

**AGENDA FOR THE APPROVAL COMMITTEEs MEETING FOR THE VSEZ
& PRIVATE SEZs OF ANDHRA PRADESH, TELANGANA UNDER THE CHAIRMANSHIP
OF SHRI SRINIVAS MUPPAALA, IRSME, ZONAL DEVELOPMENT COMMISSIONER TO
BE HELD ON 26.06.2023 THROUGH WEBEX AT 11.00 AM**

VSEZ Agenda – Andhra Pradesh

Agenda Item No.AP-165.01 :- Ratification of the Minutes of the meeting held on 09.06.2023.

The minutes of the UAC meeting held on 09.06.2023 has been circulated to all the members of the UAC and also placed on the VSEZ website. No comments have been received from the members of UAC. The minutes are placed before UAC for ratification.

Agenda Item No.AP-165.02 : Proposal of M/s. Hilton Tobaccos Pvt. Ltd. for permission to import and export promotional materials in their existing LoA - reg

M/s. Hilton Tobaccos Pvt. Ltd. vide letter dated 08.05.2023 has submitted a proposal for inclusion of additional activity i.e., promotional materials in the LoA.

M/s. Hilton Tobaccos Pvt. Ltd. has been granted Letter of Approval on 14.06.2022 for manufacture of Cigarettes based on the Industrial License granted by the Ministry for export subject to the condition that No DTA sale is permitted. The unit has commenced operations on 22.02.2023. The LoA is valid upto 21.02.2028.

The unit has stated that as a trade practice there is a need for different promotions materials, to be sent to their foreign buyer along with the cigarette shipment, which will be supplied by them **free of cost**.

As such, the unit has furnished list of materials relating to the above proposal:

S.No.	Name of Materials	HSN Code
1	T Shirts	6109
2	Watches	9102
3	Wall Clocks	9105
4	Posters	4911
5	Cigarette Lighters	9613
6	Ash Trays	6901,7013,7326
7	Pens	9608
8	Carry bags	3823,4202
9	Caps	6505
10	Umbrellas	6601

The Specified Officer, VSEZ has verified the proposal and informed that the above proposed items can be considered for inclusion.

The above items with ITC HS codes are verified and found to be free for export as per Schedule 2-Export Policy, ITC(HS)2018.

The proposal is placed before for Approval Committee for consideration.

PVT SEZs – ANDHRA PRADESH

Agenda Item No.AP-165.03 :- Ratification of the Minutes of the meeting held on 09.06.2023.

The minutes of the UAC meeting held on 09.06.2023 has been circulated to all the members of the UAC and also placed on the VSEZ website. No comments have been received from the members of UAC. The minutes are placed before UAC for ratification.

Agenda Item No.AP-165.04 : Request of M/s Aragen Life Sciences Limited, a unit in Visakha Pharmacy Ltd, SEZ Parawada, Visakhapatnam for inclusion of additional product in the LoA - Reg.

M/s. Aragen Life Sciences Pvt Ltd. vide letter dated. 13.06.2023 has requested for inclusion of following additional products in the existing LoA. :

S. No	Name of the Product	Intermediate/API	ITC HS Code	Annual Capacity (In KG)
1	(2R,3S)-2-amino-3-(3-fluoro-4-nitrophenyl)-1-(4-methylpiperazin-1-yl)butan-1-one dihydrochloride [CDS-0386/STG-01]	Intermediate	2921 59 90	900
2	N-((2R,3S)-3-(4-amino-3-fluorophenyl)-1-(4-methylpiperazin-1-yl)-1-oxobutan-2-yl)propionamide [CDS-0386/STG-02]	Intermediate	2921 59 900	600

The unit has submitted an undertaking that the above products are Intermediates hence Drug Licence is not required. The above products are Custom Chemical Synthesis (CCS) products covered in CFO file No. APPCB/11022/17/2021-Tec-CFO-APPCB at Sl.No.33 of License copy. The unit has submitted APPCB renewal copy of consent and authorisation order dated : 23.08.2022 which is valid upto 31.08.2027.

Unit has submitted the Process flowchart, Route of Synthesis and List of Raw materials.

The above product with ITC HS code 2921 59 90 is free for export as per Schedule 2-Export Policy, ITC(HS)2018.

