

**Office of the Development Commissioner, Sri City SEZ(Multi Product),
Sathyavedu Mandal, Chittoor District, A.P. Pin : 517 588.**

**MINUTES OF THE MEETING OF THE UNIT APPROVAL COMMITTEE FOR
M/S. SRI CITY (P) LIMITED, MULTI PRODUCT SEZ.**

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UAC Meeting No. 3 of 2015-16 Dtd. 24.08.2015

The Meeting of the Unit Approval Committee was held on **24-08-2015** at 02.30 PM at Business Centre, Sri City SEZ, Sathyavedu Mandal, Chittoor District, A.P. Pin – 517 588.

Members Present:

- 1) Shri S. B. S. Reddy, ITS, Jt. Director General of Foreign Trade, C.G.O. Towers, No.302, Kavadiguda, Hyderabad-500 080.
- 2) Shri R. Bhoopal, IRS, Asst. Commissioner of Customs, C.E. & S.T., O/o The Commissioner of Customs, Central Excise & Service Tax, 7/86A, Amaravathi Nagar, West Church Compound, Tirupati – 517 502.
- 3) Shri Krishna Kumar. P, IRS, Asst. Commissioner of Income Tax, O/o the Commissioner of Income Tax, Aayakar Bhavan, Tirupati – 517 501
- 4) Shri K. Vidya Sagar, Dy. Commissioner of Labour, GoAP, Department of Labour, Chittoor District, Tirupati- 517 502.
- 5) Shri Md. Shafee Ahamed, Deputy Director, O/o The General Manager, Govt. of A.P., Department of Industries, District Industries Centre, Chittoor-517 501, A.P.
- 6) Shri P. V. Kishore Reddy, Asst. Environmental Engineer, A.P.P.C.B., Regl. Office, Narasimha Teertham Road, Tirupathi-517501.
- 7) Shri K. V. Ramana, Specified Officer, Sri City SEZ,
- 8) Shri C. Sampath, Authorized Officer, Sri City SEZ,
- 9) Shri R. Nagarajan, C.F.O., M/s. Sri City Pvt. Ltd. (Rep. of Developer)
- 10) Shri Karthik Mocherla, Asst. Manager, M/s. NSDL Database Management Ltd.,

Shri A. K. Choudhary, ITS, Development Commissioner, Sri City SEZ (Multi Product) and Chairperson, Unit 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 and Supplementary Agenda** were discussed and following decisions were taken.

AGENDA: 1 Ratification of the Minutes of the Meeting of the Unit Approval Committee held on **29.07.2015**.

The Approval Committee **ratified** the Minutes of the Meeting of the Unit Approval Committee held on **29.07.2015**.

AGENDA: 2 (a): No proposal has been received from the Developer, M/s. Sri City Pvt. Ltd.

AGENDA: 3 (a): No Proposal has been received for setting up unit in Sri City SEZ.

AGENDA: 3 (b):

Proposal of M/s. UNP for approval for list of specified services for claiming exemption from payment of Service Tax.

The Unit Approval Committee discussed and **approved** the proposal for default list of 66 Services with ab-initio exemption with following conditions:

1. Terms and Conditions of Service Tax Notification No.12/2013-Service Tax Dtd.01.07.2013 are applicable, as amended from time to time.
2. Specified Officer to verify the association of Services with Authorized Operations.
3. Specified Officer to verify Service Contracts or POs/Service Orders wherever applicable.

AGENDA: 3 (c):

Proposal of M/s. Pals Plush India Private Limited approval for revised list of specified services for claiming exemption from payment of Service Tax.

The Unit Approval Committee discussed and **approved** the proposal for default list of 66 Services with ab-initio exemption with following conditions:

1. Terms and Conditions of Service Tax Notification No.12/2013-Service Tax Dtd.01.07.2013 are applicable, as amended from time to time.
2. Specified Officer to verify the association of Services with Authorized Operations.
3. Specified Officer to verify Service Contracts or POs/Service Orders wherever applicable.

In respect of following three services the UAC decided to **defer** the case for next UAC Meeting as the representative of the Unit fails to explain the justification for exemption. The unit may be advised to apply afresh with proper justification to consider their proposal further.

1. Steamer Agent Services
2. Health Services by a clinical establishment, health check up / diagnosis etc.
3. Service of promotion or marketing of brand of goods/services/events.

AGENDA : 4 (a):

Units, which have completed one year of operation as on 31.03.2015 (for 2014-15) from the date of commencement of commercial production, have been monitored as per Rule 54 of SEZ Rules, 2006.

There are 20 (16 Mfg. + 4 units in FTWZ) units which have completed one year or more of operations as on 31.03.2015. Review of 9 manufacturing units have been completed during UAC Meeting No. 2 of 2015-16 held on 29.07.2015.. The status of the remaining 11 units are as under:

1. M/s. Siddhartha Logistics Co. Pvt. Ltd. – **Positive NFE achieved for 2014-15 & Cumulative Period of 2 years 3 months.**
 - The UAC **reviewed** and noted the performance of the Unit.
2. M/s. Shan Solar Private Limited - - **Negative NFE achieved for 2014-15 & Cumulative Period of 3 years 9 months.**
 - The UAC **reviewed** and **decided** to issue Show Cause Notice to the Unit as per Guidelines for annual monitoring of performance of SEZ Units in Annexure- I (Rule 54 of SEZ Rules, 2006)

The UAC decided to direct the other units to submit APR on or before 30.09.2015.

Supplementary Agenda No. 1

Proposal of M/s. Astrotech Steels Pvt. Ltd., for approval of additional services for claiming **ab-initio** exemption.

The Unit Approval Committee discussed and **approved** the proposal for following list of Services with ab-initio exemption:

Sl. No.	Taxable Service	Sl. No. in default List of Services
1	Advertising Agency's Service	4
2	Banking & other financial service	6
3	Business Exhibition Services	7
4	Chartered Account's Services	9
5	Company Secretary's Service	13
6	Consulting Engineer's Service	15
7	Cost Accountant's Service	16

8	Credit Rating Agency's Services	18
9	Custom House Agent's Services	19
10	Information Technology Software Services	28
11	Man power Recruitment and Supply Agency's Service	34
12	Market Research Agency's Services	35
13	Storage & Ware Housing Services	44
14	Travel Agent's Services	63
15	Business Support Services	64

The above approval is subject the following conditions:-

1. Terms and Conditions of Service Tax Notification No.12/2013-Service Tax Dtd.01.07.2013 are applicable, as amended from time to time.
2. Specified Officer to verify the association of Services with Authorized Operations.
3. Specified Officer to verify Service Contracts or POs/Service Orders wherever applicable.

In respect of services viz., Business Auxiliary Services and Management or Business Consultant Services, the UAC decided to **defer** the case and advised the representative of the unit to apply with justification.

This issues with the approval of **the Development Commissioner, Sri City SEZ** and **Chairperson**, Unit Approval Committee.

(P. S. B. SASTRY)
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