

EPCES NEWS

Volume : 29 Issue : 21

April - June 2025



CIM Review Meeting - SEZ Act to be amended for DTA Supply on Duty Foregone basis and other Reforms



**Micron India SEZ, Sanand, Gujarat (37.64 Ha)
for semiconductors manufacturing**



**Hubballi (Aegus Group) SEZ, Dharwad, Karnataka (11.55 Ha)
for electronic components manufacturing**

SEZ Rules Amended for Promoting Semiconductors & Electronic Component Manufacturing - New SEZs Approved

SEZ Merchandise Exports, Zone-wise

(in Mn USD)

Rank	Zones	Mar-24	Mar-25	Growth (%)	F.Y. 2023-24	F.Y. 2024-25	Growth (%)	Share (%)
1	Kandla SEZ	4029.9	3325.1	-17%	35433.4	35219.1	-1%	51%
2	Vishakhapatnam SEZ	1472.1	1098.9	-25%	8563.1	13356.9	56%	19%
3	SEEPZ Mumbai	479.4	554.9	16%	6058.3	5559.2	-8%	8%
4	Falta SEZ	352.4	464.4	32%	3904.3	4552.2	17%	7%
5	MEPZ SEZ	371.7	335.0	-10%	3304.7	3850.3	17%	6%
6	Noida SEZ	282.7	460.2	63%	3462.7	3616.9	4%	5%
7	Cochin SEZ	320.6	310.7	-3%	2317.8	2849.8	23%	4%
	Grand Total	7308.7	6549.1	-10%	63044.4	69004.4	9%	100%

SEZ Merchandise Exports, Sector-wise

(in Mn USD)

Rank	Sector/Product Group	Mar' - 24	Mar' -25	Growth (%)	F.Y. 2023- 24	F.Y. 2024- 25	Growth (%)	Share (%)
1	Petroleum Products	2,290	2,605	14%	25,820	27,263	6%	39.5%
2	Engineering Goods	1,413	831	-41%	8,927	13,162	47%	19.1%
3	Gems And Jewellery	502	838	67%	6,572	7,658	17%	11.1%
4	Drugs And Pharmaceuticals	650	1,116	72%	6,266	7,247	16%	10.5%
5	Organic And Inorganic Chemicals	1,548	446	-71%	6,844	5,019	-27%	7.3%
6	Others	326	148	-55%	3,440	3,365	-2%	4.9%
7	Electronic Goods	290	201	-31%	1,852	1,621	-12%	2.3%
8	Plastic And Linoleum	88	69	-21%	838	938	12%	1.4%
9	Mica, Coal And Other Ores, Minerals Including Process	14	86	508%	302	557	84%	0.8%
10	Leather And Leather Manufactures	46	44	-3%	579	553	-5%	0.8%
	Rest of All	141	165	17%	1,603	1,620	1%	0.0
	Grand Total	7,309	6,549	-10%	63,044	69,004	9%	100%

inside

EPCES News | Volume: 29 | Issue 21 | April-June 2025



Government restores RODTEP Scheme for SEZs and EOUs wef 1.6.2025

FEATURES

SEZ Reforms and Special Economic Zones Amendment Bill 2025 – Presentation in the Review meeting of CIM with Export Promotion Councils & Industry Associations

Government restores RODTEP Scheme for SEZs and EOUs wef 1.6.2025

Steel Import Monitoring System - Sudden Deactivation of SIMS Accounts of SEZs and EOUs – Resolution

EPCES Partners with Newland Global Group to Boost India-Australia Trade

SEZ Reforms to Boost Semiconductor and Electronics Component Manufacturing.

Election of Central and Regional Governing Councils of EPCES – 2025

Status of Key Pending Issues related to SEZs and EOUs As on 17.07.2025

News from the Zones

Members' Queries Resolved

6

8

11

16

17

21

24

26

42



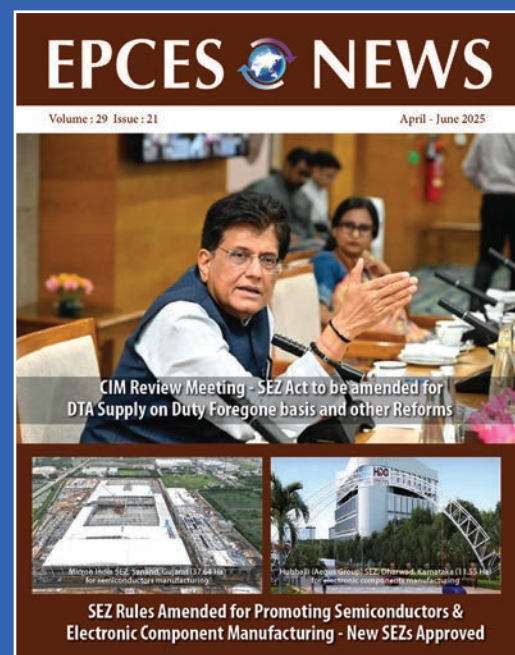
EPCES News

A Newsletter by Export Promotion Council for EOUs & SEZs (Set up by Ministry of Commerce and Industry, Government of India)

A101, 10th Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi – 110001

Email : epces@epces.in
Website : www.epces.in

Volume: 29 | Issue 21
April - June 2025



Badiga Srikanth
Chairman, EPCES

Alok Vardhan Chaturvedi
Director General, EPCES

Published by
Export Promotion Council for EOUs & SEZs
KG Marg, New Delhi

Printed by
Replika Press Pvt. Ltd.



Badiga Srikanth
Chairman, EPCES



During April–June 2025, reaching US\$ 210.31 billion, compared to US\$ 198.52 billion in the same period last year. This growth was driven by a 1.92% rise in merchandise exports (US\$ 112.17 billion) and a strong 11% increase in services exports (US\$ 98.13 billion)



My Dear Colleagues

Despite a challenging global trade environment, India's exports have shown remarkable resilience, registering 5.94% growth in cumulative exports (merchandise and services) during April–June 2025, reaching US\$ 210.31 billion, compared to US\$ 198.52 billion in the same period last year. This growth was driven by a 1.92% rise in merchandise exports (US\$ 112.17 billion) and a strong 11% increase in services exports (US\$ 98.13 billion). Notably, non-petroleum exports—a key indicator of sustainable trade growth—rose by 5.97% to US\$ 94.77 billion, reflecting the diversification and competitiveness of India's export basket.

On the SEZ front, while overall merchandise exports from SEZs recorded a 10% decline in March 2025, the annual performance for FY 2024-25 posted a solid 9% growth, touching US\$ 69 billion. Certain zones demonstrated outstanding performance—Vishakhapatnam SEZ reported 56% annual growth, Falta SEZ achieved 32% monthly growth, and Noida SEZ recorded 63% monthly growth—although some larger zones faced headwinds.

In a significant policy development, the SEZ (Amendment) Bill, 2025, is expected to be introduced in the upcoming Monsoon Session of Parliament. The Bill proposes long-awaited reforms, including DTA sales on a duty-foregone basis, reverse job work, and INR payments for services rendered by SEZ units to DTA. Once enacted, these measures will enhance operational flexibility and improve the global competitiveness of SEZs.

Further positive strides include the restoration of RoDTEP benefits for SEZs/EOUs and resolution of SIMS account deactivation issues, addressing key industry concerns. As we navigate this dynamic environment, EPCES remains committed to advocating for policies that strengthen India's export ecosystem. Let us continue to collaborate, innovate, and build on this growth momentum.

We are pleased to inform you that, following Government approval of the revised Articles of Association, elections for the Central Governing Council (CGC), Regional Governing Councils (RGCs), Vice Chairperson, and Regional Vice Chairpersons will be conducted during July–August 2025. We encourage all members to participate actively in this important process.

In this edition, you will find updates on key policy matters pursued by EPCES, expert responses to member queries from our knowledge partner, and highlights of activities at both the headquarters and regional levels. We welcome your feedback and suggestions to help make this newsletter more informative and engaging.

Together, let's continue driving India's SEZs export success story.

Warm regards,

Badiga Srikanth

Dear Members,

The WTO Global Trade Outlook and Statistics Report of 16 April 2025 has predicted a fall in the volume of world merchandise trade by 0.2% in 2025 following a surge in tariffs and trade policy uncertainty since the start of the year, and a modest recovery of 2.5% merchandise trade growth in 2026. A particularly strong decline of 12.6% was expected for North American exports. Downside scenarios include the reinstatement of suspended “reciprocal” tariffs and a global spread of trade policy uncertainty, including in relation to the still unknown outcomes of the bilateral negotiations currently taking place among a range of Members. Together, these developments could lead to a decline of 1.5% in global merchandise trade. Although not directly hit by tariffs, services trade is also expected to be adversely affected by slowing goods trade and rising policy uncertainty. The volume of world commercial services trade is projected to grow by just 4.0% in 2025 and 4.1% in 2026, less than the baseline estimates of 5.1% and 4.8% excluding the influence of tariff changes and uncertainty.

During Q1, FY 2025-26, Indian merchandise exports grew marginally by 1% to US\$ 112.17 billion, while services exports are expected to grow by 11 % to US\$ 98.13 billion, thus overall exports increasing by 6 % to US\$ 210.31 billion. As regards SEZs, merchandise exports grew by 9% to US\$ 69 billion during FY 2024-25.

There is some good news too. You will be happy to know that the Government is considering introduction of SEZ (Amendment) Bill 2025 in the Monsoon Session of the Parliament starting from July 21. It was informed that the Bill has the provisions, inter-alia, for allowing DTA sale on “Duty Foregone Basis”, reverse job work, and receipt for Services rendered by SEZ units to DTA in INR. Let's first await the Cabinet approval for the same.

On constant follow-up by the EPCES, the Government has finally restored the RoDTEP scheme for SEZs and EOUs with effect from 1.6.2025.

You will also be happy to know that EPCES has been able to get the problem of sudden deactivation of account of a number of SEZs and EOUs on Steel Import Monitoring System (SIMS) resolved expeditiously through constant follow-up with Commerce and Steel Ministries.

Further, with the Government's approval of the revised Articles of Association, elections for the Central Governing Council (CGC), Regional Governing Councils (RGCs), Vice Chairperson, and Regional Vice Chairpersons are being held during July–August 2025. You are requested to actively participate to make the election a success.

This edition also brings you updates on key issues pursued by EPCES with the Government, expert responses to member queries from our knowledge partner, and highlights of activities at both the headquarters and regional levels. We look forward to your valuable feedback and suggestions to make this news magazine more informative and engaging.

With best wishes,



Alok V Chaturvedi



Alok V Chaturvedi
Director General, EPCES



Indian merchandise exports grew marginally by 1% to US\$ 112.17 billion, while services exports are expected to grow by 11 % to US\$ 98.13 billion, thus overall exports increasing by 6 % to US\$ 210.31 billion.





SEZ Reforms and Special Economic Zones Amendment Bill 2025 – Presentation in the Review meeting of CIM with Export Promotion Councils & Industry Associations

Hon'ble Commerce and Industry Minister Shri Piyush Goyal, chaired a meeting with Export Promotion Councils and Industry Associations at Vaniya Bhawan, New Delhi on 30.6.2025. The meeting brought together representatives from the Department of Commerce, Department of Revenue, Export Promotion Councils and Industry Associations.

A presentation was made by the Joint Secretary (SEZ), Shri Vimal Anand on the performance of SEZs and the recent reforms undertaken as well as further reforms proposed. It was presented that Government is proposing an amendment in SEZ Act for allowing DTA sale on "Duty Foregone" basis,

provision for reverse job work, receipt for Services rendered by SEZ unit to DTA in INR, enabling services like MRO (Maintenance, Repair and Overhaul) and space related. Besides, Ease of Doing Business will also be improved through establishment of pre-cleared zones to enable plug and play operations by units, acceptance of trust based self-declaration and having a negative list for approvals in place of specific list of authorised activities for approval. The objective of the proposed reforms was to simplify the procedures, increase economies of scales, utilise the idle capacities at SEZs to realise the objectives of the country for achieving the US \$ 5 Trillion economies by 2027.

Shri Anand also briefed about the recent reforms undertaken by the Government. Focus was on meeting the demands of the sunrise sectors such as Semiconductors and Electronics Component Manufacturing in SEZs. Minimum contiguous land area requirement was reduced to 10 Ha only. Requirement of encumbrance free land was relaxed where land is mortgaged or leased to the Central or State Government or their authorised agencies. SEZ Rules were modified to adopt Toll Manufacturing model – (i) Value of goods received and supplied on FoC basis to be included in Net Foreign Exchange (NFE) calculations under Rule 53, (ii) in semiconductors manufacturing, finished products can be cleared into DTA on payment of custom duty under Rule 18(6)(c), (iii) flexibility was given in semiconductor manufacturing by allowing them to source inputs from elsewhere also besides overseas entity under Rule 18(6)(a). It was informed that as a result of these reforms, the Board of Approval, in its meeting dated 6.6.2025, approved the proposal of M/s Micron and M/s Aequs for establishing SEZs in Sanand and Hubballi in these sectors.

Breakout sessions were also held with Officials from the Department of Commerce, Department

of Revenue and EPCES members under the leadership of Shri Vilas Gupta, CGC member and Shri Sunil Puri, Regional Chairman NSEZ on ICEGATE Implementation at SEZs. It was informed that though ICEGATE was launched in SEZs w.e.f. 1.7.2024, multiple extensions had to be given due to continued disruptions and finally ICEGATE was made mandatory for filing of EXIM documents only w.e.f. 17.02.2025. There are still many modules/functionalities (Courier transactions, FTWZ transactions, DTA supply excluding supply from FTWZ and goods under chapter 71, temporary removal from SEZ for job work, exhibitions, testing, etc., DTA procurements, SEZ supplies from/to warehouses including from/to MOOWR units and EOUs, Merchant export (SEZ Rule 46(11)) and Zone to Zone Transfer) which are continuing on SEZ Online. It was also brought out that there are pending claims of more than 78000 SBs totally Rs 190 cr of RoDTEP benefits.

Discussions were also held regarding various Free Trade Agreements (FTA) concluded in the past, status and challenges in utilisation of such FTAs, opportunities created by the recently concluded FTAs and industry views and expectations for the proposed and ongoing FTA negotiations.





Government Restores RODTEP Scheme for SEZs and EOUs wef 1.6.2025

On 26.5.2025, Department of Commerce issued the notification no 11/2025-26 notifying the restoration of the RoDTEP (Remission of Duties and Taxes on Exported Products) benefits for Special Economic Zones and Export Oriented Units and Advance Authorisation Holders with effect from 1.6.2025.

RoDTEP scheme was launched by the Government on 1.1.2021 to reimburse exporters for embedded duties, taxes, levies that are not otherwise refunded under any other existing scheme. It is compliant with World Trade Organization (WTO) norms and is implemented via a comprehensive end-to-end digital platform to ensure transparency and efficiency.

However, SEZs and EOUs were not covered under the scheme. EPCES submitted a detailed memorandum to the Commerce Ministry and the RoDTEP Committee pointing out the discrimination

for exporters from SEZs and EOUs. EPCES followed up with the Government repeatedly. Finally, Commerce Ministry, after taking into account the recommendations of the RoDTEP Committee report, decided to extend RoDTEP scheme for SEZs, EOUs and Advance Authorisation Holders vide Notification No 70/2023 dated 8.3.2024. In respect of EOUs and AA holders, the scheme was implemented w.e.f. 11.3.2024 till 30.09.2024 while for SEZs was to take place on IT integration of SEZs with Customs Automated System (ICEGATE) which started on 1.7.2024, though it was supposed to be done w.e.f. 1.4.2024. The scheme was extended for SEZs, EOUs and AA holders till 31.12.2024 and for DTA exporters till 30.09.2025 vide Notification No 32/2024-25 dated 30.9.2024. On EPCES constant follow-up and DGFT pursuance with the Ministry of Finance for more funds, the scheme was continued beyond 31.12.2025 and finally, due to budget constraints, Commerce Ministry had to discontinue

the scheme for SEZs, EOUs and AA holders after 5.2.2025 vide notification No 66/2024-25 dated 20.3.2025.

