

MINUTES OF THE UNIT APPROVAL COMMITTEE MEETING FOR THE SEZ UNITS LOCATED IN VSEZ HELD ON 25.09.2019 AT 11.00 A.M. IN THE ADMINISTRATIVE BUILDING , DUVVADA, VSEZ, VISAKHAPATNAM UNDER THE CHAIRSMNSHIP OF SHRI A. RAMA MOHAN REDDY IFS , DEVELOPMENT COMMISSIONER, VSEZ.

Members Present:

1. Dr.Ramesh. B.N, Jt.Director General of Foreign Trade, Visakhapatnam
2. Shri A.K.Majumdar, AC of Customs, Custom House, Visakhapatnam
3. Shri G.Laxminarasaiah, ADC((Labour), Visakhapatnam
4. Shri B.Venkateswara Rao, Asst.Director ( Industries), DIC, Visakhapatnam

Special Invitee:

- 1.Smt.N.Kalyani, Inspector, Drug Control Department, Visakhapatnam

Members Absent:

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

Officers Present:

1. Shri V.Kiran Babu,IFS, Jt.Development Commissioner, VSEZ, Visakhapatnam
2. Shri R.V.Pradhamesh, IRS, Specified Officer, VSEZ, Visakhapatnam
3. Ms. O.Phani, Dy.Development Commissioner, VSEZ, Visakhapatnam

Agenda item No.1

Ratification of minutes of the meeting held on 27.08.2019

The UAC ratified the minutes of the UAC meeting held on 27.08.2019 .

Agenda item No.2

Proposal for cancellation of LoA of M/s.Worthington Nitin Cylinders Pvt.Ltd.. for manufacture and export of cylinders, CNG compressor packing unit, CNG Dispenser, Fire protection systems, Firefighting equipment for exports due to security lapses because of non-operation and leaving the premises in abandoned condition-reg.

\*\*\*

The issue of initiating action for cancellation of LoA of the unit for its non-operation of the unit since 2015 onwards and non-payment of dues and penalty amount for its non-achievement of positive NFE for the last block period ending 31.3.2018 has been deliberated upon by the UAC , and it has been decided to allow final time up to 31.10.2019 as requested by the Unit themselves vide their e-mail dt.24.7.2019 to clear all outstanding dues to VSEZ. Further, the LoA will be cancelled on file as approved by UAC, as there are several security threats and there is not even a single security person in the unit and the unit is fully abandoned.

Contd.. P2



Agenda item No.3

**Request of M/s.Reddy's Laboratories Ltd., Formulation unit VII, Plot No. P1 to P9 vide their letter dt.21.08.2019 for inclusion of New product in their LoA – reg.**

\*\*\*

The proposal of the unit for inclusion of additional product i.e., "Eribulin Mesylate Injection 1 mg/2ml under broad banding was discussed and it has been decided to defer the proposal for want of clarification from the unit with regard to annual capacity of " 2 million each " of the said product w.r.t. Examination, Test or analysis license.

Table Agenda

**Proposal of M/s.Suryavamshi & Company., for setting up of a manufacturing unit in VSEZ dealing with assortment, cutting and polishing of rough, polished, natural diamonds and jewellery manufacturing with precious metals.**

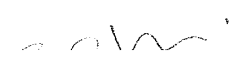
\*\*\*

The proposal for setting up of a manufacturing unit in VSEZ dealing with assortment, cutting and polishing of rough, polished, natural diamonds and jewellery manufacturing with precious metals has been deliberated upon by the UAC.

Since the unit is first of its kind in VSEZ, UAC has decided to permit setting up of a unit only for Job work, with the conditions below, keeping in view the sunset clause of Income Tax which the units will be deprived of, if not permitted immediately:

- i) No DTA transactions or trading activity is allowed;
- ii) No import of Gold jewellery , Broken jewellery etc., for remaking, re-melting, repairing etc.. is allowed
- iii) Risk Management assessment norms of Customs for identifying certain percentage of goods for random checks by Customs Authorities should be followed. Preferably 100% checking shall be done instead of self-certification in the first 1 year.
- iv) the unit shall manufacture gold Jewellery on job work basis only wherein the raw material will be supplied by the overseas Client per work order per consignment free of cost and the corresponding export – consignment of jewellery should reconcile with the consumption of the said quantity of gold so imported.
- v) They will submit BG to the extent of duties foregone on the import of raw material i.e., gold and other imported precious items, if any

Contd.. P3 /..



- vi) All safety precautions in respect of gold import , transportation, safety custody and SION norms for manufacture of gold-jewellery as per govt. guidelines and Customs Act/rules/procedures and guidelines of the GJEPC and the provisions of SEZ Act/Rules etc., with regard to dealing in Gold and Jewellery from time to time shall be strictly followed
- vii) Export consignment should be done with 100% inspection by the Customs Wing of VSEZ.
- viii) CCTV to be installed for the close monitoring of the activities.
- ix) The Unit shall get ASSAY machine installed before the first consignment is exported and shall get the operator from Gem and Jewellery Council of India at their own cost and shall be kept in custody of Preventive Officer concerned. All consignments shall be got certified from the representative of Gem and Jewellery Council of India. The Unit has agreed to all the above conditions to avoid time lags in setting up of the Unit.

\*\*\*