In terms of Rule 19(2), approval Committee may approve proposal for broad banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity.

The proposal is placed before Approval Committee for consideration.

Agenda Item No. AP-165.05 : Request of M/s. Honour Lab Limited, in M/s Hetero Infrastructure SEZ Ltd, Nakkapalli, Visakhapatnam for inclusion of additional product in the LoA.

M/s. Honour Lab Limited has requested for inclusion of the following additional product in the LoA.

S. No	Name of the Product	Category	HSN Code	Projected QTY Per Annum.	Apprx value of the goods(Rs)
1	Lithium Carbonate	API	28369100	2000	1.40 Cr

The unit has submitted Drug License Copy issued by DCA, GoAP dated: 20.04.2023 which is valid for 3 years. The Drug License is issued in **Form-29 for the purpose of examination , Test or Analysis.**

The unit has submitted the copy of the CFO issued by APPCB and informed that the above products comes under validation products in bulk at Sl. No.47 of the CFO as 'validation Batches' and the drug license also obtained for samples for validation for above products. The unit has informed that there is no change in annual capacity, and Net Foreign Exchange.

The above products with ITC HS code 28369100 are free for export as per Schedule 2-Export Policy, ITC(HS)2018.

In terms of Rule 19(2), approval Committee may approve proposal for broad banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity.

Accordingly, the proposal is placed before Approval committee for consideration.

Agenda Item No. AP-165.06 : M/s Biocon Limited, SEZ Co-Developer of Visakha Pharmacy Limited SEZ – Renewal of Diesel Procurement permission - Reg.

M/s Biocon Limited, SEZ Co-Developer in Visakha Pharmacy Limited SEZ vide their letter dated 06.06.2023 has requested for renewal of Diesel Procurement permission for next six months i.e from 01.06.2023 to 31.12.2023. The Co-Developer has been granted permission for procurement of HSD of 300 KL vide this office letter dated 27.01.2023 for a period of six months i.e upto 09.06.2023. The unit has submitted the Chartered Engineer Certificate dated : 08.05.2023 for procurement of Diesel alongwith the following details :

No.of Boilers	01 No. (HSD)
Capacity	10 Ton Per Hr.
Make	Forbes Marshall
Idle Running Consumption of Diesel	100 Ltr./Hr
Full Running consumption of Diesel	800 Ltr.
Storage Tank Capacity	50 KL
Stock Available in Tank	46 KL
Explosive License Availability (PESO)	Yes (copy enclosed)

The Specified Officer, Visakha Pharmacity Limited SEZ vide letter dated: 26.05.2023 has certified that the Co-Developer has consumed HSD for a quantity of 95.92 KL for the period from 01.12.2022 to 30.04.2023 and there is a balance of 46.66 KL

The request of the Co-Developer for renewal of HSD permission for a quantity of 300 KL for next six months i.e. from 10.06.2023 to 09.12.2023 is placed before the Approval Committee for consideration.

Agenda Item No.AP -165.07 : Request of M/s.Therapiva Pvt. Limited a unit in M/s. Visakha Pharma City) Ltd, SEZ, Parawada, Visakhapatnam for extension of the LOA for another one year i.e. upto 18.08.2023- Reg.

M/s. Therapiva Pvt. Limited has requested for extension of the LOA for a period of one year i.e. upto 18.08.2023.

Brief details of the unit :

1. M/s. Therapiva Pvt. Limited, Parawada, Visakhapatnam has been granted LoA vide No. 26(D)/166/2019/SSSEZ/VSEZ dated: 19.08.2019 for manufacture of Active Pharma Ingredients / Intermediates for export. The LoA of the unit extended from time to time and the last extension was extended upto 18.08.2022.
2. Upon nearing of expiry of the validity of the LoA, the unit has requested for extension of the LOA for a period of one year i.e. upto 18.08.2023.
3. As per the provisions of Rule-19(4) of SEZ Rules'2006, the Unit has been advised to submit the Chartered Engineer Certificate certifying that 2/3rd of the activity is completed. In response, the unit vide their letter dated: 05th September2022 has informed that they have not taken any steps for implementation of the project so far. But, they are eager to implement the project and requested to extend the LOA for a period of one year.
4. The Specified Officer, M/s VisakhaPharma City) Ltd (earlier : Ramky Pharma City SEZ) has been requested to inspect the premises of the unit and to furnish the Inspection Report.
5. The Specified Officer vide letter dated: 16.09.2022 has informed that the site was inspected and observed that the unit has not taken any steps for implementation of the project and the site is lying vacant.
6. Simultaneously, the Developer, Visakaha Pharmacity SEZ has also been requested to furnish the status of the unit. In response, the Developer, vide their letter dated : 21.10.2022 has submitted the following :
 - i. M/s.Therapiva was granted provisional allotment for a period two months with effect from 19.05.2021 with certain terms and conditions.