EPCEs continued its demand for parity of exporters from SEZs and EOUs with DTA exporters in respect of continued coverage of RoDTEP for SEZs and EOUs. Commerce Ministry was in constant discussion with Finance Ministry and finally now it has been decided to restore RoDTEP benefits for Special Economic Zones, Export Oriented Units and Advance Authorisation Holders with effect from 1.6.2025. The decision comes as part of the government's sustained efforts to boost India's

export competitiveness in global markets. The benefits under RoDTEP for these categories were previously available until 5th February 2025, and their reinstatement is expected to provide a level playing field for exporters across sectors.

As of 31st March 2025, total disbursements under the RoDTEP scheme have crossed Rs. 57,976.78 crore, underscoring its significant role in supporting India's merchandise exports. Annual benefits under RoDTEP to SEZs and EOUs are estimated at Rs 2282 cr (SEZ Rs 1482 cr and EOUs Rs 800 cr) based on exports in 2023-24.



(To be published in the Gazette of India Extraordinary Part II Section 3, Sub Section (II))

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
Vanijya Bhawan, New Delhi

Notification No: 11/2025-26
New Delhi, 26 May, 2025


Subject: Restoration of RoDTEP for Advance Authorisations (AAs) holders, Special Economic Zones (SEZs) and Export-Oriented Units (EOUs) from 01.06.2025

S.O.(E): In exercise of the powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act, 1992, read with Para 1.02 of the Foreign Trade Policy 2023, the Central Government hereby notifies the restoration of RoDTEP for Advance Authorizations (AAs) holders, Special Economic Zones (SEZs), and Export-Oriented Units (EOUs) from 01.06.2025.

2. The rates are available in Appendix 4RE including newly aligned HS codes as per the Finance Act, 2025. The details are available on the DGFT portal at www.dgft.gov.in, under the link 'Regulations > RODTEP'.

Effect of this Notification: The Support under the RoDTEP Scheme for exports of products manufactured from AAs, SEZs, and EOUs is restored with effect from 01.06.2025.

This issues with the approval of the Minister of Commerce & Industry.


(Ajay Bhadoo)
Director General of Foreign Trade
Additional Secretary to the Government of India
E-mail: dgft@nic.in

[Issued from File No.: 01/94/180/019/AM26/PC-4]

Funds for covering extension of RoDTEP for SEZs and EOUs till 30.9.2025 on the pattern of DTA exporters

Director General EPGES <dg@epges.in>
To: secyexp@nic.in
Cc: Santosh Sarangi DGFT <dgft@nic.in>

3 January 2025 at 12:46

Dear Dr Govil

Happy New Year !

This is regarding extension of the RoDTEP (Remission of Duties and Taxes on Exported Products) scheme for exports from Special Economic Zone (SEZ) / Export Oriented Units (EOUs)/Advance Authorisation (AA) holders beyond 31.12.2024 till 30.9.2025 on the pattern of Domestic Tariff Area exporters.

2. Vide DGFT Notification No 32/2024-25 dated 30.9.2024, the RoDTEP scheme was extended till 30.9.2025 for exports made by Domestic Tariff Area (DTA) units. However, it has been extended till 31.12.2024 only in respect of exports from EOU/SEZ Units/AA holders.

3. It appears that Government is not in favour of allotting more funds for covering the extension of the scheme for exports from EOU/SEZ/AA holders even though there will be very limited budget requirement for the same as the **merchandise exports from SEZs and EOUs is merely about 15% of total merchandise exports of the country.**

4. It may kindly be noted that the RoDTEP scheme was extended to EOU and AA holders from **11.3.2024 only**. In case of SEZ, with no fault of SEZ units, the extension of the scheme was to take place on IT integration of SEZs with Customs Automated System (ICEGATE). Again with no fault of SEZ units, it got delayed and the IT integration was launched by Government **w.e.f. 1.7.2024**. However, IT integration was faulty and it had to be extended again and again and the last extension has been given till **10.1.2025**. In order to get RoDTEP benefits, many SEZ units, despite facing huge problems in using ICEGATE and suffering huge demurrage and detention costs, filed export documents through ICEGATE w.e.f. 1.7.2024. However, till now, again with no fault of SEZ units, because of some technical problems from ICEGATE /Customs side, RoDTEP benefits have not yet been transferred to SEZ Units even for the exports made through ICEGATE since 1.7.2024. In the review meeting with DG Systems / Revenue Department, the Commerce Secretary has, while extending the timeline for ICEGATE implementation to 10.1.2025, directed that all pending RoDTEP claims be released by 31.12.2024. However, this has not yet been completed.

5. Even EOUs suffered losses due to sudden implementation of automation of IGCR Rules on ICEGATE by D/o Revenue in respect of EOUs w.e.f. 1.9.2024.

6. There appears to be no justification for denying the benefits to one set of exporters (SEZ/EOU/AA holders) vis-à-vis other set of exporters (DTA exporters).

7. If there are budget constraints, product categories/sectors may be reduced rather than one small set of exporters exporting the same product being put to disadvantage vis-à-vis other larger set of exporters of the same product.

8. In view of the above, it may be appreciated there is only a limited requirement of budget for exports from SEZs /EOUs (15% of total) and hence it is requested that the RoDTEP scheme

<https://mail.google.com/mail/u/1/?ik=9fe1b3f13c&view=pt&search=all&permmsgid=msg-a:r6917817308287464296&siml=msg-a:r691781730828...> 1/3

06/01/2025, 16:20

EPGES Mail - Funds for covering extension of RoDTEP for SEZs and EOUs till 30.9.2025 on the pattern of DTA exporters

may kindly be extended **till 30.9.2025 for exports from AA/EOU/SEZ Units as well on the pattern of exports from DTA units**. Alternatively, in case of budget constraints, all exporters, whether from DTA or from SEZ/EOU/AA holders be covered only **till 31.3.2025 (end of FY25)** and then a separate decision may be taken for all categories of exporters for a further period depending upon the availability of budget allocation.

With regards,



(Alok Chaturvedi)

Steel Import Monitoring System - Sudden Deactivation of SIMS Accounts of SEZs and EOUs – Resolution

As if the problems being faced by SEZs on usage of ICEGATE wef 1.7.2025 and IGCR automation for EOUs on ICEGATE wef 25.9.2024 hadn't created enough problems for SEZs and EOUs, Steel Ministry suddenly deactivated SIMS accounts related to 169 SEZ and EOUs with reference to 899 cases of SIMS registration through SEZ/EOU route suspecting potential misuse by them regarding import of Steel items. Ministry of Steel stated vide their letter dated 4.6.2025 to the Commerce Ministry that it was found that importers have uploaded blank or irrelevant documents, or provided files that do not substantiate their SEZ/EOU status. It was further pointed out that in some instances, declarations appeared arbitrary and are not backed by valid proof possibly to avail the benefit of exemption from QCO granted by DGFT Notification No 71/2024 dated 21.4.2024.

This disrupted the manufacturing in SEZs and EOUs which were exporting products using these imported steel inputs. Their import consignments were stuck at ports leading to demurrage charges.

This suddenly disrupted the manufacturing in SEZs and EOUs which were exporting products using these imported steel inputs. Their import consignments were stuck at ports leading to demurrage charges.

EPCES immediately took up the matter with the Ministry of Commerce and Ministry of Steel and represented bringing out the difficulties being

faced by these EOUs and SEZ units. EPCES explained to the Commerce and Steel Ministries that it was not the fault of SEZs and EOUs as no guidelines or formats were prescribed for the submission of documents to avail the exemption from QCO for imports for manufacturing export products. In a short time, EPCES assisted Commerce Ministry to collect undertakings from the affected SEZs and EOUs in the correct format and other documents. Commerce Ministry vide their letter dated 20.6.2025 forwarded the same to the Steel Ministry and then the SIMS accounts of SEZs and EOUs were activated by the Steel Ministry.

It should be noted that following EPCES constant follow-up with the Commerce Ministry, Steel Ministry, Textile Ministry, Dept for Promotion of Industry and Internal Trade and Dept of Chemicals and Petrochemicals, Commerce Ministry issued the Notification No 71/2024 dated 21.4.2024 exempting SEZs and EOUs from mandatory compliance of Quality Control Orders issued by these ministries in respect of imports made by SEZs and EOUs provided neither these imported inputs or the goods manufactured from these imported goods are supplied into the domestic market. The purpose was that the exports by SEZs and EOUs do not suffer because of delays associated in QCO compliances and in any case QCOs are meant for products entering the domestic market.



K-43014/11/2025-SEZ
Government of India
Ministry of Commerce & Industry
Department of Commerce
SEZ division

Vaniya Bhawan, New Delhi
Dated the 20th June, 2025

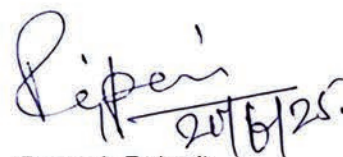
OFFICE MEMORANDUM

Subject: Potential misuse by Importers on generation of SIMS number – reg.

The undersigned is directed to refer to Ministry of Steel (MoS)'s OM No. S-21022/7/2025-TRADE-TAX dated 04.06.2025 and this Department's OM of even number dated 17.06.2025 on the subject mentioned above and to say that this Department has received information from the field offices that 65 units have provided the required undertakings. The details of units and the undertaking given by them is enclosed herewith.

2. Further, SIMS Registration in respect of M/s SE Forge Limited (IEC: 0806007818) having units in Kandla SEZ and MEPZ SEZ has also been blocked by MoS whereas the unit has highlighted that the raw material imported under HS Code 72061090, which are Continuous Cast Rounds and their manufacturing process is entirely distinct from the applications and are not covered under the Quality Control Order (QCO). The unit has also highlighted that around 82 Nos of containers are held up in the port.
3. Furthermore, M/s Greentech Industries India Pvt. Ltd, a unit under Visakhapatnam SEZ is also facing issues as their multiple containers are held at the port for the past 10 days, awaiting clearance.
4. The deactivation/blocking of the above-mentioned units is seriously hampering their exports and therefore, it is requested that SIMS accounts of the above-mentioned units may please be considered to be activated urgently.
5. This issues with the approval of Competent Authority.

Encls: As above.



(Prateek Bajpai)
Under Secretary to the Govt. of India
Tel. 011-23039829
Email: prateekbajpai.moca@nic.in

To

Under Secretary (T&T Division)
[Kind Attention: Shri Deepak Kumar Sah]
Ministry of Steel
Udyog Bhawan, New Delhi.

No. S-21022/7/2025-TRADE-TAX (E-21019)

Government of India

Ministry of Steel

(T&T Division)

Udyog Bhawan, New Delhi

Dated the 4th June, 2025

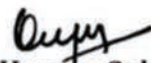
OFFICE MEMORANDUM

Subject: Potential misuse by Importers on generation of SIMS number –reg.

The undersigned is directed to refer to the subject cited above and to state that on a thorough scrutiny of SIMS records by this Ministry, following irregularities have been observed:

- In 899 cases of SIMS registration through SEZ/ EOU route, it was found that importers have uploaded blank or irrelevant documents, or provided files that do not substantiate their SEZ/EOU status. In some instances, declarations appear arbitrary and are not backed by valid proof possibly to avail the benefit of exemption from QCO granted by DGFT Notification No. 71/2024 dated 21.04.2024. (Annexure-C)
2. In this context, Department of Commerce (SEZ/EOU Division) is requested to conduct inquiry and take penal actions against the SEZ/EOU units violating the Notification issued by DGFT.
3. This has the approval of Secretary, Ministry of Steel.

Encl: As above



(Deepak Kumar Sah)

Under Secretary to the Govt. of India

Tel: 2306 1421

To,

SEZ/EOU Section
Department of Commerce
Email: vimal.anand@nic.in

Difficulties in imports due to sudden deactivation of EOUs/SEZ Units in the SIMS Registration portal of M/o Steel resulting in inability to undertake imports to meet their export commitments and their import consignments getting stuck at ports resulting in huge demurrage charges

Director General EPCES <dg@epces.in>
To: secy-steel@nic.in, VIMALANAND <vimal.anand@nic.in>
Cc: ss.lss-doc@gov.in, csoffice@nic.in

11 June 2025 at 17:45

Dear Sir(s)

This is regarding huge difficulties being faced by EOUs/SEZs units due to sudden deactivation of the accounts of many EOUs/SEZ units in SIMS portal resulting in inability to undertake imports to meet their export commitments and their import consignments getting stuck at ports resulting in huge demurrage charges.

2. In this regard, please refer to the M/o Steel OM No S-21022/7/2025-Trade-Tax (E-21019) dated 4.6.2025 regarding potential misuse by importers on generation of SIMS number (Copy attached). It has been stated that in 899 cases of SIMS registration through the SEZ/EOU route, it has been found that importers have uploaded blank or irrelevant documents, or provided files that do not substantiate their SEZ/EOU status. In some instances, declarations appear arbitrary and are not backed by valid proof possibly to avail the benefit of exemption from QCO granted by DGFT Notification No 71/2024 dated 21.02.2024. (Copy attached).

3. In this regard, the following points may kindly be appreciated :

- (i) EOUs and SEZ units are reputed manufacturers and exporters of different products. They have been undertaking manufacturing over a long period and are exporting to reputed clients abroad.
- (ii) Before sudden deactivation of their accounts in the SIMS portal and thereby completely stoppage of their imports resulting in sudden disruption in their business and associated costs in terms of demurrage charges for their stuck imports consignments and inability to meet their export commitments, importers concerned should have been given notice and their version should have been taken.
- (iii) Ideally taking a drastic step of deactivation of their accounts in the SIMS portal should have been avoided. If some irregularities have been noticed, they should be duly investigated and if it is found that the importer has indeed indulged in serious irregularity, they may be penalised. For minor procedural issues, their future business activities should not be disrupted.
- (iv) It should be noted that if proper undertaking has not been given or documents are lacking, SIMS registration should not have been permitted in the beginning itself. However, if now it has been detected, these irregularities should be corrected by asking the units and if they are not able to comply, then only, they should be debarred from registration and thereby from undertaking imports.

- (v) No format and procedure has been prescribed by the Government (DGFT/M/oSteel) for the undertaking and documents to be submitted under the DGFT Notification No 71/2024 dated 21.02.2024 or guidelines issued by the SIMS division in the M/o Steel. This has resulted in confusion among EOUs and SEZ units as to what document in which format is to be uploaded. Even DC offices are not clear as to the format in which undertaking is to be given.
- (vi) In some cases , EOUs/SEZ units have simply submitted their bill of lading informing the items being imported as their imports are not covered under the list of HSN codes in the QCOs.
- (vii) In some cases, even though they are EOUs and SEZ units having valid LOP/LOA issued by DC offices, they have not uploaded the same as perhaps there is no clear instructions to upload the same.

4. It appears that the problem has been more due to lack of clarity in case of EOUs/SEZ units regarding format of undertakings/ documents to be submitted and not intentional.

5. In view of the above, it is requested that this sudden deactivation of the accounts of EOUs/SEZ units in SIMS portal should be reconsidered and their accounts be activated urgently so that they are able to import and meet export commitments and their manufacturing activity is not completely disrupted. If M/o Steel thinks that some procedural irregularities have been detected, the same may certainly be examined and checked if the documents and undertakings can be obtained from SEZ/EOUs and only in serious cases where there was intention to defraud the Government, their accounts should be deactivated and necessary penal action under the relevant legal provisions may be taken.

