

MINUTES OF THE COMBINED UNIT APPROVAL COMMITTEEs MEETING FOR THE SEZs LOCATED IN VSEZ & OTHER PRIVATE SEZs (2010 SERIES) HELD ON 03.12.2010 AT 03.00 PM IN THE CONFERENCE HALL OF THE OFFICE OF DEVELOPMENT COMMISSIONER: VSEZ, DUVVADA, VISAKHAPATNAM.

Members Present:

1. Shri A.R.S. Kumar, Addl. Commissioner of Central Excise, Commissionerate-II, Visakhapatnam
2. Ms. B. Sumidaa Devi, Dy. Commissioner of Customs, Custom House, Visakhapatnam.
3. Shri M. S. Sukumar, ITO, Ward 5(1), Income Tax Department, Visakhapatnam
4. Shri S.V.Giridhara Rao, District Industries Centre, Visakhapatnam
5. Shri K.S.V.S. Subba Rao, Asst. Commissioner of Labour, Visakhapatnam

Special Invitee:

1. Shri P. Usman Ali Khan, Environmental Engineer, APPCB, Seethammadhara, Visakhapatnam.

Members Absent:

1. Director, Ministry of Finance (Banking Division), New Delhi.
2. Director, Department of Commerce, Ministry of Commerce & Industry, Department of Commerce, Udyog Bhavan, New Delhi.
3. Jt. Director General Foreign Trade, New Colony, Visakhapatnam

The Development Commissioner, VSEZ and Chair Person, UAC welcomed the Members and apprised them briefly about the proposals placed before the Committees 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 meeting held on 03.11.2010.

The Unit Approval Committee (UAC) ratified the Minutes of the meeting held on 03.11.2010.

UNIT APPROVAL COMMITTEE FOR VSEZ.

The following are the members-ex officio of the VSEZ – UAC

1. Director, Department of Commerce to the Govt. of India
2. Director (Banking), Ministry of Finance, Government of India
3. Commissioner of Customs, Custom House, Visakhapatnam
4. Commissioner of Income Tax (CIT-1), Visakhapatnam

5. Jt. DGFT, Visakhapatnam
6. General Manager, DIC, Visakhapatnam
7. Jt. Commissioner of Labour, Visakhapatnam

Agenda Item No. 2: Proposal of M/s. Worlds Window Impex India Private Limited for setting up a Unit in VSEZ for manufacture and export of Lead and Lead Alloys in terms of Rule 17(1) (a) of SEZ Rules, 2006.

The Environmental Engineer, A.P. Pollution Control Board, Visakhapatnam (special invitee) expressed his reservation on the proposal stating that the Unit proposes to import used lead acid batteries which is a hazardous waste and lead manufacturing process, particularly smelting, is highly polluting. In response, the representative of the Unit, Mr. Naveen Agrawal, stated that the Unit will use advanced foreign technology in which the entire manufacturing process would be in closed circuit and toxic emissions would be controlled effectively which would meet even the stringent pollution control standards of advanced European countries.

Development Commissioner, VSEZ stated that fulfilling the pollution control requirements, as may be prescribed by the Pollution Control authorities and obtaining Pollution Control Board clearance before commencing operations is mandatory for the Units set up in SEZ as per SEZ Act & Rules.

The proposal of the Unit was approved subject to the following:

1. Submission of revised Memorandum of Undertaking and Articles of Association showing Mr. Naveen Agrawal as Director as indicated in the application for Unit approval.
2. Resubmission of particulars relating to Foreign Technical Collaboration in Para X of Form F and Other information in para XII of Form-F with corrected entries.

Agenda Item No. 3: Proposal of M/s. Durga Monolithics (P) Ltd for amendment of LOA for inclusion of manufacture of Magnesite Bricks and Chrome Bricks, Chrome Mag. Bricks & Chromite Bricks as additional activity under broadbanding.

The proposal was discussed and permission was accorded to the Unit only for manufacture and export of Chemical bonded Magnesite Bricks (which is currently not a restricted item of export).

Agenda Item No.4: Proposal of M/s. Fans Asia Private Limited for amendment of LOA for change in the items of manufacture in terms of Rule 19(2) of SEZ Rules and request for permitting the Unit to undertake Trading & Warehousing Activity in terms of Rule 18(5) of SEZ Rules.

The request of the Unit for amendment of LOA to indicate item of manufacture as cooling tower components instead of Cooling Towers was approved. The request of the Unit to include trading and warehousing under Rule 18(5) of SEZ Rules in the Letter of Approval was also approved. The Unit was advised to take note of Rule 41(g) of SEZ Rules relating to sub-contracting.

