

**105 UAC Minutes (27.05.2019) of VSEZ Units**

MINUTES OF THE APPROVAL COMMITTEE MEETING FOR THE SEZs LOCATED IN VSEZ HELD ON 27.05.2019 AT 11.30 A.M. IN THE ADMINISTRATIVE BUILDING, DUVVADA, VSEZ, VISAKHAPATNAM UNDER THE CHAIRMANSHIP OF SHRI A.RAMA MOHAN REDDY, IFS DEVELOPMENT COMMISSIONER, VSEZ

**Present:**

1. Shri A.K.Majumdar, Asst.Commissioner of Customs, Custom House, Visakhapatnam
2. Shri B.Venkateswara Rao, Asst.Director (Industries) District Industries Centre, Visakhapatnam
3. Shri S.B.Lakra, Supdt. Of Customs, (preventive), Visakhapatnam

**Special Invitee:**

- 1.Shri K.V.Bhupesh, Inspector, Drug Control Department, Visakhapatnam

**VSEZ officials Present:**

- 1.Shri V.Kiran Babu,JDC
- 2.Smt.O.Phani , DDC
- 3.Shri K.Santosh Kumar, A.O.Customs
- 4.Shri P.Sridahar, A.O., Custom
- 5.Shri K.Prasanna Kumar, ADC

**Members Absent:**

1. Director, Ministry of Finance ( Banking Division), New Delhi.
2. Director, Ministry of Commerce & Industry, New Delhi
3. Commissioner of Income Tax, Visakhapatnam

**VSEZ**

The Development Commissioner, VSEZ and Chairperson of 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

**Agenda item No.1:** Ratification of the minutes of the UAC meeting held on 29.04.2019

The Committee ratified the Minutes of the meeting of UAC held on 29.04.2019.

**Agenda item No.2:**

**Proposal of M/s.RJT Tobaccos Pvt.Ltd., for setting up of a unit for manufacture of Cigarettes and its packing , trading of Cigarettes and Tobacco., warehousing of Tobacco in VSEZ, Duvvada, Visakhapatnam.**

The proposal has been deliberated by the UAC and it has been decided that since the manufacture of Cigarettes requires Industrial Licence as per the present Industrial Policy and which comes under the purview of the BoA, DoC and the proposal is also for trading in Cigarettes and Tobacco, warehousing of tobacco, the same will be forwarded to BoA, New Delhi for consideration and taking appropriate decision on the proposal.

**Agenda item No.3:**

**Proposal to cancel the Letter of Approval (LoA) granted to M/s.Worthington Nitin Cylinders Pvt.Ltd., for manufacture and export of cylinders, CNG compressor packing unit, CNG Dispenser, Fire Protection systems, Fire fighting equipment for non-operation since 2015 and non-payment of penalty imposed for its negative NFE for the period from 1.4.2013 to 31.3.2018.**

The issue of cancellation of LoA of the unit for its non-operation and non-payment of dues to VSEZ has been deliberated in the meeting wherein Shri Bharat Shah, CFO has represented the unit .

The CFO of the unit requested UAC that the LoA of the Unit which expired by 31.3.2018 may be extended further to clear the processed material lying in the unit to overcome the financial crisis for payment of dues and assured that the dues to VSEZ will be paid within 15 days( on or before 12<sup>th</sup> June, 2019).

The committee after deliberations, took the following decisions **subject to payment of all dues as on 31.3.2019 including penalty of Rs.10.00 lakh imposed on the unit on account of negative NFE in the last block period within 15 days as assured by the Unit:**

1. The LoA of the unit will be extended further upto 31.12.2019 to enable the unit to clear the processed goods and resume their operations; failing which action under relevant Acts and Rules will be initiated to cancel the LoA on expiry of the above extended period
2. The unit should clear only the processed goods into DTA on payment of applicable duties and no capital goods will be allowed to be cleared as the LoA is extended for the purpose of clearing the processed goods only. In case the unit intends to close down operations, they may do so as per the laid down procedure.
3. The unit should submit fresh projections of exports, imports etc., for the block period starting w.e.f. 1.4.2018 to enable this office process on file the extension of LoA for the next block of 5 years.