6. It is also requested a list of accounts which have been deactivated /where infirmities in documentation has been noticed, may kindly be shared so that EPCES can coordinate with its members and necessary documents be provided to the Ministry of Steel.

With regards,



(Alok Chaturvedi)



Alok V Chaturvedi, IAS(Retd)

Director General,

Export Promotion Council for EOUs and SEZs,

A101, 10th Floor Himalaya House 23, KG Marg, New Delhi, Delhi 110001

Mobile +91 8130525959 | Tel: +91 11 23329770

website : <https://www.epces.in/>

twitter : [@dgepces](https://twitter.com/dgepces) (<https://twitter.com/dgepces>)

Export Promotion Council for EOUs (Export Oriented Units) and SEZs (Special Economic Zones) (EPCES) is a multi-product Export Promotion Council set up by the Ministry of Commerce and Industry, representing the interests of SEZ units, SEZ developers and Export Oriented Units. It has 5971 members with 4629 SEZ units, 384 SEZ developers and 958 EOUs. In FY 2023-24, total exports of goods and services from SEZs were recorded at US \$ 163.69 billion and export of goods from EOUs at 17.2 billion.

EPCES Partners with Newland Global Group to Boost India-Australia Trade



Newland Global group (NGG), a leading corporate advisory firm (<https://www.newlandglobal.com/>) with a focus on leveraging Australia-India trade relations, will be preparing 2nd edition of The India-Australia Business Case Studies Compendium to enhance business literacy between both countries and achieve tangible commercial outcomes. They are collating another set of remarkable bilateral business journeys to learn from. A copy of the 1st edition of Australia-India Business Case Studies Compendium can be accessed at <https://ausindcasestudies.newlandglobal.com/>

As part of the project, they will publish case studies of Indian companies exporting to Australia about their business journey. This will, on one hand, give enhanced publicity to these companies in Australian Market, and on the other hand, will encourage other companies to venture into exports to Australia.

EPCES signed an MoU with **Newland Global Group (NGG)**, on 12 June 2025 for promoting trade by EPCES members from Australia.

Key Highlights:

- EPCES will serve as the **Institutional Partner** for NGG's India-Australia Case Studies Compendium, promoting success stories in bilateral trade.
- The partnership will facilitate engagements with industry stakeholders, and roadshows to enhance business opportunities.
- Focus areas include **market access, skills exchange, and sectoral promotion** across EPCES-covered industries like textiles, pharma, IT, and engineering.

"This collaboration with NGG will open new avenues for Indian EOUs & SEZs in Australia, driving exports and innovation." – Mr. Srikanth Badiga, Chairman, EPCES

The MoU paves the way for deeper economic ties under the India-Australia ECTA framework. Stay tuned for updates!

SEZ Reforms to Boost Semiconductor and Electronics Component Manufacturing.

The government has introduced pioneering reforms in the Special Economic Zones (SEZ) rules to address the specialized needs of semiconductor and electronics component manufacturing sectors. Since manufacturing in these sectors is highly capital intensive, import dependent and involve longer gestation periods before turning profitable, rule amendments have been carried out to promote pioneering investments and boost manufacturing in these high technology sectors.

Accordingly, the Department of Commerce vide GSR Notification 364(E) dated 3.6.2025 amended the SEZ Rules, 2006.

Under the revised Rule 5 of the SEZ Rules, 2006, an SEZ set up exclusively for semiconductors or electronic components will require a minimum contiguous area of only 10 hectares reduced from earlier requirement of 50 hectares. Also, amendment to Rule 7 allows the Board of Approval to relax the condition requiring SEZ land to be encumbrance-free in cases where it is mortgaged or leased to the Central or State Government or their authorized agencies.

The amended Rule 53 will allow the value of goods received and supplied on a free-of-cost basis to be included in Net Foreign Exchange (NFE)

calculations and assessed using applicable customs valuation rules. Moreover, amendments have been made in Rule 18 of the SEZ Rules to allow SEZ units in semiconductor as well as electronics component manufacturing sector to also supply domestically into the Domestic Tariff area as well after payment of applicable duties.

The amendments will boost high-tech manufacturing in the country, spur growth of semiconductor manufacturing ecosystem and create high skilled jobs in the country.

These amendments were notified by the Department of Commerce on 3rd June, 2025. Subsequently, the Board of Approval for SEZs has accorded approval to the proposals received from Micron Semiconductor Technology India Pvt Ltd (MSTI) and Hubballi Durable Goods Cluster Private Ltd (Aequus Group) for setting up of SEZs for manufacturing of semiconductors and electronic components respectively.

Micron will establish its SEZ facility in Sanand, Gujarat over an area of 37.64 Ha with an estimated investment of Rs. 13,000 crores, while Aequus will establish its SEZ in Dharwad, Karnataka over an area of 11.55 Ha to manufacture electronics components with an estimated investment of Rs. 100 crores.

Hubballi Durable Goods Cluster Pvt Ltd (Aequs Group)



Hubballi Durable Goods Cluster Pvt Ltd, a company under the Aequs Group, has received formal approval from the Board of Approval (BoA) to set up a Special Economic Zone (SEZ) for manufacturing electronic components in Dharwad, Karnataka. The SEZ will be developed over 11.55 hectares of land, with an estimated investment of ₹ 100 crore.

This SEZ is part of Aequs Group's broader plan to develop India's first dedicated consumer durables and electronics cluster in North Karnataka. The facility will focus on manufacturing a wide range of electronic and durable goods, including components used in appliances, smart devices, and IoT products.

As an SEZ, the unit will benefit from policy advantages such as duty-free imports, flexibility to supply both export and domestic markets (after paying applicable duties), and simplified regulatory clearances. The SEZ also aligns with India's revised SEZ (Amendment) Rules, 2025, which promote high-tech and electronics manufacturing through reduced land requirements, simplified approvals, and enhanced supply chain flexibility.

SEZ Proposal and Overview

M/s Hubballi Durable Goods Cluster Private Limited, part of the Aequs Group, is a company focused on

building a dedicated manufacturing ecosystem for electronic components and consumer durable goods. The company has proposed the development of a sector-specific Special Economic Zone (SEZ) for IT/ITES – Electronics Components Manufacturing & Services in Dharwad District, Karnataka.



The proposed SEZ will be located at Itigatti Village, NH-4, Dharwad, and will cover an area of 11.549 hectares. The total land allotted to the company by the Karnataka Industrial Area Development Board (KIADB) is 101.545 hectares (250 acres and 37 guntas), out of which 11.549 hectares is earmarked for SEZ development. The company is registered under the Companies Act, 2013 and was incorporated on 23rd November 2020. Its



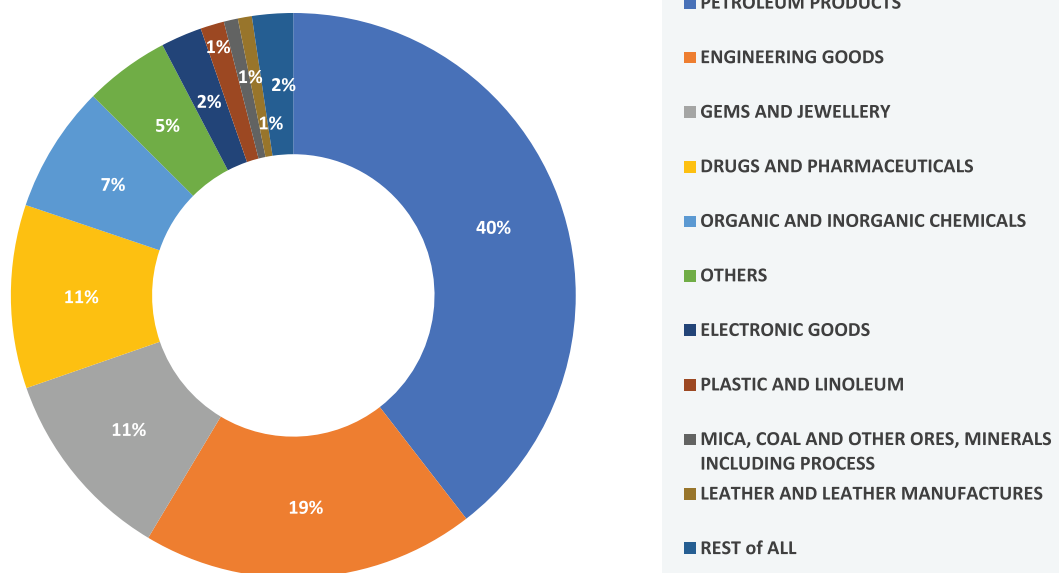
registered office is located at #55, Aequs Towers, Mahadevapura, Whitefield, Bengaluru.

Investment & Employment

- Total Investment: ₹ 96.24 crore
- Funding Structure: ₹ 28.87 crore Equity + ₹ 67.37 crore Term Loan
- Foreign Direct Investment (FDI): USD 3.396 million
- FDI Source: Aequs Infrastructure II Pvt. Ltd., Mauritius
- Projected Exports (5 years): ₹ 1,257 crore
- Employment Generation: 4,360 jobs
 - o Direct: 3,380
 - o Indirect: 980



Top 10 Sectors Merchandise Exports during FY 2024-25



Micron Semiconductor Technology India Pvt. Ltd.



Micron's Path breaking Semiconductor SEZ "Pioneer" Set to Redefine India's Semiconductor Manufacturing Landscape



Bird's-eye view of Micron Semiconductor Pvt. Ltd., Sanand, Gujarat

Micron Semiconductor Technology India Pvt. Ltd. has announced the development of its state-of-the-art Semiconductor Manufacturing SEZ named "Pioneer" in Sanand, Gujarat — marking a significant milestone in India's semiconductor journey. This SEZ will be the first of its kind in India, dedicated exclusively to Memory and Storage Assembly and Test operations, and will house one of the largest cleanroom spaces in the country.

Department of Commerce, Ministry of Commerce & Industry, Govt. of India notified SEZ (Amendment) Rules, 2025 dated: 03.06.2025 thereby amending various provisions of SEZ Rules ranging from Minimum land area requirement, Toll Manufacturing services provisions, NFE conditions etc so as to enable and promote manufacturing of semiconductor and electronics hardware into the country as a part of "Make in India".

Such amendment in SEZ Rules have enabled a project of its kind being developed by Micron in Sanand, Gujarat for manufacturing of Memory and Storage Assembly and Test operations. With a total investment commitment of ₹22,323 crores, the project will create over 5,000 direct and 15,000 indirect jobs over years, significantly contributing to the “Make in India” vision and bolstering the semiconductor ecosystem. Located on 37.64 hectares of land leased from GIDC for 99 years, the SEZ is strategically placed for seamless connectivity to international ports and airports.

The successful realization of this ambitious project has been made possible through the unwavering support and proactive facilitation by India Semiconductor Mission and Department of Science and Technology, Gujarat. In addition to the same, proposed SEZ project could become a reality due to faster approvals, proactive guidance from:

- (i) Government of Gujarat and GIDC;
- (ii) Ministry of Commerce & Industry, Govt. of

India as well as the Office of the Development Commissioner, KASEZ;

- (iii) Department of Revenue, Govt. of India for enabling policy; and
- (iv) the Ministry of Electronics and Information Technology (MeitY), which has been instrumental in promoting semiconductor manufacturing in India.

The funding structure demonstrates strong public-private collaboration, with 30% equity from Micron, 50% fiscal support from the Government of India, and 20% from the Government of Gujarat. Products envisaged from this zone include DRAM, NAND, SSDs, and Memory Modules, serving high-tech applications across data centers, AI, 5G, automotive, and embedded systems.

Micron’s SEZ initiative not only reinforces India’s position in the global electronics supply chain but also sets a precedent for high-tech infrastructure and innovation-driven manufacturing zones in the country.

This will certainly give new life to SEZs in India.



Election of Central and Regional Governing Councils of EPCES – 2025

Dear Members,

Following the Government approval of new Articles of Association of the EPCES which were based on model AoA/Bye laws for EPCs circulated by the Ministry of Commerce, EPCES will be holding elections for the members of the Central and Regional Governing Councils, Vice Chairperson of EPCES and Regional Vice Chairpersons as per the approved Election Rules of the EPCES, 2025.

Election Schedule is attached.

Development Commissioners will be the Returning Officers for their respective Zones /Regions.

List of vacancies of CGC and RGCs are also attached.

It is requested that, in order to make the EPCES more representative and participative, members may enthusiastically participate in the elections and fill all the vacancies at Regional and Central Governing Councils.

For any query, please contact the office of the respective Development Commissioner. Regional Director, EPCES will also assist in clarifying doubts, if any.

All EPCES Elections related material are also available at EPCES website at www.epces.in

Election Schedule for conducting elections of CGC, RGC, Vice Chairperson EPCES & Regional Vice-Chairpersons for 2025-27.

Sl. No.	Day & Date	Particulars
1	Friday, 11th July 2025	Date of Issue of Notification and Sending of draft List of Electorate to Returning Officers
2	Tuesday, 15th July 2025	i.e. Development Commissioners
3	Monday, 21st July 2025	Display of draft list of electorate on the website/notice board of the office of the Development Commissioner & sending letter to all eligible members under his jurisdiction regarding election and election schedule and inviting objections on the draft list of electorate, placed on the website.
4	Wednesday 23rd July 2025	Last Date for Receipt of objections
5	Friday, 25th July 2025	Scrutiny of objections by Office of DC (RO)
6	Monday, 28th July 2025	Display of Final List of Electorate
7	Monday, 4th August 2025	Sending of Nomination forms by Office of DC (RO)
8	Wednesday, 6th August 2025	Last Date for receipt of nomination Forms
9	Friday, 8th August 2025	Scrutiny of nomination forms
10	Monday, 11th August 2025	Notice for withdrawal of nomination and display of accepted nominations on the notice board/website
11	Tuesday, 12th August 2025	In case of no contest, declaration of results by RO(DC)

1st meeting of the newly elected CGC and RGC can be convened with due notice to elect the Vice Chairperson and Regional Vice Chairperson amongst the new elected CGC and RGC members, respectively. Development Commissioner will be the returning officer for the election of the Regional Vice Chairperson and Director General/Deputy Director General will be the returning officer for the election of the Vice Chairperson of EPCES.

In case there is no contest for the post of Vice-Chairperson/Regional Vice Chairpersons, the declaration of election results of Vice-Chairperson EPCES/Regional Vice Chairpersons and Members of the Central Governing Council & Regional Governing Council will be announced by the Development Commissioner and EPCES Secretariat EPCES, respectively.

