

**AGENDA FOR THE 201<sup>st</sup> APPROVAL COMMITTEEs MEETING FOR THE VSEZ & PRIVATE SEZs OF ANDHRA PRADESH UNDER THE CHAIRMANSHIP OF SHRI SRINIVAS MUPPAALA, IRSME, ZONAL DEVELOPMENT COMMISSIONER TO BE HELD ON 24.12.2024 THROUGH HYBRID MODE AT 11.00 AM**

**PVT SEZs – ANDHRA PRADESH**

**Agenda Item No.AP-201.01:- Ratification of the Minutes of the meeting held on 11.12.2024.**

The minutes of the UAC meeting held on 11.12.2024 has been circulated to all the members of the UAC. No comments have been received from the members of UAC. The minutes are placed before UAC for ratification.

**Agenda Item No.AP-201.02 : Request of M/s. Pfizer Healthcare India Private Limited, a unit in M/s. Visakha Pharmacy Ltd SEZ, Parawada for inclusion of additional product in the LoA - Reg.**

M/s. Pfizer Healthcare India Private Limited has requested for inclusion of the following additional product in the LoA.

Sl. No.	Item of Manufacture	Product	ITC HS	UOM	Proposed Qty (Nos)
1	Potassium Chloride for Injection Concentrate, USP, 10 mEq/5 kL(2mEq/mL)	Injectable	30049099	VIAL	82,000

Unit has been advised to submit the details of quantities approved and availed quantities, in response unit vide letter dated 17.12.2024 has submitted the details which are as below:

1. Approval from APPCB for the above product as : 499.920 Million vials/ampules Per Annum
2. Quantity approved by UAC (In millions/vials/ampules) : 640.66 million (\*)

(\* Unit has mentioned that the annual capacity of 499.920 million will not impact due to addition of new products in LOA as the proposed products for inclusion are manufactured in the place of existing products based on the market demand of the product and its market plan. Depending on the market requirement, they stop the existing product and place the new product for manufacture in the same manufacturing line. Unit ha mentioned that they rotate products for manufacturing according to market demand in the same manufacturing line)

3. Quantity utilised (produced) so far against the APPCB approval in the FY 2023-24: 174.95 Million
4. Balance QTY available against PCB approval : 324.97 millions
5. Qty applied at present for approval : 0.082 Million

The unit has submitted the APPCB license dated 01.12.2023. The approval is indicated at page No.2 and submitted Drug License copy dated 25.10.2024 for the above products for export.

Unit has submitted the brief process details of the above product. There is no change in investment and employment. The above proposed products with above ITC HS are free for export as per Schedule 2-Export Policy, ITC(HS)2018.

In terms of Rule 19(2), approval Committee may also approve proposal for broad banding diversification, enhancement of capacity of production, change in the terms of manufacture or service activity. Accordingly, the proposal is placed before the UAC for consideration.

**Agenda Item No.AP-201.03: Request of M/s. Pfizer Healthcare India Private Limited, a unit in M/s. Visakha Pharmacy Ltd SEZ, Parawada for seeking permission on SEZ exemption on Food Provided through outdoor caterers-Reg.**

M/s Pfizer Healthcare India Pvt Ltd vide letter dated 14.11.2024 has requested for permission for exemption relating to the food provided through outdoor caterers.

In this connection, the unit has informed that they have been granted approval for "outdoor caterer's services ' during the year 2013. As per DOC's uniform list of services dated : 02.01.2018, the 'outdoor caterers services ' under GST regime is applicable to sez units.

Unit has informed that under GST regime an ambiguity has been created by the classification of various food-related services under the heading 996331, 996332,996333 and 996334.

As all these SAC codes are mostly indicated as Outdoor catering services provided in exhibition

halls, events, marriage halls, and other outdoor and indoor functions. These are mostly even/occasion-based catering services and do not cover the provision of food on a daily basis.

Unit has informed that they have entered into a contract with a food vendor for supplying meals at a concessional rate to the employees. The food shall be prepared by the vendor at the company's premises and shall be serviced at a designated area.

Unit has referred the definition of Outdoor caterer services under GST law as 'Supply by way of or as part of any service of goods, being food or any article for human consumption or any drink at Exhibition halls, events, conferences, marriage halls and other outdoor or indoor functions that are event based and occasional in nature".

Whereas the provision of food by the company in its canteen is not an event-based activity but an activity which is on a daily basis. Hence the food provided by the vendor to the company daily does not fall within the purview of any specified classification of SAC under GST law and the unit has requested to include the services as a residual category i.e **other contract food services - 996337** for the purpose of inclusion as authorized services.