Agenda Item No.5: Proposal of Dr. Reddy's Laboratories Limited for approval of services for carrying out authorized operations

The following services were allowed for Service Tax Exemption/Refund:

1. List of Services Consumed Within Zone:

Description of service
Cleaning Activity
Erection, Commissioning or Installation
Industrial or Commercial Construction Service(*)
Interior decorator
Maintenance or repair (*)
Security Agency
Technical testing and analysis (*)
Technical inspection and certification
Telecommunication Services like Telephone, pager, leased circuit, Telegraph, Fax & Telex(Except Mobile Phone)
Works contract
Internet Telephone installed in the SEZ premises

(*) If the service is provided within the Zone, otherwise the same will come under refund route.

2. List of Services consumed partly or fully outside the Zone.

Description of service
Advertisement Agency
Air Travel Agent
Airport Services
Architect Services
Asset management service
Auctioneers

Authorized Service Station
Banking or Financial Services
Broadcasting agency or organization
Business Auxiliary Service
Business Exhibition
Cable Operator
Cargo Handling
Chartered Accountant
Clearing & Forwarding Agent
Commodity Exchange Service
Company Secretary
Consulting Engineer
Convention Centre
Cost Accountant
Courier
Credit Rating Agency
Custom House Agent
Design Services
Development and Supply of Contents
Dredging Service
Dry Cleaning
Event Management
Foreign Exchange Broker
Forward Contract
Franchise
General Insurance
Information Technology Software Services
Insurance auxiliary services concerning general insurance business
Intellectual Property
Legal Consultancy Service
Mailing List Compilation and Mailing
Management or Business consultant
Mandap Keeper
Manpower Recruitment and Supply Agency
Market Research Agency
Online Information & Data Base Access or retrieval
Outdoor Caterer
Packing Activity
Pandal or shamiana
Photography

Port services
Processing and Clearing House Service
Rail Travel Agent
Registrar to an issue
Rent-A-Cab scheme operator
Scientific and Technical consultancy
Share Transfer Agent
Ship Management
Site formation and clearance, excavation and earthmoving and demolition and such other activities
Steamer Agent
Stock Exchange Service
Stock-Broker
Storage and warehousing
Supply of Tangible Goods Service
Support services of business or commerce
Transport by Cruise Ship
Transport of Coastal Goods; and Goods transported through Inland water Service
Transport of Goods by Aircraft
Transport of goods by Rail
Transport of goods by road
Transport of goods other than water through pipeline or other conduit
Transport of passenger embarking in India for international journey by air
Travel Agent - Other
Underwriter

The above segregation of services eligible for exemption in terms of notification NO.15/2009-ST, dated: 20/05/2009 is for administrative convenience. The jurisdictional Central Excise department will be the final authority in this regard.

Agenda Item No.6: Proposal of M/s. Axcel Global Services for approval of services for carrying out authorized operations

The following services were allowed for Service Tax Exemption/Refund:

1. **List of Services Consumed Within Zone:**

Cleaning Activity Services
Commercial or Industrial Construction Services (*)
Computer Network Services

Construction Services within the SEZ
Erection, Commissioning and Installation Services (*)
Management, Maintenance and Repair Service (*)
Packaging Services
Security Agency Services
Site Formation and Clearance, Excavation and Demolition Services
Storage & Warehousing services (*)
Technical Testing and Analysis services (*)
Technical Inspection and Certifications services (*)
Telecommunication Services(Except Mobile Phones)
Works Contract (*)

(*) If the service is provided within the Zone, otherwise the same will come under refund route.

2. List of Services consumed partly or fully outside the Zone.

Description of service
Advertisement Agency
Air Travel Agent
Architect Services
Business Auxiliary Service/ Business support services
Cargo Handling
Chartered Accountant
Clearing & Forwarding Agent
Consulting Engineer
Convention Services
Cost Accountant Services
Courier Services
Custom House Agent
Event Management
Forward Contract
Franchise Services
Legal Consultancy Service
Management or Business consultant
Manpower Recruitment and Supply Agency
Online Information & Data Base Access or retrieval
Public Relation Management Services
Port services
Processing and Clearing House Service
Rail Travel Agent

Rent-A-Cab scheme operator
Steamer Agent Services
Transport of Goods by Aircraft
Transport of goods by Rail
Transport of goods by road
Travel Agent Services

The above segregation of services eligible for exemption in terms of notification NO.15/2009-ST, dated: 20/05/2009 is for administrative convenience. The jurisdictional Central Excise department will be the final authority in this regard.

Agenda Item No.7: Proposal of M/s. Xtraa Cleancities Limited for approval of Port Services as authorized service for carrying out authorized operations

The request of the Unit for considering Port Services as authorized services for refund of Service Tax was discussed and approved.

This issues with the approval of the Development Commissioner and Chairperson, UAC.

(K. Srinivas)
Assistant Development Commissioner