In case, there is the contest for the post of Vice-Chairperson EPCES/ Regional Vice Chairpersons, the election schedule is as under:-

1	Wednesday, 27th August 2025	Intimations to NSDL by DG EPCES (Returning Officer)
2	Friday, 29th August 2025	Casting of Electronic Voting
3	Thursday, 4th September 2025	Last date for the casting of votes by E-voting
4	Friday, 5th September 2025	Counting of Votes
5	Friday, 5th September 2025	Announcement of Results of Vice-Chairperson/ Regional Vice Chairpersons

Detail of the Vacancies

Zonal Development Commissioner will be Returning Officer for conducting the following EPCES Elections:

I Election of all Members of Central Governing Council:

Sl. No.	Name of the Zone	No. of Vacancies from EOU Category and reservation category	No. of Vacancies from SEZ Units Category and reservation category	No. of Vacancies from SEZ Developer Category	Total
1	Cochin Special Economic Zone, Cochin	1 (reserved for MSME Art 3.2(a))	2 (one reserved for MSME Art 3.2(a) and one reserved for Status Holders Art 3.2(b))	1	4
2	Falta Special Economic Zone, Kolkata	1 (MSME Art 3.2(a))	2 (one reserved for MSME Art 3.2(a) and one reserved for Start-ups, etc Art 3.2(c))	1	4
3	Kandla Special Economic Zone, Gandhidham, Kutch (Gujarat)	1(reserved for MSME Art 3.2(a))	2 (one reserved for MSME Art 3.2(a) and one reserved for Start-ups, etc Art 3.2(c))	1	4
4	MEPZ Special Economic Zone, Chennai	1(reserved for Status Holders Art 3.2(b))	2 (one reserved for MSME Art 3.2(a) and one reserved for Start-ups, etc Art 3.2(c))	1	4
5	Noida Special Economic Zone, Noida (U.P.)	1(reserved for Status Holders Art 3.2(b))	2 (One reserved for Status Holders Art 3.2(b))	1	4
6	SEEPZ Special Economic Zone, Mumbai	1(reserved for Status Holders Art 3.2(b))	2 (One reserved for Status Holders Art 3.2(b) and one reserved for Start-ups, etc. Art 3.2(c))	1	4
7	Visakhapatnam Special Economic Zone, Visakhapatnam	1 (Reserved for women Art3.2(d))	2 (one reserved for Status Holders Art 3.2(b))	-	3
	Total	7	14	6	27

II. Election of Members of Regional Governing Council will be conducted by Development Commissioner:

Sl. No.	Name of the Zone	No. of Vacancies from EOU Category	No. of Vacancies from SEZ Units Category	No. of Vacancies from SEZ Developers Category	Total
1	Cochin Special Economic Zone, Cochin	7	13	7	27
2	Falta Special Economic Zone, Kolkata	7	14	7	28
3	Kandla Special Economic Zone, Gandhidham, Kutch (Gujarat)	7	14	7	28
4	MEPZ Special Economic Zone, Chennai	7	13	7	27
5	Noida Special Economic Zone, Noida (U.P.)	7	13	7	27
6	SEEPZ Special Economic Zone, Mumbai	7	14	7	28
7	Visakhapatnam Special Economic Zone, Visakhapatnam	7	14	6	27

Please Visit www.epces.in for complete details for the Elections

Status of Key Pending Issues related to SEZs and EOUs As on 17.07.2025

1. Restoration of RoDTEP scheme for EOUs and SEZ

On constant follow-up by the EPCES, vide DGFT Notification No 26.5.2025, the Government has restored the RoDTEP scheme for SEZs and EOUs with effect from 1.6.2025

2. Status of amendment in SEZ Act/DESH Bill

During the Review meeting of the Export Promotion Council taken by Hon'ble Commerce & Industry Minister on 30.6.2025, a presentation was made on amendment in SEZ Act for allowing DTA sale on "Duty Foregone Basis" provision for reverse job work, receipt for Services rendered by SEZ units to DTA in INR, enabling services like MRO (Maintenance, Repair and Overhaul) and space related. Besides, Ease of Doing Business will also be improved through establishment of precleared zones to enable plug and play operations by units, acceptance of trust based self-declaration and having a negative list for approvals in place of specific list of authorised activities for approval. The objective of the proposed reforms was to simplify the procedures, increase economies of scales, utilise the idle capacities at SEZs to realise the objectives of the country for achieving the US \$ 5 Trillion economies by 2027.

The amendment Bill has to be first approved by the Union Cabinet and thereafter, it is likely to be introduced in the Monsoon Session of the Parliament.

3. Deactivation of SEZ/EOU accounts on Steel Import Monitoring System

Steel Ministry suddenly deactivated SIMS accounts related to 169 SEZ and EOUs with reference to 899 cases of SIMS registration through SEZ/EOU route suspecting potential misuse by them regarding import of Steel items. Ministry of Steel stated vide their letter dated 4.6.2025 to the Commerce Ministry that it was found that importers have uploaded blank or irrelevant documents, or provided files that do not substantiate their SEZ/EOU status. It was further pointed out that in some instances, declarations appeared arbitrary and are not backed by valid proof possibly to avail the benefit of exemption from QCO granted by DGFT Notification No 71/2024 dated 21.4.2024.

EPCES immediately took up the matter with the Ministry of Commerce and Ministry of Steel and represented bringing out the difficulties being faced by these EOUs and SEZ units. EPCES explained to the Commerce and Steel Ministries that it was not the fault of SEZs and EOUs as no guidelines or formats were prescribed for the submission of documents to avail the exemption from QCO for imports for manufacturing export products. In a short time, EPCES assisted Commerce Ministry to collect undertakings from the affected SEZs and EOUs in the correct format and other documents. Commerce Ministry vide their letter dated 20.6.2025 forwarded the same to the Steel Ministry and then the SIMS accounts of SEZs and EOUs were activated by the Steel Ministry.

4. Rollout of ICEGATE in SEZs

Filing of only Shipping Bills (SBs) for export and Bills of Entry for import (BEs) in respect of SEZ units is not allowed on SEZ Online with effect from 18.02.2025. Filing of such documents shall be done mandatorily on ICEGATE. However, in view of persisting difficulties being faced by units in ICEGATE, the following modules/functionalities can be operated on SEZ Online also:

- i. Courier transactions
- ii. Hand Carriage transactions
- iii. FTWZ transactions
- iv. DTA supply for B2C transactions including e-commerce
- v. Temporary removal from SEZ units for job work, exhibition, testing, etc.
- vi. DTA procurement
- vii. SEZ supplies from/to warehouse including from/to MOOWR units as well as EOUs
- viii. Shipping Bills by SEZ units in case of export through Merchant Exporter as provided under SEZ rule 46(11) for movement of goods from SEZ units to merchant exporters
- ix. DTA Supply excluding supply from FTWZ and goods under Chapter 71

x. Zone to Zone Transfer

Further, the Development Commissioners have also been empowered to allow filing of documents in respect of specific transactions on SEZ-Online on exceptional basis wherein unique challenges are being faced by the Units in filing of documents on the ICEGATE platform after due consultation with Customs officers and mentioning reasons in writing under intimation to the Department of Commerce and DG (Systems).

5. IGCR automation in EOUs

EPCES has been constantly taking up with the DoC and CBIC/DG Systems the difficulties being faced by the EOUs in automation of IGCR for EOUs with effect from 25.9.2024.

Auto-credit of bond based on IGCR3A filing has been made effective from March 2025. Similarly, auto-credit of bond based on quarterly return through IGCR3 filing has also been made effective from 27.6.2025. Units have reported success in filing and getting re-credit. There are some difficulties which are being resolved by ICEGATE Team on the specially created WhatsApp group "EOUs on-boarding IGCR". A webinar was also done by the DG EPCES on 4.7.2025.

6. Improving EODB - Streamlining endorsement of DTA invoices by SEZ SO/AO (In progress)

- a. Need for some sample/risk based rather than 100% invoices examination

100% examination of DTA invoices for endorsement by SOs/AOs creates heavy workload per AO/SOs leading to huge delays. Since 100% examination is there, SOs/AOs ask for physical copies of related documents for their satisfaction of such DTA supplies before they endorse the invoices. This creates another problem. There should be uniform guidelines for some risk-based sample (5-10%) examination of DTA invoices and endorsement of other invoices on self-certification basis to reduce time.

- b. Online instead of physical endorsement

There should be online endorsement of DTA invoices by the AO/SOs which should be acceptable by GST authorities so that DTA suppliers are able to get the due refund. API based integration of SEZ Online with GSTN should also be completed at the earliest.

7. Difficulty in implementation of Instruction No 117 dated 24.9.2024 regarding new FTWZ Operational Framework

DoC, vide Instruction No 117 dated 24.9.2024, has issued guidelines for Operational Framework of FTWZ and Warehousing units in SEZs. It has been provided that the units should have a temper-proof ERP/SAP system and the transfer of goods from one FTWZ to another FTWZ should not be allowed except in specific and exceptional cases after consideration by the UAC. FTWZs/Units have represented about the cost implication of these guidelines and that restrictions on FTWZ to FTWZ transfer to be in violation of the SEZ Rules. EPCES has requested to have a meeting with all stakeholders to address the concerns of the FTWZ / FTWZ Units.

8. Permitting IT/ITES developers for installation of Rooftop Solar Power plants as part of infrastructure/authorised operations for providing electricity in common areas.

Vide Instructions No 116, the Development Commissioners have been requested to consider such requests from Developers/Co-developers in terms of Para I(i) of the DoC Power Guidelines dated 16.02.2016. However, there is still some lack of clarity in DC offices about declaring rooftops as Non processing area.

9. Minor amendments in new SEZ Rule 11B - Only proportionate duty benefits to be returned

Minor Changes in Rule 11B for IT/ITES SEZs should be carried out so that only proportionate duty benefits under Rule 11B (5(ii)) are to be returned for social and commercial infrastructure and no tax benefits under Rule 11B (9) should be ensured only on O&M of proportional common infrastructure and facilities.

10. Granting of Duty Exemption to "Cy-Tb Skin Test (CTH 3006 3000) for the diagnosis of TB infection" under National Tuberculosis Elimination Programme (NTEP) for supplies made from Special Economic Zone to Domestic Tariff Area under National Tuberculosis Elimination Program (NTEP)

The representation received from M/s Serum Institute of India has been taken up with the D/o Revenue and D/o Commerce. It has also been proposed that a special tariff line may be created on the pattern of supply of electrical energy from SEZ to DTA under the S No 146A, 146B, 146C in respect of CTH 27160000 vide notification no 9/2016-Customs dated 16.2.2016.

Cochin SEZ

International Yoga Day 2025

International Yoga Day was celebrated on 21st June 2025 as a part of the initiative by the Ministry of Ayush, Govt. of India. EPCES CSEZ Kerala organised the celebration at CSEZ premises with the active support and participation of the Office of the Development Commissioner.

Mr. Anikumar, RGC Member, welcomed all dignitaries and participants and expressed hope that the programme will be beneficial

to all. Mr. K.K. Pillai, Regional Chairperson presided over the function and during his presidential address he highlighted the importance of Yoga and advised the attendees to make it a practice. He further pointed out that yoga will help to reduce the stress, which most of the employees are going through now-a-days. He thanked DC office for the support and assistance extended in organizing the event.



Ms. Hemalatha IAS, DC & other dignitaries on the dais. Mr. K.K. Pillai, Regional Chairperson addresses the gathering



Yoga Day celebrations were formally inaugurated by Smt. Hemalatha IAS, Development Commissioner. During the address, DC pointed out that Yoga is a gift from India to the world and highlighted the benefits of its regular practice. She said that practice of yoga will help to improve physical and mental health. The Development Commissioner appreciated the efforts of EPCES in organizing the Yoga Day 2025.



Ms. Hemalatha IAS inaugurating the Yoga Day. Mr. Binoy John, Yoga Trainer, Mr. Anikumar, RGC Member, Mr. K.K. Pillai, Regional Chairperson, Mr. Boni Prasada Rao, DDC and Mr. N.S. Dev, DDC

NEWS FROM THE ZONES



Ms. Hemalatha IAS, DC



Mr. Boni Prasada Rao, DDC



Mr. N.S. Dev, DDC



Mr. K.K. Pillai, Regional
Chairperson



Mr. Anikumar, RGC Member



Ms. Supriya, Regional
Director

Mr. Boni Prasada Rao, DDC also thanked EPCES for organising Yoga Day celebrations in a very elaborate manner. He highlighted the importance of this year's global theme, 'Yoga for One Earth One Health'. Mr. N.S. Dev, DDC also shared his thoughts on the importance of

yoga and its power to heal physical as well as mental issues. He further pointed out that for achieving the desired benefits, yoga has to be practised regularly. This should not be confined to the designated day.

NEWS FROM THE ZONES



Mr. Binoy John, Yoga Trainer, demonstrating asanas. Participates performing Yoga



DC office had conducted a Quiz programme on the occasion of International Yoga Day at the Govt. Polytechnic, Kalamassery, Cochin. Mr. Binoy John, Yoga trainer was the quiz master and the winners were awarded by cash prize. The Development Commissioner distributed prizes to the students.

Mr. Binoy John, who is a yoga and meditation trainer and he has more than 25 years' experience in the fields of yoga, mindfulness, NLP, Hypnosis, Energy Healing and holistic therapies. He is a YCB Level 3 Certified Yoga teacher and evaluator. He gave a brief speech on the benefits of yoga for mental and physical health. Demonstrated a few asanas, which were performed by the attendees.



*DC with the winners of Quiz competition
DC with the winners of Quiz competition*



DC Office & Security officials

Feedback from the participants were very encouraging. They appreciated the arrangements made by EPCES. More than 200

people including ADCs, Security personnel and other DC office staff attended the event.

Session on Filing in ICEGATE: A Deep Dive into IMEXIO updates

EPCES had organised a session on the updates introduced in IMEXIO software to make ICEGATE filing easier on 25 June 2025 at EPCES office.

Mr. K.K. Pillai, Regional Chairperson presided over the session and while address the attendees he appreciated the efforts of RDs to support the units. He told units to interact with the Council regularly to organise training programmes on the areas which members want to cover. Mr. Laloo PG, Dy. Commissioner of Customs was the Chief Guest of the session. During his address, he pointed out that with the prompt support of Mr. Jayanarayanan, Customs and Mr. Subair, NSDL, ICEGATE migration was almost smooth in Kerala. He appreciated the efforts of EPCES in organising a session on IMEXIO updates, which

is need of the hour. ICEGATE migration is going to complete almost one year and this types of programmes will give a feedback to the department. He further suggested that units can approach his team to sort out their issues. As a part of that his team is organising meetings on product-wise. Mr. Laloo, DCC pointed out Kerala region has almost completely shifted its transactions to ICEGATE. He further opined that Council is organising programmes to assist and support units and they have to utilise those platforms to interact with the officials and try to sort out their issues.



Mr. Jayanarayanan, AO, Mr. K.K. Pillai, Reg. Chairperson, Mr. Laloo PG, DCC, Mr. Subair M, NSDL & Ms. Supriya, RD

Mr. Subair made a presentation on IMEXIO software and informed that IMEXIO has been programmed in such a way that units familiar with SEZ Online can easily work in it. Then he highlighted the additional features included in it. He shared details of error codes with its description and advised units to wait at least one hour before resubmitting a document, if they have not received any acknowledgement.

After the presentation, Mr. Jayanarayanan and Mr. Subair answered the queries raised by the attendees. Mr. Jayanarayanan has pointed out some common errors made while submitting documents and suggested a few practical solutions. Customs officials once again reiterated that units have to make use of these types of opportunities made available to them to sort out their issues.



Mr. Subair's presentation on IMEXIO



Participants of the event

Unit representatives attended the programme had informed that the session was very much useful to them and requested to organise such programmes

frequently to sort out their issues. Forty representatives of the units attended the programme. Ms. Supriya, Regional Director extended vote of thanks.

Bangalore SEZ

Webinar on India-UK FTA by EPCES, WTC Bengaluru, and BDO India

Knowledge Partner



WORLD TRADE CENTER
LONDON



WORLD TRADE CENTER
GIBRALTAR



WORLD TRADE CENTER
BENGALURU · CHENNAI · KOCHI



Export Promotion Council for EOUs & SEZs



EPCES Bengaluru, in collaboration with World Trade Centre (WTC) SEZ Co-Developer, Bengaluru, and knowledge partner BDO India, organized a webinar titled “India-UK FTA” on 21st May 2025. The session aimed to inform EPCES members about the scope and sectoral impact of the India-UK Free Trade Agreement (FTA), finalized on 6th May 2025.