In view of the above, the unit has requested to provide an exemption by including Other Contract Foods service under SAC-996337 as an authorized service.

As the unit is permitted for the 'Outdoor catering services' as per the uniform list of services and now the unit is requesting to classify the said services under SAC 996337.

As SAC 996337 is for 'other contract food services', it does not mention about any Outdoor catering nature and as per the description of SAC 996332 that the supply of 'outdoor catering' is mentioned. Specified Officer, Visakha Pharmacy has opined that SAC 996337 relates to "other Contract Food services". Outdoor catering service can be classified under SAC 996332 only.

As per the provisions of SEZ Rules'2006 the following is submitted for perusal of the Approval Committee :-

1. Employees can never be treated as a SEZ Developer nor as any SEZ Unit.
2. Services of supplying food to employees of units located in SEZ are not covered under Zero rated supply as per GST Act.

Request of the unit placed before the Unit Approval Committee for consideration.

**Agenda Item No.AP-201.04 : Request of M/s. Deccan Fine Chemicals (India)Private Limited (SEZ Unit) for inclusion of additional product in the existing LoA - Reg.**

M/s. Deccan Fine Chemicals (India) Private Limited (SEZ Unit) has requested for inclusion of the following additional products in the existing LoA.

The details of the products proposed for inclusion is furnished hereunder :-

Sl.No	Name of the Product as mentioned against ITC(HS) Code No. as per DGFT Website	Name of the product	Quantity in MT
1.	Other (38089199)under the heading of Miscellaneous CHEMICAL PRODUCTS	3-Bromo-N-[4-chloro-2-methyl-6-(methylcarbamoyl)phenyl]-1-(3-chloropyridin-2-yl)-1H-phrazole-5-carboxamide (Chlorantraniliprole (CTPR))(Saturn)	10

The unit has informed that there will not be any change in the projections viz imports, exports and NFE and any additional impact upon addition of the above products as the same will be manufactured within the overall capacity permitted earlier. The above proposed product with above ITC HS are free for export as per Schedule 2-Export Policy, ITC(HS)2018.

The unit has submitted copy of APPCB order dated 10.01.2024 which is valid upto 30.09.2028. . Unit has submitted the details of the products approved upto 24.05.2024.

**Details of Quantity Permitted and Availed Details:**

Approval from APPCB for the above product as R&D and Pilot Plant products permitted by APPCB order dt. 10.01.2024: 40150 MT/Year

- Total Qty approved by VSEZ : 18667.09 MT

- Balance QTY available against APPCB approval : 21482.91 MT
- Qty applied at present for approval : 10 MT

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

Accordingly, the proposal is placed before the UAC for consideration.

**Agenda Item No.AP-201.05 : Request of M/s. Deccan Fine Chemicals (India)Private Limited (SEZ Unit) for inclusion of additional product in the existing LoA - Reg.**

M/s. Deccan Fine Chemicals (India) Private Limited (SEZ Unit) has requested for inclusion of the following additional products in the existing LoA.

The details of the products proposed for inclusion is furnished hereunder :-

Sl.No	Name of the Product as mentioned against ITC(HS) Code No. as per DGFT Website	Name of the product	Quantity in MT
1.	Other (38089199)under the heading of Miscellaneous CHEMICAL PRODUCTS	IN-F2604(Intermediate)	2

The unit has informed that there will not be any change in the projections viz imports, exports and NFE and any additional impact upon addition of the above products as the same will be manufactured within the overall capacity permitted earlier. The above proposed product with above ITC HS are free for export as per Schedule 2-Export Policy, ITC(HS)2018.

The unit has submitted copy of APPCB order dated 10.01.2024 which is valid upto 30.09.2028( The product is indicated at 138 as R & D and Pilot Plan Products) ). Unit has submitted the details of the products approved upto 24.05.2024.

**Details of Quantity Permitted and Availed Details:**

- Approval from APPCB for the above product as R&D and Pilot Plant products permitted by APPCB order dt. 10.01.2024: 500 MT/Year
- Total Qty approved by VSEZ : 63 MT
- Balance QTY available against APPCB approval : 437 MT
- Qty applied at present for approval : 2 MT

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

Accordingly, the proposal is placed before the UAC for consideration.

**Signed by Muppaala**

**Srinivas**

**Date: 19-12-2024 15:50:41**

**(Srinivas Muppaala,IRSME)**

**Zonal Development Commissioner**