- ii. M/s.Therapiva has failed to achieve/comply with the conditions of the Provisional Allotment letter which resulted in non-execution of a registered lease deed in favour of M/s.Therapiva. Further, M/s.Therapiva has failed to commence any physical works/activities in the allotted plots bearing No. 120 & 121 Part admeasuring Ac. 12.135 Cents. Therefore, in view of such failures of M/s.Therapiva in adhering to the conditions of the provisional allotment coupled with the fact that such provisional allotment has expired, the said land was allotted to M/s. Granules India Group on 22/09/2022.

The Developer has not extended the LoA for a further period after expiry of the Letter of Approval.

7. The proposal of M/s. Therapiva Pvt. Limited for extension of their LOA for one more year i.e. upto 18.08.2023 was placed in UAC meeting held on 10.01.2023 by presenting all the details. The Approval Committee has deliberated in detail and directed the office of the DC to seek explanation from the Developer as well as from the unit regarding cancellation of the allotment and to examine the allotment conditions on file.
8. Accordingly, the Unit as well as Developer were advised vide this office letters dated 19.01.2023 to furnish the explanation for cancellation of the allotment by the Developer along with the copies of provisional allotments/allotment and agreements if any for taking further action in the mater.
9. In response to this office letter dated 19.01.2023, M/s Therapiva Private Limited, vide letters dated 23.01.2023 and 31.01.2023 has submitted the following submission regarding the status of allotment of Industrial Plot No. 120 and 121 part measuring 12.136 acres to their unit:
 - i. The plot was acquired from M/s Omnicare Drugs Pvt Ltd (the original allottee) to establish and operate a Bulk Drug and formulation unit. The original allottee have remitted Rs. 18,90,74,828 as upfront lease premium to the Developer as per their letter of allotment. Post payment of the lease premium, the original allottee duly transferred the plot and novated all rights in favour of the Company . M/s Therapiva procured a NOC from the Original Allottee regarding transfer of the plot to Company's name and submitted the same to VSEZ as per the provisional allotment dated 19.05.2021 issued by the Developer. As per which they have been granted LOA vide this office LOA dated 19.08.2019.
 - ii. As per the provisional allotment letter , the unit was supposed to commence and complete the construction within period of 18 months of allotment of the plot. Due to internal financial situation combined with COVID pandemic, the company could not adhere to the timelines thus requested for extension upto 18.08.2022. The unit has informed that they have sent request letters and mail to Developer and VSEZ regarding their financial situation.

- iii. As per the UAC dated 10.01.2023 and letter dated 19.01.2023, they came to know that the provisional allotment of the unit cancelled and allotted to Granules Group.
 - iv. The unit has requested whether the extension sought by them has been granted or denied . If it is granted, they requested for extension letter and if it is denied then requested to refund EMD of 18.90 Cr.
 - v. The unit also informed that without any intimation to unit, the Developer has allotted the same land to other entity.
10. In response to this office letter dated 19.01.2023 , M/s Visakha Pharma City Limited SEZ, Parawada, Visakhapatnam , Developer vide letter dated 14.06.2023 (after a gap nearly five months) has informed that M/s Therapiva Private Limited has not executed the lease deed even after 3 years of provisional allotment and not complied with the provisions of the said provisional allotment letter dated 06.06.2019. Hence the Developer has allotted the same land to M/s. Granules CZRO Private Limited. Now the Developer has requested to cancel the LOA issued to M/s Therapiva Private Limited

As per the above, it to submit to the Approval Committee that M/s.Therapiva Limited has not taken any steps for implementation of the project even after lapse of nearly four years. As per the provisions the requests for extension of LoA can be considered based on the Chartered Engineer Certificate, certifying that 2/3 of activities relating to construction is completed. The unit has clearly stated that they have not taken any steps for implementation of the project. Secondly, the Developer has informed that M/s.Therapiva Limited has not complied with the provisional allotment conditions and the provisional allotted granted to M/s.Therapiva Limited is expired and the Developer has not granted further extension.