The webinar opened with remarks from Mr. Vivek George, RGC Member and Head of WTC (Bengaluru, Cochin, and Chennai), followed by Mr. K.K. Pillai, Regional Chairman, EPCES-CSEZ. Expert insights were shared by Ms. Deepthi Alexander (BDO India), Mr. Arbinder Chatwal (BDO UK), Ms. Divya Bajaj (London & Partners), and Mr. E.D. Allison-Wright (Fair Homes Group, UK). Ms. April Suzanna Varkey (WTC Cochin) moderated the session.

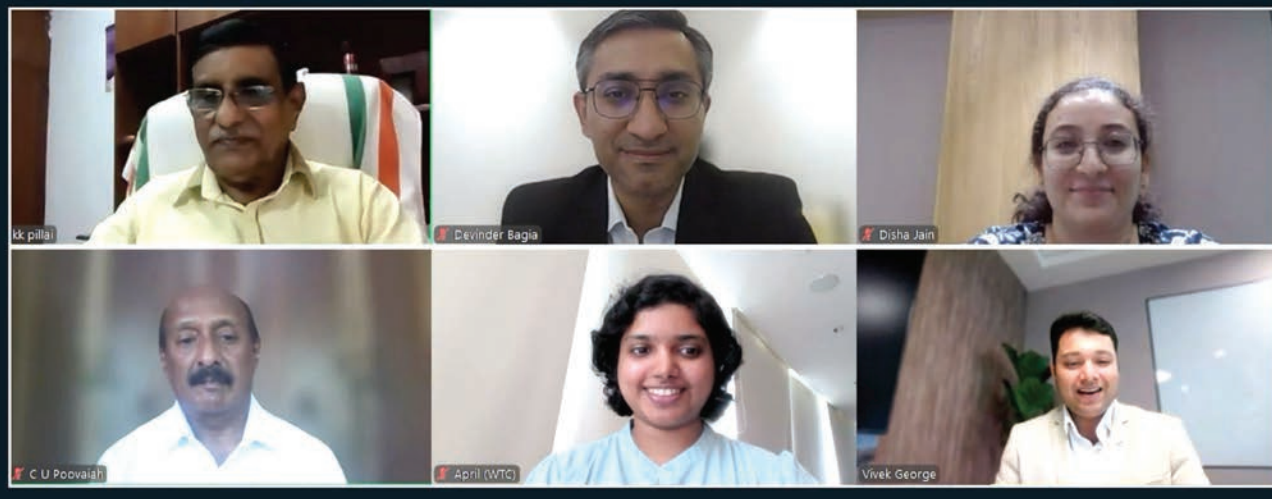
The webinar covered key features of the FTA such as tariff reductions (India to reduce tariffs on 90% of UK exports; UK to remove tariffs on 99% of Indian goods), professional mobility, digital trade, IP protection, SME support, and labour and environmental commitments. Sector-specific impacts were discussed in automotive (tariff cuts from 100% to 10%), whiskey and spirits (reduction from 150% to 40%), food products, and government procurement.

While the FTA is expected to double bilateral trade to \$120 billion by 2030, concerns were raised about low-origin criteria, domestic industry impact, and future trade pressures from other countries. The session drew 226 participants and the presentation was shared with EPCES members post-event.

EPCES-WTC Webinar on Impact of US Tariffs on India: Key Insights and Opportunities



Virtual Session on Impact of US Tariffs on India



The Export Promotion Council for EOUs and SEZs (EPCES), in collaboration with World Trade Centre (WTC) Bengaluru and legal experts from Lakshmikumaran & Sridharan Attorneys, organized a webinar on “Impact of US Tariffs on India” on 17th April 2025. The event was attended by 270 participants, including members of EPCES, SEZ units, developers, and EOUs.

Mr. Vivek George, RGC Member and WTC Head for Bengaluru, Cochin, and Chennai, delivered the welcome address. Mr. K.K. Pillai, Regional Chairman, EPCES-CSEZ, presented the opening remarks. The session featured expert insights from Mr. L. Badri Narayan, Mr. Devinder Bagua, and Ms. Disha Jain, and was skillfully moderated by Ms. April Suzanna Varkey of WTC Cochin.

The webinar focused on the implications of recent US tariff measures under Trump 1.0

and 2.0, including Section 232 and 301 tariffs, reciprocal tariffs, and new duties on electronics, IT, auto parts, and low-value shipments. Key exemptions for semiconductors, smartphones, and US-origin components were discussed in depth.

The concept of tariff arbitrage was highlighted, positioning India as a potential beneficiary amidst China’s heavy tariff burden. The discussion also included the importance of correctly determining the country of origin, compliance with trade laws, and risks of circumvention.

The session concluded by encouraging Indian exporters to seize emerging opportunities, engage with policymakers, and strengthen global value chains while staying alert to changing US trade policies and retaliatory measures by China.

SEEPZ SEZ



Shri Dnyaneshwar Patil, IAS D C SEEPZ and the team during the blood donation awareness rally.

SEEPZ SEZ in collaboration with Lions Club and the unit holders organised the blood donation camp "Raktdaan - Desh ke Naam" a very large number of unit holders participated in blood donation and assisted in the noble cause.



Hon'ble CIM Shri Piyush Goyal addressing the gathering. Shri Dnyaneshwar Patil, IAS D C SEEPZ is third from left of CIM and Shri R K Mishra, IRS Zonal DGFT is third from right of CIM.



Noida SEZ

Yoga Day Celebration In Noida Sez

Yoga day was organised by the office of Development Commissioner, NSEZ, Noida on 21st June 2025. Staff of EPCES NSEZ also participated in the Yoga day programme. Few photographs of yoga are attached herewith.



Visit of Hon'ble Minister of State for Commerce & Industry Shri Jitin Prasada to SEZ Moradabad on 25.06.2025.

DC NSEZ office organised a visit of the Hon'ble Minister of State of Commerce & Industry Shri Jitin Prasada to Moradabad SEZ Zone on 25th June 2025. JDC NSEZ Shri Surender Malik, Shri Vilas Gupta, CGC Member, EPCES and Shri Sunil Puri, Regional Chairman, EPCES NSEZ, Noida also participated in the delegation. Few photographs of the visit of the delegation are attached herewith.



Vishakhapatnam SEZ



EPCES, in collaboration with the Indo-American Chamber of Commerce (IACC) and the Federation of Telangana Chambers of Commerce and Industry (FTCCI), is pleased to jointly organize a Knowledge Session on Exports – Strategies, Procedures, Documentation, and Export Credit Guarantee on Thursday, 3rd April 2025 at 3:00 PM – 5:30 PM at FTCCI Surana Hall, Federation House, Red Hills, Hyderabad

The session will begin with welcome remarks by Mr. Avinash Chukkappalli, Chairman

EPCES, in collaboration with the Indo-American Chamber of Commerce (IACC) and the Federation of Telangana Chambers of Commerce and Industry (FTCCI), is pleased to jointly organize a Knowledge Session on:

“Exports – Strategies, Procedures, Documentation, and Export Credit Guarantee”

of IACC (Andhra Pradesh & Telangana Chapter), who will warmly welcome all dignitaries and participants. He emphasized that the session would be particularly beneficial for enterprises involved in ‘Make in India’ initiatives, providing valuable insights to enhance their export capabilities and contribute to foreign exchange earnings.



NEWS FROM THE ZONES

Sri Amlendu Bipul Mishra, AGM & Branch Head, ECGC Limited, Hyderabad, highlighted the pivotal role played by ECGC in promoting international trade. He emphasized that ECGC facilitates India's export growth by offering credit insurance to mitigate risks for exporters and by providing coverage to banks, thereby enabling easier access to export finance.

He noted that ECGC has introduced a range of export credit insurance schemes tailored to meet the diverse needs of exporters. These schemes support export promotion and contribute to national economic development. By covering banks, ECGC empowers them to extend timely and sufficient credit facilities to exporters.

Mr. Mishra also pointed out that ECGC maintains optimal premium rates, as it operates on a not-for-profit basis with the core objective of supporting Indian exports. Reflecting this commitment, he reiterated ECGC's motto:

"You focus on Exports, and we cover the risks" — a principle that underscores the organization's unwavering support to both exporters and the banking sector.

On behalf of the G.T Team, Mr. N. Mallikarjun, Executive Director, delivered a PowerPoint

presentation on Export Strategies, Procedures, and Documentation.

He explained the key features of the SEZ Scheme and provided an overview of import-export documentation specific to SEZs, along with the major challenges faced by SEZ units. He also briefly outlined the EOU Scheme and related export-import procedures.

In addition, he elaborated on the compliance requirements for SEZs and EOUs, including mandatory quality control measures and import restrictions. He further discussed the MooWR Scheme and the benefits available under the Authorized Economic Operator (AEO) program.

As most of the participants were from DTA units, they expressed great interest and satisfaction in learning about the SEZ Scheme and other export benefit schemes.

The knowledge session concluded with an interactive Question and Answer segment, where participants actively engaged with the speaker to clarify their doubts. Despite heavy rainfall on the day of the event, the session witnessed enthusiastic participation from over 50 attendees, reflecting the strong interest in the subject matter.



World Environment Day is celebrated at Special Economic Zone, Visakhapatnam on 5th June 2025 in the presence of the Units, Senior Officers and staff of VSEZ.





Smt. Roshni Aparanji Korati, IAS, Jt. Development Commissioner, VSEZ and Units Heads and representatives of the Units and senior officers of VSEZ, have participated in the programme. On the occasion Smt. Roshni has planted Saplings of fruit bearing plants. All the participants have planted saplings on the occasion. As part of the World Environment Day Celebrations all the Units have been requested to plant the saplings in the premises of the units and requested to take proper care of the plants. Speaking on the occasion, the Jt. Development Commissioner has thanked all the participants who have taken their valuable time to participate in the plantation programme and made the programme a grand success. She stressed about the importance of Environment

and the impact of environmental degradation on human beings. She emphasized that all the individuals to take responsibility in protection of the environment. The Jt. Development Commissioner has also spoke about this year theme of "Beat Plastic Pollution" and gave a call to the units to save and protect the environment, and she also requested the units to give utmost importance to the clearance of garbage and for segregation of dry and waste separately/hazardous/non-hazardous and for their proper disposal. She said that the Development Commissioner is taking great efforts to make the Zone into a Green and Clean zone. She specially thanked the units and the management on the occasion.

VSEZ Observes World Blood Donor Day with Blood Donation Camp

Visakhapatnam Special Economic Zone (VSEZ) organized a blood donation camp on 16th June 2025 to commemorate World Blood Donor Day, in collaboration with Life Share Blood Bank.

The camp was inaugurated by Sri Srinivas Muppaala, Zonal Development Commissioner, VSEZ, who also administered the blood donor pledge. In a commendable gesture, Sri Muppaala personally donated blood, setting a powerful example and motivating senior officers, staff, and unit heads to actively participate in the noble cause.

The initiative aimed to promote voluntary blood donation and increase awareness of its life-saving importance. In his address, the Development Commissioner highlighted the significance of World Blood Donor Day in raising awareness about the need for safe blood and acknowledging the selfless contributions of voluntary donors. A total of 40 units of blood were collected during the camp. On behalf of EPCES, the Regional Director, along with VSEZ officials and unit members, actively contributed, inspired by the Development Commissioner's impactful message.



Celebration of International Yoga Day-2025



Visakhapatnam Special Economic Zone has celebrated the 11th INTERNATIONAL YOGA DAY on 21ST June' 2025 in the premises of Visakhapatnam Special Economic Zone.

Speaking on the occasion, Shri Srinivas Muppaala, Development Commissioner, Visakhapatnam Special Economic has informed that the main idea behind celebrating IDY is to spread mass awareness about the countless benefits of Yoga through a global platform. Yoga is much more than a wellness approach; it relaxes the mind, strengthens the body and helps the individual nurture a heightened sense of self-awareness. The theme for this year Yoga Day Celebration is "Yoga for One Earth, One Health".

The 11th International Yoga Day is organised at VSEZ and at all the SEZ premises in the States of Andhra Pradesh, Telangana in a big way.

Shri Muppaala Srinivas, has impressed upon the benefits of Yoga, he said regular practising of

Yoga helps a person manage stress on the body and mind, relieves back or neck pain, sleeping problems, headaches and inability to concentrate. Yoga will benefit in developing skills and reaching a more positive outlook in life. Meditation and breathing can help improve a person's mental well-being, mental clarity and calmness; increases body awareness; relieves chronic stress patterns; relaxes the mind; centers attention; and sharpens concentration and requested all to make Yoga a part of their daily activity.

Shri Prabhakar Murthy, Yoga guru who demonstrated Yoga was felicitated on the occasion for their contribution to Yoga. The Development Commissioner thanked all the Units, Senior Officers and other officials and the SEZs across Andhra Pradesh and Telangana who have responded and for actively participating in the Yoga Day Celebrations.

■ Members Queries Resolved

S. No.	Query from Member	Response by Grant Thornton
1	<p>Please clarify the meaning for the below condition of IGCR:</p> <p>"Inputs imported under IGCR is to be consumed for intended purpose (i.e. manufacturing) within specified time frame"</p> <p>We would like to know whether the said time frame is applicable only for consumption of material for the manufacturing purpose alone or the final product, manufactured out of inputs, is also to be cleared in domestic/export market within the given time frame.</p>	<p>Importers who benefit from concessional duty notifications must use the imported goods as specified within the given period. However, as per Para 10 of Customs Notification 74/2022, for unutilized or defective goods, they can either re-export or clear them for home consumption within the specified period or six months from import if no period is specified. Re-exported goods must be recorded in the monthly statement with export details, and their value should not be less than at import. For home consumption, importers can voluntarily pay applicable duty and interest.</p>
2	<p>"Development Commissioners shall keep a strict watch on high-risk commodities such as areca nuts, betel nut, black pepper, dates, etc., and may consider restricting the dealing of such sensitive commodities by FTWZ and Warehousing units. Moreover, the list may further be regularly reviewed by the Unit Approval Committee based on the risk perception of various commodities."</p>	<p>The goods so imported under IGCR may be cleared into DTA on payment of applicable duties along with interest. You can refer Para 10(3) of the said notification.</p>
3	<p>In continuation of this, the D.C. office has now directed that all Warehousing units importing/procuring items from DTA, which are not included in their existing Letter of Approval (LOA), must submit proposals to include such items (along with ITC-HS codes, export/import details, NFE, employment, and investment projections) for placing before the UAC for inclusion in the LOA. It has been stated that failing which the activities of such units will not be allowed.</p>	<p>As per RBI/FEMA provisions softex is to be filed for provisions of Software services only. Accordingly the caution remark showing in the attached screenshot explain that SOFTEX is to be filed for Software services only and not for the services provided by using IT/ITES platform such as Accounting services, book keeping service, legal services, etc.</p>
4	<p>In this context, I seek clarification on whether this interpretation by the D.C. office is consistent with the intent and scope of DoC Instructions No. 117/2024. FTWZ/Warehousing units typically cannot predict in advance the exact commodities or clients they will serve. Therefore, expecting units to pre-list all ITC-HS codes may be impractical and may hinder operational flexibility.</p>	<p>According to Section II of the Rules of Origin, your goods may not qualify as being of Indian origin. For further clarification, please refer Articles 2, 3, 4, 5, and 6 of the Rules of Origin.</p>
5	<p>I request that the matter be taken up appropriately to seek further clarification from the competent authority, in the interest of the warehousing units.</p>	<p>Please find below our point wise response</p> <ol style="list-style-type: none"> 1. DSPF to be filed for services and DTAP (DTA Procurement form) for Goods 2. Since supply to SEZ will be treated as export, DSPF and endorsed invoices is required by your vender as a proof of export, failing which, GST authorities having jurisdiction on your vender can question zero rated supplies and ask applicable tax along with interest and penalties from them. 3. Zero rated supplies require DSPF and DTA. Further we can comment on applicability of DSPF or DTA upon review of invoice. 4. SEZ unit need not to file DSPF form on supply of outward services.

