and approved the proposal for procurement of the material of the following works for a value of Rs.45,87,16,376/-

Sl.No	Description	Total Amount (In Rs)
1	Civil Works (Labour , Steel, Cement,sand etc for main building,ware house ,gues house, security block and entrance arch	94162784
2	Materils purchases	157524518
3	External works	175196273
4	Consultancy & supervision cost	31832801
		458716376

Agenda Item No.15 : Request of M/s.Worldwide Diamond Sorting Private Limited for inclusion of additional activity i.e., rendering of Manufacturing Services – Reg.

The Committee deliberated and approved the proposal of the Unit for inclusion of additional activity i.e., manufacturing services to Manufacture Jewellery made up of Gold and Silver studded with Diamonds and other precious stones.

Agenda Item No.16 : Cancellation of Letter of Approval granted to M/s.Shiv-Vani Oil & Gas Exploration Services Limited – Reg.

The Committee decided to examine the request on file

Agenda No.17: Proposal of M/s. Wipro limited for setting up of a unit in M/s. Wipro Limited SEZ, Resapuvanipalem, Visakhapatnam for rendering Software Development – reg.

The Committee deliberated and advised to seek the details relating to type of services to be rendered in the proposed unit alongwith the details of Exports, Imports, NFE for five years to examine and decide.

Agenda No.18: Proposal of M/s. Jasti Consultancy Services for setting up of a unit in M/s. L & T Hitec City, Keesarapalli, Gannavaram, Vijayawada for rendering IT/IT enabled Services

The Committee deliberated and approved the proposal

TABLE AGENDA

Agenda Item No.1 : Request of M/s. BWC Forwarders Pvt.Ltd for inclusion of Additional products under broad-banding in LOA.

The Committee deliberated and approved the proposal for inclusion of the following products in the LoA for undertaking Trading.

S.No.	Description	H.S. Code
	Un manufactured tobacco(Chapter-24)	2401
1	Flue cured Virginia Tobacco	2401 20 10
2	Sun cured country (Natu) Tobacco	2401 20 20
3	Sun cured Virginia Tobacco	2401 20 30
4	Burley tobacco	2401 20 40
5	Air cured	2401 20 90
6	Kentucky Fire cured	2401 20 90

Agenda Item No. 02: Proposal of M/s. CCL Products (India) Limited for setting up a new Unit in M/s CCL Products India Limited , SEZ at Kuvakolli Village, Vardaiyah Palem Mandal, Chittoor District, AP for manufacture of Instant Coffee - Reg.

The Committee deliberated and advised to seek the details for variations in the import and NFE figures to examine and decide.

Agenda Item No.03: Request of M/s Teejay Pvt Ltd , a unit in M/s Brandix Apparel City Pvt Ltd, Atchutapuram, Visakhapatnam for inclusion of Testing service in their LOA- Reg.

The Committee deliberated and approved the proposal for inclusion of Testing service in the LoA i.e., testing of fabric of Apparel Units.

Agenda Item No. 04: Request of M/s. Dr. Reddy's Laboratories Limited, (CTO SEZ Process Unit-01) unit in Dr. Reddy's Laboratories Limited SEZ, Srikakulam for inclusion of additional product under broad-banding in LOA.

The committee deliberated and approved the proposal for inclusion of the following product in the LoA.

S.No	Name of the Product	API/INTERMEDIATE	ITC CODE NO.	Annual Capacity
1	EMPAGLIFLOZIN	API/INTERMEDIATE	29420090	5000 KGS

Agenda Item No: 05: Request of M/s Alivira Animal Health Ltd , a Unit in M/s Ramky Pharma SEZ for inclusion of 'Service Activity' for extending R & D related QC/QA Services under broad-banding in LOA.

The Committee deliberated and approved the proposal for inclusion of 'Service Activity' for extending R & D related QC/QA Services under broad-banding in LOA

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