It is to inform the Approval Committee that the lands in SEZ are meant for export production, earn foreign exchange and generate economic activity and the same cannot be kept idle for long.

In view of the above it is to submit that the Developer has **not granted further extension after expiry of the provisional allotment** and **M/s.Therapiva Limited has not taken any steps for implementation of the project even after lapse of three years**, as such the request of the unit for grant of extension of the validity of the LoA after expiry cannot be considered in light of the above reasons and hence proposed to cancel the LoA as per the provisions of SEZ Act and SEZ Rules'2006.

The proposal is placed before the Approval Committee for cancellation of the LoA granted to M/s.Therapiva Limited as the same is lapsed/expired and do not merit for extension for further period.

Agenda Item No.AP-165.08 : Proposal of M/s. Granules CZRO Private Limited for setting up of an unit in M/s Visakha Pharma City Limited SEZ, Parawada, Visakhapatnam for manufacturing of Active pharmaceuticals/ Chemical Ingredients and Bulk Drug Intermediates.

M/s. Granules CZRO Private Limited vide application dated: 09.06.2023 has submitted a proposal for setting up of a new Unit in Visakha Pharma City SEZ. The details of the proposal is furnished hereunder:

1	Proposal	Proposal for setting up of a unit for manufacture of Active pharmaceuticals/ Chemical Ingredients and Bulk Drug Intermediates.			
2	Application Fees	Rs.10,000/- DD furnished			
3.	Name & address of the Company(Regd. Office) Location of the proposed Unit	M/s. Granules CZRO Private Limited 2 nd Floor, My Home Hub, Block 3, Hitech City Road, Madhapur, Hyderabad, Rangareddy, Telengana Plot No. 120 and 121 Part In M/s Visakha Pharma City Limited SEZ, Parawada			
4.	Telephone/Fax/E.mail/web-site	Telephone No.: -040-69043500 Fax No.: - 040-23115145 Email: Not Furnished website: Not Furnished			
5.	Constitution of the Company	Private Limited Company			
6.	Items of Manufacture/	Sl. No	Product Name	Annual Capacity	ITC HS Code
		1.	Paracetmol	1200 MT	29222933
		2.	Metformin Hydrochloride	1200 MT	29252990
		3.	Para Aminophenol	4000 MT	20222913
		4.	Dicynamide	720 MT	29262000
7	Import requirements Five years	Capital Goods		Rs.1860.00 lakhs	
		<u>Raw-material, components, consumables etc</u>		Rs.6479.00 lakhs	
		Total		Rs.8339.00 lakhs	
8	FOB Value of Exports	Rs. 51345.00 Lakhs (\$ in Thousand 64,182)			
9	Indigenous requirement Five years	Capital Goods		Rs.11,640.00 Lakhs	
		Raw Materials		Rs.25,918.00 Lakhs	
		Total		Rs.37,558.00 Lakhs	
10	Foreign Technology if any	No			
11	Net Foreign Exchange (NFE)	Rs.43006.00 Lakhs (\$ in Thousand 53757)			
12	Requirement of Space	Land -		49049 Sq. mtrs	
		Built up area:		24890 Sqmtrs	
13	Requirement of Water	1000 KL/Day			
14	Effluent/mode of disposal	Effluents & Hazardous waste will be sent to Visakha Pharmacy CETP & HVVMP as per the agreement			
15	Requirement of Power	5000 KVA			

16	Employment	Men - 100 Women-50 Total- 150
17	Whether the applicant has been issued with any industrial LOA/LOP under EOU/SEZ , if so, details	No
18	Availability of Space	Applicant has submitted Allotment letter dated 19.05.2023 from the Developer
20	Proof of Residence	Submitted Aadhra Copies of both the Directors of the Company and PAN cards of the Directors
21	Income tax Returns	Company has submitted Audited Balance sheet of the Granules India Ltd company(Flag ship company) for the last three years from 2019 to 2021.