6	<p>Additionally, I would also like to request clarification on whether a warehousing/trading unit is permitted to sell imported aluminum scrap under the current regulations.</p>	<p>SEZ units are permitted to import or procure all types of goods and services from the domestic tariff area, provided that these are related to authorized operations. Moreover, the MOCI has specified a default list of services for SEZ developers and Units that are eligible for GST exemptions.</p> <p>We would like to bring to your attention that SEZ units are required to file the DTA Service Procurement Form (DSPF) through SEZ Online following the receipt of services, for endorsement by the zonal customs authorities.</p> <p>Additionally, please note that there are no restrictions on procuring goods or services with the payment of IGST, contingent upon the maintenance of a proper accounts.</p>
7	<p>I am herewith attaching the instructions copy and circular for your ready reference.</p>	<p>SEZ regulations do not have specific provisions for the transaction you described. Additionally, any transfer of goods to the DTA from SEZ unit is subject to the duties and taxes.</p> <p>However, to consolidate exports from both your SEZ and DTA units, you may use export consolidation services from shipping agencies or to route your exports through a FTWZ unit. The FTWZ unit can consolidate both the consignments and then export them to your overseas buyer.</p>
8	<p>We are now required to provide the end user certificate to china supplier for purchase of Magnets for our motors which is a key component for our motors. Certain declarations, which also requires attestation by local Indian government authority responsible for import/export and China embassy in India. Do let us know who will be the local Indian government authority to sign these declarations for purchase at our sez and eou facility.</p>	<p>The end user certificate will be issued by the Director General of Foreign Trade. You can apply for this certificate through the DGFT online portal.</p>
9	<p>We have a customer based in Australia and they will be placing order on us. Once manufacturing completes and product is ready, we need to ship to a party in China who is a customer to our customer. Could you please let us know whether this kind of transaction is allowable under Indian banking regulations. Is there any additional compliance we need to follow.</p>	<p>This type of merchenting transaction are generally allowed. You'll need to ensure that all documentation, including the invoice and shipping documents, accurately reflect the billing and shipping addresses.</p> <p>Also, ensure that you comply with all relevant export regulations, including those related to the destination country and any specific requirements for the goods being exported.</p> <p>For detailed information, please refer to the RBI guidelines on export of goods and services.</p>

10	<p>We required clarification on following points :</p> <ol style="list-style-type: none"> 1. Supply from SEZ Unit to EOU is this transaction chargeable under GST 2. SEZ Unit has received the EPC annexure from custom office stating duty(BCD,Cess,IGST) forgone. 3. Can a GST officer conduct an audit of the SEZ Unit under GST Act? 4. Please share the supporting documents/circular/ notification of your clarification. 	<p>According to Rule 38 of the SEZ Rules 2006, goods procured, imported, or manufactured by a Special Economic Zone (SEZ) unit can be transferred to an Export Oriented Unit (EOU) without the payment of duties or taxes, contingent upon meeting the specified conditions.</p> <p>Furthermore, as per Section 22 of the SEZ Act 2005, any agency or officer is authorized to inspect, investigate, search, or seize premises within a Special Economic Zone, provided that the Development Commissioner receives prior notification.</p>
11	<p>We are an unlisted public limited company and this is a family owned group, who also owns LLP. Our Company has tea gardens and sells tea to LLP, who in turn exports. If LLP is set up in SEZ/FTWZ etc., can we get some benefits. Is it worth, to move LLP from DTA .</p>	<p>Units operating within Special Economic Zones (SEZs) benefit from several advantages aimed at boosting their competitiveness and operational efficiency. These include:</p> <p>Duty-Free Imports:Units in SEZs can import goods and procure them domestically without the burden of customs or excise duties.</p> <p>GST Exemptions: Supplies to SEZs are zero-rated under the IGST Act, providing an exemption from GST.</p> <p>Single Window Clearance: SEZ units benefit from a streamlined approval process for both central and state-level clearances, which helps in reducing bureaucratic delays.</p> <p>World-Class Infrastructure: SEZs are equipped with high-quality infrastructure to support business operations.</p> <p>Furthermore, If your business is focused on exports and requires imported inputs, the SEZ Scheme would likely be particularly beneficial.</p>
12	<p>One of our overseas customers would like to place an order in foreign currency, but the delivery is to be made within India. Please advise, if there is any provision under SEZ rules that allows us to deliver an export order domestically (i.e., within India).</p>	<p>There is no specific provision that permits the shipment of export orders within India. Additionally, please note that as per GST provisions, such supplies will be treated as DTA sales from an SEZ or as imports for a DTA unit and will be subject to import duties.</p>
13	<p>Company A, a DTA company, rents space in an FTWZ from Company B, a logistics service provider. Company A imports goods from overseas, which Company B clears at the FTWZ by filing a 'Z type' Bill of Entry on behalf of Company A. These goods are stored in the FTWZ without customs duty. Company A sells the goods to Company C, another DTA company, which clears the goods from the FTWZ by paying customs duty and filing a 'T type' Bill of Entry. Please clarify -</p> <ol style="list-style-type: none"> 1. Company A has taken space on rent from FTWZ Unit (Company B) in FTWZ, does Company A gets the status of FTWZ unit or it will be considered as a DTA Company only. 2. Is any LOA issued to Company A upon taking space on rent in FTWZ. 	<p>Please find the response as below:</p> <ol style="list-style-type: none"> 1. An entity will be recognized as an FTWZ unit only when specifically permitted by the Zonal Development Commissioner through the issuance of a Letter of Approval under the SEZ Act 2005. 2. Merely renting a space does not qualify an entity for a Letter of Approval. 3. There are no specific restrictions on receiving payments in foreign currency. 4. The Import Bill of Entry can be filed jointly in the names of both the FTWZ unit and its client.

	<p>3. Can Company A (DTA unit) receive import payment in foreign currency from Company C (DTA unit) for goods sold to DTA as mentioned above.</p> <p>4. Can Company B use its own IEC code for filing of 'Z type' bill of entry (Warehouse Bill of entry). As per our view, Z type Bill of entry should be issued against IEC code of Company A.</p>	
14	<p>We have manufactured and supplied goods to a Domestic Tariff Area (DTA) customer after paying the applicable GST. However, the customer has reported a quality issue and wishes to return the goods. We plan to accept the return, inspect the items, and carry out the necessary rectifications before resending them. In this regard, could you please advise if there is any SEZ rule or provision under which such returned goods can be brought back into the SEZ unit without attracting additional duties or taxes.</p>	<p>Rule 49(2) of the SEZ Rules outlines the following procedure:</p> <p>Goods supplied by an SEZ unit to the Domestic Tariff Area (DTA) on payment of duty can be returned to the unit for repair. This return is permissible within six months from the date of clearance, or within an extended period approved by the Specified Officer, or during the warranty period, whichever is later.</p> <p>Please note that duty will be applicable at the time of clearance of the repaired goods, based on the value of the repairs, provided the identity of the goods is established to the satisfaction of the customs officer.</p>
15	<p>We need to provide a Free Sale Certificate (FSC) to one of our customers for one of our product (Shrimp Feed Supplement), which is produced using Precision Fermentation. This FSC will help our customer to sell the product in various geographies worldwide. Additionally, the customer intends to bill the purchase to themselves while shipping to multiple locations globally.</p> <p>We contacted FSSAI and were informed that we cannot obtain a manufacturing license for this product since it is not meant for direct human consumption. We need information on the process and the required documents to obtain the Free Sale Certificate from DGFT, considering that we do not have a manufacturing license. Please advise whether we need to go through MPEDA & EIA to register as an exporter or if this step is unnecessary. Additionally, we would like to know if any documents are required from our customer to apply for the FSC.</p>	<p>Both merchant and manufacturer exporters are eligible for the Free Sale & Commerce (FCS) certificate.</p> <p>Applications for the FCS can be made using the ANF 2I form. While there are no specific documents required for the issuance of the FCS, you may submit the following documents/details along with your application:</p> <ol style="list-style-type: none"> 1. Details of the items for which the Free Sale & Commerce Certificate is being sought 2. Relevant certificates such as the FSSAI, etc. <p>Please note that the FSSAI certificate mentioned above is indicative only. Additionally registration with MPEDA or EIA is not required in this case.</p>
16	<p>We, an EOU unit, have supplied goods to another EOU for the last three years without prior approval from the Development Commissioner (DC) or customs authorities. The recipient unit has not issued Form-A. Despite the recipient unit paying IGST and availing ITC, the DC and customs authorities now believe these transactions cannot be treated as deemed exports under the FTP, and thus, will not count towards NFE. Please clarify, whether authorities can disqualify these transactions as deemed exports due to procedural lapses.</p>	<p>These provisions are mandatorily complied with and not condonable under the law. The authorities may take action against you under the FTDR Act.</p>

17	<p>This is regarding the notifications amending the import policy condition for gold and silver, which has been updated from 'Free' to 'Restricted'. Please clarify, whether this amendment and revised policy conditions are applicable to jewelry manufacturing units located in SEZs. Could you kindly provide any written clarification issued by a competent authority that confirms the amendment does not apply to a SEZ unit engaged in the manufacturing and export of jewelry and unit can import gold bars/grains directly from an overseas supplier on an outright basis.</p>	<p>Such restrictions generally do not apply to SEZs. You can refer to DGFT Policy Circular No. 03/2023-24 dated 14 July 2023 and Policy Circular No. 06/2024-25 dated 19 June 2024.</p>
18	<p>We exported 122 pcs of camera boards to our customer in Japan, 6 months back. The customer has since designed an integrated product (Vision Head Unit) and now wishes to send back those camera boards along with additional components for final assembly at our SEZ facility. We kindly request your guidance on the following points:</p> <ol style="list-style-type: none"> 1. Can this activity be undertaken under our existing LOA approvals as part of routine SEZ manufacturing and export operations. 2. Are there any additional permissions or approvals required from the MEPZ SEZ authorities for this process. 3. Are there any specific procedures or documentation requirements, especially considering the camera boards were originally exported by us. 4. Can we bill the assembly charges and send the product to the customer under commercial mode. 	<p>The goods to be assembled and exported will not be categorized as a digital camera or PCB board as approved in your existing LOA. Therefore, the addition of the new product is required through the UAC.</p> <p>Since there is no specific provision for approval or permission for such transactions, we suggest that you may inform the zonal customs authorities with regards to this arrangement along with a complete chain of documents and communication with your overseas customer. You can also bill such service charges to your customs.</p>
19	<p>In furtherance to below query, SEZ Rule 29(4)th states that, "supplied on loan or lease basis by a domestic supplier, the BOE shall be filed". Please clarify.</p>	<p>The second proviso of Rule 29(2) you're referring to, applies when goods originate from overseas but are leased out by a DTA supplier. Hence the said proviso will not be applicable where the goods directly imported or owned by DTA supplier and afterwards leased out to SEZ unit.</p>
20	<p>We are seeking clarification on the procurement of leased laptops to an SEZ. We understand that leasing goods is treated as procurement of services, and DSPF needs to be filed upon lease invoices. Whether we need to file a Bill of Entry or DTAP at the time of goods inward. If yes, the type of Bill of Entry and the procedure. If no, we need clarity on SEZ rule 29(2).</p>	<p>There is no need to fill out the DTAP form for leasing of capital goods from the DTA. Also, please note that Rule 29(2) specifically addresses situations where goods are imported on a lease basis from overseas.</p>
21	<p>In furtherance to below query, our query is related to pure gold. If we can import pure gold from an overseas buyer on a loan basis and then re-export it as gold jewelry within 90 days. Our gold procurement is under Bond-17 sanctioned by DC, Seepz, Mumbai. According to FTP 2023, para 6.01(d), EOUs are allowed to import all types of goods required for their activities, provided they are not prohibited items. Please clarify, whether this provision applies to our case and if you can proceed under the actual user condition.</p>	<p>FTP and RBI permits 100%EOU to import Gold on Loan basis. You may refer to Master circular dated 02 July 2012 issued by RBI.</p>

22	As an EOU, can we import gold on loan basis from our overseas buyers against orders with actual user condition. Please confirm.	According to Para 6.01(h) of FTP-2023, gems and jewellery EOUs can obtain precious metals (gold, silver, or platinum) from nominated agencies on a loan basis. The jewellery made from these metals must be exported within 90 days. Additionally, Para 6.03(c) of HBOP allows exporters to set the price and repay the gold loan within 180 days from the export date. This price must be communicated to the nominated agencies, who will then confirm the final rate to the bank.
23	We are procuring materials domestically after paying GST and selling the finished product in the DTA. Please clarify, whether any duties other than GST are applicable to the EOU.	As per Chapter 6 of FTP-2023 read with Notification no. 52/2003 dated 31 March 2003 (as amended), EOU units required to pay back the customs duties in the imported content only while making DTA Sale.
24	We are in API business and we need some RM in gas form i.e. Nitrogen gas, Hydrogen skid, CO2 Skid, form which can not be received as per our required pack size, hence supplier has to send qty in his fixed size (i.e. tanker load) and we have to consume it as per our requirement and needs to return balance qty. In above case, every time we can not file DTA sale BOE to return back balance qty of goods as supplier has a commitment to deliver goods to other customers also. Kindly suggest the procedure for procure such type of goods.	Rule 48(3) of the SEZ Rules 2006 addresses the situation where goods are supplied back to the DTA as-is, under the cover of the invoice, subject to the following conditions: 1. The import duty on such goods is nil. 2. No export benefits were availed against such goods. If the goods meet these conditions, you may contact your zonal customs authorities for clearance based on the invoice.
25	We have received an order from a Visakhapatnam SEZ customer for manufactured finished goods. We have a valid LUT for FY 2025-2026, allowing us to supply these goods under a zero-rated transaction. However, the SEZ customer requires a port code to file the shipping bill. Please advise on the procedure for: 1. Determining or assigning the correct port code for dispatch from a landlocked EOU (Bangalore) to an SEZ (Visakhapatnam). 2. Using manual filing or alternate port options. 3. Applicability of bonded trucking or self-sealing options.	An EOU can supply manufactured goods to an SEZ unit in accordance with FTP 2023, HBOP-2023, and Para 4(b) of Notification No. 52/2003, dated March 31, 2003. Additionally, these transactions must adhere to the procedures outlined in Rule 30(14) of the SEZ Rules 2006. Please note that since EOUs are currently not governed by bonded warehouse provisions, there is no requirement to file an ex-bond shipping bill for such transactions. The bill of entry filed on the SEZ online portal is sufficient for all purposes.
26	Kindly advise whether, the service provided by Airtel, Vodafone for communication is covered under exempted service to SEZ.	Telecommunication services and internet communication services are listed under Sr. No. 51 and Sr. No. 30, respectively, of the default list of services prescribed for SEZs. Therefore, the services provided by telecom operators for authorized operations of the SEZ unit are exempt.
27	In furtherance to below query, please note that our query is whether this restriction which is on import of goods would apply when new DG set originally sourced from indigenous manufacturer is supplied back to DTA after prolonged use by SEZ unit. This is in line with Para 2.31 of FTP-2023.	We understand that the DG set was procured in 2007, and its useful life is now fully depreciated in the books. You may clear this DG set as scrap after paying duties based on either the depreciated value or the transaction value, whichever is higher. Therefore, an import authorization is not required for clearing it as scrap.
28	We had procured new DG set from DTA manufacturer in year 2007. Now we want to remove it on payment on duty in terms of Rule 49 (1) (c) (ii) of the SEZ Rules 2006 to DTA. Please clarify, whether authorisation from DGFT as per Para 2.31 of the FTP is applicable on this.	Second-hand DG sets are not restricted under Para 2.31 of FTP-2023. Therefore, no import authorization is required for clearance of these goods into DTA.

29	Following a recent GST audit, we were advised that GST must be paid on all export service invoices, except for the pharmaceutical sector. The paid GST can later be refunded under the EOU scheme. This advice is based on AAR No. 14/ARA/2024 dated 11.07.2024, concerning the International Institute of Biotechnology and Toxicology (IIBAT), a non-EOU company. Please clarify if this applies to EOU companies as well	GST provisions are applicable to the EOU scheme in a similar manner to DTA. Additionally, there is no specific exclusion for EOUs under Rule 13 of the IGST Rules 2017. Therefore, the provisions of Rule 13 will apply to your unit.
30	A unit in SEZ supplying goods to its foreign customers. The customer is giving a Purchase Order for development of the tool. The SEZ got it developed and procured the same from DTA without payment of IGST. The tools remain with SEZ for using the same for manufacture of goods either by itself or sent to job workers in DTA and the manufactured goods are exported to its customer. The SEZ unit has to raise Invoice for claiming the Tooling Charges. Since there is no movement of goods, it is not an export. Under the above circumstances, please advise regarding the GST applicability. Where this transaction to be shown in GSTR1 and GSTR3B	<ol style="list-style-type: none"> 1. In reference to the appended mail, we wish to apprise you that tools remain with the manufacturer during the production process and do not cross the Indian borders. Accordingly, as per the provisions of GST law, this does not qualify as an export of goods. Since, tools are not physically moved outside India therefore, the tooling charges link to these tools may not partake the character of "exports" on strict interpretation of "export of goods" and "export of services" definition as envisaged under Section 2(5) & 2(6) of IGST Act 2017 respectively. 2. Furthermore, it is a common industry practice to treat such transactions as the supply of design and engineering services, without levying GST, on the premise that they qualify as exports of services. However, to classify such supplies to foreign customers as services under GST law, a detailed analysis and proper structuring of the arrangement is necessary to ensure consistency and compliance.
31	A unit in VSEZ intends to export goods to Dubai and receive payment in INR, based on a trade agreement with that country. Is this permissible?	<ol style="list-style-type: none"> 1. In terms of Para 2.52 of Foreign Trade Policy, 2023, an SEZ Unit can receive export proceeds in INR provided it is through Special Rupee Vostro Accounts opened by AD Banks. 2. Accordingly, exports proceeds for goods exported to Dubai can be received in INR in Special Rupee Vostro Accounts opened by AD Banks.
32	<p>SEZ administration under MoC & I, New Delhi & STPI under MoE & IT, New Delhi.</p> <p>Now my query is if any unit who interested to take space on lease in Non-processing Zone of a SEZ can go for a registration under MoE & IT?? if so, what is the process for Entry, Compliance & Exit.</p> <p>Does the Development Commissioner of SEZs have any involvement in all these processes? or should any intimation be provided to DC, SEZs by Developer (SEZ)?</p>	<ol style="list-style-type: none"> 1. As per Rule 11B(1) of SEZ Rules, 2006, Board of Approval (BOA), on request of developer of Information Technology or Information Technology Enabled Services Special Economic Zone, may permit demarcation of a portion of the built-up area as a non-processing area. 2. As per Rule 11B(2) of SEZ Rules, 2006, BOA shall specify the terms and conditions for setting up IT/ITES units in a non-processing area. 3. Issue No. 10 to Instruction No.115 dated 09.04.2024 issued by Ministry of Commerce and Industry discusses about seeking approval from the Jurisdictional Development Commissioner for setting up of IT/ITES units in a non-processing area. It has been clarified that no additional/differential treatment to units in non-processing area and shall be subject to such benefits and exemptions as are applicable to any other entity operating as a DTA/STPI/EOU/EHTP in terms of Rule 11B(10) of SEZ Rules, 2006.

33	<p>Please request your clarification on the below:-</p> <p>A unit in SEZ supplying goods to its foreign customers. The customer is giving a Purchase Order for development of the tool. The SEZ got it developed and procured the same from DTA without payment of IGST. The tools remain with SEZ for using the same for manufacture of goods either by itself or sent to job workers in DTA and the manufactured goods are exported to its customer. The SEZ unit has to raise Invoice for claiming the Tooling Charges. Since there is no movement of goods, it is not an export. Under the above circumstances, please advise regarding the GST applicability. Where this transaction to be shown in GSTR1 and GSTR3B.</p>	<ol style="list-style-type: none"> 1. In reference to the appended mail, we wish to apprise you that tools remain with the manufacturer during the production process and do not cross the Indian borders. Accordingly, as per the provisions of GST law, this does not qualify as an export of goods. Since, tools are not physically moved outside India therefore, the tooling charges link to these tools may not partake the character of "exports" on strict interpretation of "export of goods" and "export of services" definition as envisaged under Section 2(5) & 2(6) of IGST Act 2017 respectively. 2. Furthermore, it is a common industry practice to treat such transactions as the supply of design and engineering services, without levying GST, on the premise that they qualify as exports of services. However, to classify such supplies to foreign customers as services under GST law, a detailed analysis and proper structuring of the arrangement is necessary to ensure consistency and compliance.
34	<p>During DTA sales from our SEZ unit, we have observed that many of our invoices are not being transmitted from ICEGATE to the GST portal. In several instances, this issue persists for over 3-4 months.</p> <p>There does not appear to be any consistent logic or pattern behind this, as we are using the same invoice details each time. Occasionally, the input tax credit flows through and is reflected in the GST portal, but in many cases, it is delayed or does not appear at all.</p> <p>We request your guidance on how to streamline this process and would appreciate your insights on the possible reasons for these invoices not flowing into the GST portal.</p>	<ol style="list-style-type: none"> 1. The GST portal provides the facility to retrieve/ fetch Bill of Entry (BOE) data from the ICEGATE portal in cases where the data is not auto transmitted from ICEGATE portal to GST portal due to technical glitches. Please find the below steps to retrieve the data: <p>Steps:</p> <ol style="list-style-type: none"> 1. Log in to the GST portal. 2. Navigate to the 'Services' tab, then select 'User Services'. 3. Click on the 'Search BOE' option. 4. Enter the required details such as Port Code, BOE number, BOE date and Reference date. 5. Click on "search". 6. Click on "Query ICEGATE". <p>Upon successful completion of the above steps (provided the data is accurate), the details of BOE will be transmitted from the ICEGATE portal to GST portal.</p>
35	<p>Kindly request you to please submit the details for MIP (Minimum import prices) is applicable for EOU units?</p> <p>If yes, please provide the applicable circular of notification which is issued from the steel Authority/Govt of India</p>	<ol style="list-style-type: none"> 1. Notification No. 01/2025-Customs (SG), dated 21 April 2025, specifies a minimum threshold of Import price on CIF basis, in USD for certain products, including flat rolled products of Chapter 72 or the First Schedule of the Customs Tariff Act, 1975, i.e. steel plates. Any imports priced below these thresholds will attract a safeguard duty of 12% ad valorem. This notification is effective for a period of 200 days from its date of publication. 2. As per Section 8B(6) of the Customs Tariff Act 1975, safeguard duty does not apply to EOUs unless the relevant notification explicitly states otherwise. The above notification does not specify applicability to EOUs.

36	<p>Thanks for your reply and requesting further clarification if the transaction is treated as supply of goods.</p> <p>If a domestic supplier is claiming the tool cost from foreign customers, we understand that the CGST/SGST to be paid due to place of supply is in the state itself.</p> <p>On the other hand, if the same scenario is from SEZ to foreign customers, we need clarity whether GST to be paid or not. Because, here the place of supply would be SEZ itself. Further where this transaction has to be shown in the GSTR1 and GSTR3B.</p> <p>We also bring your kind attention to the 55th GST Council meeting wherein the following extract is reproduced for your reference and to look into whether the same will have effect in finalizing the above issue.</p> <p>B. MEASURES FOR FACILITATION OF TRADE</p> <p>1. Amendment in Schedule III of CGST Act, 2017</p> <ul style="list-style-type: none"> To insert clause (aa) in paragraph 8 of Schedule III of the CGST Act, 2017 w.e.f. 01.07.2017, to explicitly provide that supply of goods warehoused in a Special Economic Zone (SEZ) or Free Trade Warehousing Zone (FTWZ) to any person Page 4 of 8 before clearance of such goods for exports or to the Domestic Tariff Area, shall be treated neither as supply of goods nor as supply of services. This brings transactions relating to supply of goods warehoused in SEZ/FTWZ at par with the existing provision in GST for transactions in Customs bonded warehouse. 	<p>1. In reference to your below query, we would require an extensive review of the documentation. Therefore, our experts shall get in touch with you directly in this regard.</p>
37	<p>Please confirm Whether Register lease deed stamp Duty & registration fee Exempted below state SEZ Unit's.</p> <p>Tamil Nadu MEPZ Karnataka CSEZ Telangana VSEZ</p>	<p>1. Tamil Nadu (MEPZ)</p> <p>As per the notification issued by the Tamil Nadu Government dated May 20, 2004, and the State Stamp Act, lease deeds executed by SEZ units are exempt from payment of stamp duty and registration charges.</p> <p>2. Karnataka</p> <p>The Karnataka Government under its SEZ Policy, 2009 and guidelines issued in this regard, provides for 50% exemption for SEZ Units on stamp duty and registration fee exemptions.</p> <p>3. Telangana</p> <p>As per the Telangana State Stamp Act, payment of stamp duty and registration fees for lease deeds in respect of SEZ Units is exempt.</p>
38	<p>We are a EOU Registered with rcmc bearing number 011160000052 and wish to understand as to how we have to file the annual performance report for the year 2024-2025 at nsws.gov.in.</p>	<p>1. Vide Circular dated 11.04.2025 (attached herewith to the e-mail), Ministry of Commerce & Industry, Department of Commerce, EOU Section, all current functional EOU units shall file their QPR/ APR through National Single Window System (NSWS portal).</p> <p>2. In this regard, all EOU units shall get themselves registered on the NSWS portal.</p> <p>3. Further, our experts/ knowledge partners can get in touch with you and support in this regard.</p>

39	<p>We are having sez unit and we have bought material from domestic market with Service Tax/ IGST benefit. Due to order cancellation and NCLT period many materials are surplus for us. We request you to clarify what will be duty implications if sell to another DTA Unit. Whether it will be only IGST or Custom Duty with IGST.</p>	<ol style="list-style-type: none"> 1. As per Section 30 of the SEZ Act, 2005 read with Rule 47(1) of SEZ Rules 2006, SEZ unit shall sell goods to DTA unit on payment of applicable Customs duty. 2. As per Rule 49(4)(a) of SEZ Rules 2006, SEZ unit can remove goods to a DTA unit without payment of any Customs duty provided goods were imported into SEZ unit after payment of applicable duty and such goods are cleared into DTA unit, without any processing, subject to the condition that the identity of goods is established to the satisfaction of the Specified Officer. 3. Further, as per Rule 48(3), where goods procured by SEZ unit are supplied back to DTA unit as it is or without substantial processing, such goods shall be treated as re-imported goods and shall be subject to such procedure and conditions as applicable in the case of normal re-import of goods from outside India. Further, where such goods are supplied back to DTA unit as it is, and where the import duty on such goods is 'Nil' and while procurement of such goods no export benefits were allowed against such goods, the SEZ unit may be allowed to supply back such goods to DTA unit on the basis of invoice only and filing of Bill of Entry in such cases shall not be required. 4. Accordingly, the Company can follow the procedure as stated above.
40	<p>We need a clarification about the shipping bill which received from our customs.</p> <p>I have attached two Shipping Bill copies (first attachment) Does not have ROTN number, (second attachment) with ROTN number and many of the shipping bills(LEO copies) does not have ROTN no.</p> <p>As we know the ROTN number is updated by the customs officials(AO) manually, obvious we could not have options to check or ensure to have ROTN number in the final document.</p> <p>Kindly help us to understand whether the ROTN number is still mandatory for GST refund.</p>	<ol style="list-style-type: none"> 1. We understand that the goods covered under Shipping Bill (SB) No. 2206639 were transported by air, whereas the goods covered under SB No. 2231220 were transported by sea. As per SEZ Online EDI Data Exchange Manual(version 1.0), Rotation No. (ROTN) is critical and mandatory only for shipments those transported by sea. Therefore, the requirement to provide the ROTN is contingent upon the mode of transport and is applicable only when the goods are shipped via sea.
41	<p>We are requesting MIP (minimum import prices) is applicable for EOU units?</p>	<ol style="list-style-type: none"> 1. We would like to inform you that there is currently no active notification or circular under the Foreign Trade Policy 2023 that imposes Minimum Import Price (MIP) on steel products. 2. Notification No. 01/2025-Customs (SG), dated 21 April 2025, does prescribe certain threshold limits. Where specified steel products are imported below the stated CIF value, a safeguard duty may be applicable. However, this safeguard duty is not applicable to Export Oriented Units (EOUs), as per the provisions of Section 8B(6) of the Customs Tariff Act, 1975. Therefore, the threshold shall also not be applicable to EOUs.

42	<p>This is a gentle follow-up regarding our earlier email , wherein we sought your guidance on the procedure for making payment to a foreign client in relation to an Intra-SEZ transfer within AEQUS SEZ, Belgaum.</p> <p>As mentioned, the goods were imported under SEZ BOE (NFEI) on behalf of the foreign client and subsequently transferred within the same SEZ premises. The transaction has been conducted in foreign currency, and the SEZ recipient is now initiating the payment to the foreign supplier. However, the bank is requesting a Customs BOE and AD Code, which is not applicable in this SEZ context.</p> <p>We would be grateful if you could kindly advise us on the correct compliance procedure and documentation required to facilitate this remittance in line with SEZ Rules.</p>	<p>According to Rule 46(12) of the SEZ Rules, 2006, the transfer of goods from one SEZ to another is permitted. Further, the supply of such goods to a SEZ unit is covered under Section 16 of the IGST Act, 2017, and is considered zero-rated, provided they are used for authorized operations.</p>
43	<p>We are currently facing an issue as we have mentioned consignee details wrongly. and currently the shipment is under sailing so request your support on how to rectify the issue.</p> <p>Actual Consignee Detail: M/s.Phoenix Water Filters Ltd Carlton House, Aylmer Road, London, E11 3AD, United Kingdom. VAT No:425483883 Wrong Details in shipping bill: Construction Helpline Ltd. (trading as CHL GO) (Company Reg No: 07445228) Unit 1, Batsworth Road, Mitcham London CR4 3BX. Ali Mansoor: +44 7946 897836</p>	<ol style="list-style-type: none"> 1. With reference to your query below, please note that as per Section 149 of the Customs Act, 1962, the proper officer may, at their discretion, authorize an amendment to any document that has already been presented at the Customs House. Such amendments must be made in the prescribed form and manner, within the stipulated time, and subject to any applicable restrictions and conditions. 2. This provision typically applies in cases involving changes to shipment details, invoice particulars, item descriptions, etc., where the details have either genuinely changed or were erroneously entered. As the document/transaction has already been submitted and approved by Customs, any amendment can only be made with the explicit permission of Customs officials.
44	<p>Kindly provide the applicable RoDTEP table for pharmaceutical units. Some of the units have informed us that certain HS codes are not appearing on the DGFT portal and ICEGATE. We request your clarification regarding the applicable RoDTEP rates.</p>	<ol style="list-style-type: none"> 1. RoDTEP rates for Advanced autorisation holders, Export Oriented Units and Special Economic Zones were recently restored under Notification No 11/2025-26 issued by DGFT, which was effective from 01.06.2025. Under the notification, goods falling under Chapter 30 of the First Schedule of the Customs Tariff Act, 1975 which provides for "Pharmaceutical Products", are not included for the AA/EOU/SEZ units under Annexure 4RE. Therefore, these HSN rates are not reflecting on the ICEGATE Portal. However, if the goods are falling under any other Chapter, the relevant HSN will have to be examined vis-à-vis the notification.
45	<p>Dear Sir/Ma'am,</p> <p>We, SPEC Finance (IFSC) Private Limited is situated in GIFT CITY, SEZ, Gandhinagar.</p> <p>Bond Number: 141/2024-25</p> <p>LOA Number: IFSCA-SEZ/40/2024-SEZ</p> <p>Kindly help us in understanding how to check BLUT Utilisation on SEZ portal.</p>	<ol style="list-style-type: none"> 1. Public Notice No. 07/2024 dated 09.12.2024 clarifies the position on BLUT Utilisation. in terms of Rule 22 (1) iv (d) there shall be no debit and credit in the BLUT and the onus is on the unit to maintain the accounting and to ensure that sufficient bond amount is available at any point of time which shall be monitored on Quarterly/ Annually.