Brief Profile of the Company:

As per the project report submitted by the Applicant ,M/s Granules CZRO Private Limited is a 100 % subsidiary of Granules India Limited.

M/s Granules CZRO Private Limited incorporated on 16.01.2023 and initially the name of the Company was CZRO Molecules Pvt Ltd which was changed to Granules CZRO Private Ltd w.e.f 28.04.2023. There are two Directors in the company viz., Dr. Krishna Prasad Chigurapati, Director and Mrs. Uma Devi Chirugapti, Director . The company has submitted last three years Income Tax returns of the above Two Directors and audited balance sheet of M/s. Granules India Ltd.(flagship company)

The proposal of M/s.Granules CZRO Private Limited is placed before the Approval Committee for consideration in terms of Rule 18 of SEZ Rules'2006.

Agenda Item No.AP - 165.09 - Request of M/s Ribest Ribbons and Bows (India) Pvt. Limited a unit in M/s Brandix India Apparel City (P) Ltd SEZ for permission for additional Space and extension of lease period – Reg.

M/s.Ribest Ribbons and Bows (India) Pvt. Limited vide letter dated: 29.04.2023 has informed that they have received an allotment letter from INDIP for additional space measuring an area of 12119 Sft with built-up area of 29306 Sft. at Staging Unit I at plot No.C in Brandix SEZ for a period of seven years with effect from 01.05.2023 to 30.04.2030. The unit has informed that the purpose for taking additional space is for warehousing activity.

The unit has furnished the Allotment letter issued by INDIP dated 26.04.2023 for additional space measuring an area of 12119 Sft with built-up area of 29306 Sft.at Staging Unit I at plot No.C Processing area covered by survey Nos 285(P),286(P),304(P) {East Plot C(part) West: Road (RI-2), North: Stg -5 (Plot C part) south: BA(Plot C part) of Duppitur Village, Atchutapuram Mandal, Visakhapatnam in Brandix SEZ for a period of seven years with effect from 01.05.2023 to 30.04.2030.

The unit has informed the purpose for which additional space take in for Warehousing activity and there is no additional investment on machinery etc and there is no change in projections.

The Specified Officer vide letter dated 02.06.2023 has submitted his inspection report and stated that the additional space for which permission has been sought by the unit is Plot 'C'(part) which is a portion of the Staging unit-I. In the remaining plot 'C' of staging unit-I, M/s Shore to Shore Brand Packaging Pvt Ltd already exists. The proposed warehouse is having separate entry and exit points for their operation of Ribest Ribbons and Bows(I) Pvt Ltd. SO has opined that the request of the unit for additional sapience in Staging Unit-1 at plot 'C' (Part) merits consideration.

The request of the unit for permission for additional space is placed before the Approval Committee consideration.

Agenda Item No. 165.10 : Request of M/s. Aurobindo APL Health Care LTd, unit-IV, in AIIIC Multi Product SEZ, Nellore for inclusion of additional products in the LoA.

M/s. Aurobindo APL Health Care Ltd. a unit in in APIIC Multi Product SEZ, Nellore vide letters dated 16.06.23 and 20.06.23 has requested for inclusion of following additional products in the existing LoA. The unit has been advised to submit the copies of NDPS license issued by Central Bureau of Narcotics in respect of the following proposed products in the UAC meeting held on 25.05.23. The unit has furnished the NDPS license issued by CBN.

In this connection the unit has informed that they have received NDPS Licence for the above products and details are given as below:

1.	Export Authorization No. P-EXP-12346/2023 dtd: 02.06.2023	Clonazepam Tablets 2mg - 8377*100=837700 Tablets (837700/1000000= 0.8377 millions).	Basic Substances calculation: 8377*100*2mg =1675400mg/1000mg=1675.4Grams
2.	Export Authorization No. P-EXP-12347/2023 dtd: 02.06.2023	Clonazepam Tablets 0.5mg - 1071*1000=1071000 Tablets - (1071000/1000000= 1.071 millions).	Basic Substances calculation: 1071*1000*0.5mg=535500mg/1000mg=535.5Grams
3.	Export Authorization No. P-EXP-12348/2023 dtd: 02.06.2023	Clonazepam Tablets 0.5mg - 41141*100=4114100 Tablets - (4114100/1000000= 4.1141 million)	Basic Substances calculation: 41141*100*0.5mg=2057050mg/1000mg=2057.05Grams

The unit has informed that they have applied for NDPS License for export of Clonazepam Tablets for 1 Mg (300 bottles X 1000 Tablets) and informed that they will submit NDPS Licence copy after receipt of the same from NDPS. Copy of the application dated: 16.06.2023 is enclosed.

S.No	Name of the Product	Strength(mg)	UOM	Annual Capacity	HSN Code
1	Clonazepam Tablets	0.5 mg	Mil	5.185	30049099
2	Clonazepam Tablets	1 mg	Mil	2.972	30049099
3	Clonazepam Tablets	2 mg	Mil	4.288	30049099

The unit has submitted Drug License Copy issued by DCA, GOAP dated: 15.3.23 which is valid upto 31.03.2026 for **manufacture purpose of Clonazepam Tablets**. The unit has furnished flow charts and NFE for each category of the proposed product. The unit has projected Exports of Rs.198 Lakhs Import of Rs.7.39 Lakhs and NFE of Rs.190.61 Lakhs in respect of the above products.

The above products with ITC HS code 30049099 are free for export as per Schedule 2-Export Policy, ITC(HS)2018.

In terms of Rule 19(2), approval Committee may approve proposal for broad banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity.

Accordingly, the proposal is placed before Approval Committee for consideration.

Agenda Item No. 165.11: Request M/s. Jyothi Quartz Surface a unit in M/s. APIIC Ltd. Building Product SEZ for permission to procure Solar modules and panels Reg.

M/s. Jyothi Quartz Surface vide letter dated. 27.02.2023 has informed that they are planning to install Solar Power Generating system of 750 KWP capacity in the premises of their unit for captive consumption and requested for permission to procure the machinery and equipment needed for completion of this project. The unit has been advised to submit a copy of re-registration with Central Electricity Authority and undertaking in the light of DoC OM no dated 7.06.2021 for compliance with the guidelines. In response the unit has furnished the Approval from CEA dated 03.06.2023 vide email dated 22.06.23.

The unit has informed that due to recent surge in electricity, duties/taxes and increased competition over the last few months. They have felt the need to cut down on their expenses incurred in production. Electricity cost being a vital component of our costing, and part of green initiative they intend to install 750KWP rooftop solar power plant (Solar Plant) on the rooftop of their Building located at plot No:5, APHIC BPSEZ, Annagi(village), Maddipadu (Mandal), Prakasam (District)- 523211.

For the procurement, erection and installation of the Solar power plant they have made an agreement with M/s. ORB Energy Private Limited, Bangalore as the Contractor and shall be acting as service provider to install the solar Power plant. This company will take care of the entire project including erection of machinery, electrical work and final commissioning of the project Totalling to a capacity of the solar power plant 750 KWP and it can able to generate approx. 0.13 million units on annual basis.

In this regard, kind reference is invited to DoC's Power Guidelines O.M. No. K-43014(16)/8/2020-SEZ dated: 7th June 2021, allowing setting up of "non –conventional power plant with permission of UAC within the premises of an SEZ unit for the exclusive purpose of captive consumption of the unit with a condition that no tax/duty benefits stipulated under section 26 of SEZ Act, 2005 shall be available for setting up as well as operations and maintenance of such power plant. Such captive generating power plants shall comply with all rules, regulations and technical standards framed under the Electricity act, 2003 as amended from time to time. Captive generative power plants with capacity 500 KW and above has to be re-registered with Central Electricity Authority."

As per which, a unit may set up a non-conventional power plant with the approval of the Unit Approval Committee within the premises of the unit for the exclusive purpose of captive consumption subject to the condition that no tax/duty benefits stipulated under Section 26 of the SEZ Act,2005 shall be available for setting up as well as operations and maintenance of such power plant.

The unit has furnished the certificate registered with the Central Electricity Authority (CEA) approval for Electrical installation of Solar Power Plant of capacity 750 Kwp vide letter dated 03.06.2023. Copy enclosed.

The proposal of M/sJyothi Quartz Surface for installation of Solar Power Plant of 750 KWP is placed before the Approval Committee for consideration.

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