		<p>2. The Notice further states that there is a process of auto debit of BLUT in ICEGATE however, the same is not auto credited based on the exports of the unit and when the Bond is exhausted, further BEs can be filed only after submission of additional bond or re-credit by the officer manually. However, this functionality has not been activated on the portal yet.</p>
46	<p>Please find the message from SIMS portal for registering about sims portal. We are in Ranipet SEZ. Kindly, guide us to proceed further.</p>	<p>1. Several units (SEZs/EOUs/AA holders) have uploaded incorrect documents—such as bills of lading or other unrelated files—instead of the required undertakings stating that the goods will not be sold in the Domestic Tariff Area (DTA). As a result, the Ministry of Steel has forwarded such cases to the Department of Commerce (DoC) and CBIC for necessary action.</p> <p>2. To resolve the issue, affected EOUs/SEZs must contact their respective Development Commissioners (DCs) and request them to send an email to the Ministry of Steel confirming that:</p> <ul style="list-style-type: none"> • The correct undertaking has been submitted, and • No goods have been sold in the DTA. <p>Once this confirmation is received, the Ministry of Steel will proceed to unlock the SIMS accounts.</p> <p>Additionally, if the imported steel is not covered under the Quality Control Order (QCO), a request can be sent directly to the Ministry of Steel for reactivation of the SIMS account. Further, units should follow the above procedure, in case they are facing any challenges on the said issue and while sending such request to the DC's office, unit should ensure a copy is marked to ddg@epces.in.</p>
47	<p>I have received a query from an SEZ Unit regarding the following error message encountered during registration on SIMS: "Either Username or Password is incorrect or this IEC Code is debarred from registration on SIMS due to previous instances of false declarations and discrepancies."</p> <p>Upon thorough enquiry with DGFT, it was confirmed that the IEC code has indeed been debarred from SIMS registration due to past instances of false declarations and discrepancies. We were informed that this matter falls under the purview of the Ministry of Steel for resolution.</p> <p>The unit has been attempting to contact SIMS but has not received any response so far. They have now approached us, seeking guidance on how to enable their IEC code for registration on SIMS.</p>	<p>1. Several units (SEZs/EOUs/AA holders) have uploaded incorrect documents—such as bills of lading or other unrelated files—instead of the required undertakings stating that the goods will not be sold in the Domestic Tariff Area (DTA). As a result, the Ministry of Steel has forwarded such cases to the Department of Commerce (DoC) and CBIC for necessary action.</p> <p>2. To resolve the issue, affected EOUs/SEZs must contact their respective Development Commissioners (DCs) and request them to send an email to the Ministry of Steel confirming that:</p> <ul style="list-style-type: none"> • The correct undertaking has been submitted, and • No goods have been sold in the DTA. <p>Once this confirmation is received, the Ministry of Steel will proceed to unlock the SIMS accounts.</p> <p>Additionally, if the imported steel is not covered under the Quality Control Order (QCO), a request can be sent directly to the Ministry of Steel for reactivation of the SIMS account. Further, units should follow the above procedure, in case they are facing any challenges on the said issue and while sending such request to the DC's office, unit should ensure a copy is marked to ddg@epces.in.</p>

48	<p>We, M/s Sai Lalith Fragrances a Proprietrix unit located in B-25,Phase-II,MEPZ Special Economic Zone, Tambaram, Chennai 600045 and have registered in Icegate with LOA No. 8/566/2003/ SEZ Dated 31.07.2003 Validity upto 31.12.2027.</p> <p>We have changed our Entity name as "M/s.SLFAROMAS EXTRACTS PRIVATE LIMITED" and registered in ROC with new GSTIN and PAN. The same was approved by the Unit Approval Committee meeting held on 19.06.2024 with seamless continuity of SEZ activities. Enclosing the copy of letter issued by The Office of The Development commissioner for your Kind reference.</p> <p>Now we want to amend the entity name M/s. SLF AROMAS EXTRACTS PRIVATE LIMITED" in the Icegate registration with the same LOA and new GSTIN & PAN. We tried to amend the detail in Icegate portal SEZ amendment . But we are unable to amend the segment of Entity name, GSTIN, PAN, Mobile, Email and Authorised Signatory in the Icegate portal.</p>	<ol style="list-style-type: none"> 1. Public Notice No. 34/ 2015-2020 dated 24 December, 2020 provides for modification of IEC. In case of change in constitution of a PAN based IEC by way of merger, acquisition, liquidation, inheritance etc. such that PAN of the new entity is different from the earlier one, an IEC would be availed against the new PAN, and then the previous IEC would have to be operationally linked to the PAN/IEC of the new entity. 2. Such an application for linking the obligations under the old/ previous IEC may be submitted online to the jurisdictional RA of the new entity along with supporting documents. Concerned RA may sanction the given linkage after due scrutiny of the evidence provided by the applicant including submission of affidavits etc. After RA's approval, previous IEC(s) shall be treated as surrendered.
49	<p>We have the following enquiry with reference to the UAC meeting dated 24.04.2025 (Minutes of 49th UAC):</p> <p>We understand that for FEMA purpose, units in GIFT City IFSCA are treated as non-residents. However, we request your inputs on any additional compliance requirement or regulatory requirement as our unit is now classified as an FOCC (Foreign owned &/or controlled companies)</p> <p>We would also request your clarity on any changes in the GST & IEC certification. Attached minutes of 49th UAC for your easy reference.</p>	<ol style="list-style-type: none"> 1. As per Para 2.14(b) of Handbook of Procedures, 2023, any change in constitution of firm, address, bank details or any other primary details, the IEC holder is required to ensure that the IEC details are suitably updated online within thirty days of effecting such change(s). 2. As per Rule 19 of Central Goods and Services Rules 2017, if there is any change in the particulars information such as legal name of business, address of the principal place of business or any additional place(s) of business, addition, deletion or retirement of partners or directors, Karta, Managing Committee, Board of Trustees, Chief Executive Officer or equivalent, responsible for the day to day affairs of the business, the registered person shall, within a period of fifteen days of such change, submit an application for intimating such changes. 3. There are no additional compliance requirements from FEMA perspective.
50	<p>We are manufacturers and exporters of rotary industrial cutting tools, operating from a Special Economic Zone (SEZ) in India.</p> <p>We seek your kind guidance on the following scenario:</p> <ol style="list-style-type: none"> 1. We propose to import certain goods from country "A", with whom India has recently executed a Free Trade Agreement (FTA). 2. The imported goods are not the products we manufacture but are integral components that complement our cutting tool range for further distribution in the Indian market. 3. At the time of import into our SEZ unit, we understand that the Bill of Entry can be filed with zero customs duty and social welfare surcharge (SWS), as per FTA provisions. 	<ol style="list-style-type: none"> 1. As per Section 30 of the SEZ Act, 2005 read with Rule 47(1) of SEZ Rules 2006, SEZ unit shall sell goods to DTA unit on payment of applicable Customs duty. 2. FTA benefits are available when goods are directly imported into India from a country with which India has an FTA agreement. However, FTA benefit shall not be available while goods are cleared from SEZ unit to DTA unit. Accordingly, SEZ unit would be required to pay applicable Customs duty in accordance with the Customs Tariff Act. 3. As per Section 30 of the SEZ Act, 2005 read with Rule 47(4) of SEZ Rules, 2004, for clearance of goods from SEZ unit to DTA unit, valuation shall be made in accordance with Customs Act and rules made there under.

	<p>4. Our query pertains to the subsequent sale of these imported goods from SEZ to the Domestic Tariff Area (DTA):</p> <ul style="list-style-type: none"> o Are we required to pay customs duty and SWS at the time of clearance from SEZ to DTA for these goods, considering their FTA-origin status? o If yes, what should be the basis for determining the assessable value for the purpose of calculating duty and SWS when selling into DTA (e.g., transaction value, customs assessable value at the time of import, or another method)? <p>We request your clarification on the applicable legal provisions and the correct procedure to follow in such cases.</p>	
51	<p>If material is procured from local market in SEZ and if SEZ intend to sale same in local market, please inform Custom Duty will be charged or not.</p>	<ol style="list-style-type: none"> 1. If goods are procured by SEZ unit from DTA unit, without payment of duty, applicable Customs duty would be required to be discharged at the time of sale of such goods to DTA. 2. However, if goods are procured by SEZ unit from DTA unit after payment of applicable Customs duty and are cleared into DTA unit, without any processing, no Customs duty would be required to be paid subject to the condition that the identity of goods is established to the satisfaction of the Specified Officer. <p>Accordingly, the Company can follow the procedure as stated above.</p>
52	<p>Thank you for your clarification regarding RoDTEP implementation. We note that ICEGATE is now displaying RoDTEP rates for most of the pharmaceutical products; however, a few items are still not appearing.</p> <p>Could you please provide a detailed list of the products that are excluded, including their product names and corresponding HSN codes?</p>	<ol style="list-style-type: none"> 1. There is no exhaustive list of pharmaceutical products (HSN codes) that are excluded from the RODTEP benefit. Accordingly, it is practically not possible to provide list of pharmaceutical products that are excluded from the RODTEP benefit. 2. In order to understand whether RODTEP benefit is available for a specific pharmaceutical product or not, a detailed analysis of the product and it's HSN Code would be required.
53	<p>My clarification is how to amend the entity name in Icegate registration with our existing LOA ,new PAN, and new GSTIN. We tried to amend the detail in Icegate. But there is no option to amend the segment of Entity name, GSTIN, PAN, Mobile, Email and Authorised Signatory in the Icegate portal.</p>	<ol style="list-style-type: none"> 1. As per Para 2.14(c) of Handbook of Procedures, 2023, request for PAN change in existing numeric IECs has to be made to the jurisdictional Regional Authority (RA). Further as per Para 2.14(d) of Handbook of Procedures, 2023, RAs shall consider applications seeking modification in IEC (all numeric), involving change in PAN, by ensuring that liabilities of the previous applicant/applicant firm are transferred to the new applicant/applicant firm whose PAN will be reflecting in the modified IEC 2. Also, as per Para 2.14(e) of Handbook of Procedures, 2023, in case of change in constitution of a PAN based IEC by way of merger, acquisition, liquidation, inheritance, business transfer etc. such that PAN of the new entity so formed is different from the earlier one, an IEC shall be availed against the new PAN within 30 days of effecting such change, if not existing already.

		3. Accordingly, depending on the scenarios as stated above, the Company should first get the IEC amended. Post amendment in IEC, the details will be amended on the ICEGATE portal
54	The jewelry unit is in seepz and doing job work for other units in seepz and getting job work charges, payment received in USD and whether the same will be considered for calculation of NFE under rule 53.or not.	<ol style="list-style-type: none"> 1. As per Para C to Rule 53 of SEZ Rules, 2006, gems and jewellery units shall achieve minimum Value Addition as laid down in prevailing Foreign Trade Policy or Hand Book of Procedures. However, nominated agencies working as a service unit for precious metals supply within Special Economic Zone shall be subjected to the requirement of positive Net Foreign Exchange (NFE) only and not minimum value addition criteria. 2. As per Para A(h) to Rule 53 of SEZ Rules, 2006, for the purpose of NFE, export of services by services units including services rendered within Special Economic Zone and paid for in free foreign exchange shall be considered. 3. Accordingly, for a jewellery unit engaged in job work for other SEZ units and getting job work charges in USD, the same shall be considered for the purpose of NFE calculation.
55	Requesting you to kindly share the latest list Uniform list of services to be followed in SEZ(authorised operation services list).	1. In reference to your query, please find attached the list of authorised services approved by the Ministry of Commerce.
56	Thanks, for the reply. Please clarify under which rule custom duty also will be levied for sez to DTA sale of Surplus material.	1. For sale of goods from SEZ unit to DTA unit, applicable Customs duty shall be payable in terms of Section 30 of the SEZ Act, 2005 read with Rule 47(1) of SEZ Rules 2006.
57	<p>This is with reference to the attached public notice for the debit credit of duty on import and exports for sez unit.</p> <p>As per Annexure A to the public Notice we need to provide in column "4" "Forgone amount against which export obligation has been completed".</p> <p>Can you please guide us what amount we need to mention here whether it will be the calculated duty on the export value of the goods or if there is any guidelines available on this then please share.</p>	1. Public Notice No. 07/2024 dated 09.12.2024 provides for filing of undertaking for re-credit of BLUT. The Notice further states that there is a process of auto debit of BLUT in ICEGATE however, the same is not auto credited based on the exports of the unit and when the Bond is exhausted, further BEs can be filed only after submission of additional bond or re-credit by the officer manually. However, this functionality has not been activated on the portal yet.
58	I request you to kindly help me with the validity of assessed Bill of Entry . What will be validity of Bill of Entry also duty is paid of the same.	<ol style="list-style-type: none"> 1. There is no specific provision under SEZ Act, 2005 or SEZ Rules, 2006 which provides for the validity of the Bill of Entry. 2. However, as per proviso to Section 46(3) of the Customs Act, 1962, a bill of entry may be presented at any time not exceeding thirty days prior to the expected arrival of the aircraft or vessel or vehicle by which the goods have been shipped for importation into India. 3. Accordingly, the same shall be applicable to SEZ Units as well
59	We wish to inform you that certain Bonded assets were not returned by our former employee(s) upon leaving our organization. Please advise, how we can de-bond them as per STPI and customs scheme.	1. The procedure for de-debonding of assets from STPI unit has been provided under Para 6.14(b) of Foreign Trade Policy, 2023.

		<ol style="list-style-type: none"> 2. The Company would be required to pay applicable GST and compensation cess and duties of Customs leviable under First Schedule of the Customs Tariff Act, 1975 prevailing at the time of such removal. 3. Further, benefit of depreciation (provided in Para 6.37 of Handbook of Procedures, 2023) will be available only when the unit has achieved positive NFE taking into consideration the depreciation allowed. 4. Also, an intimation shall be filed with STPI authorities for de-bonding of the assets and seeking necessary approvals.
60	<p>Team- Thanks for your reply, however, we understand from STPI office that there is no provision for de-bonding of such Unreturned Bonded assets and they have rejected our application. As there is only two category as per FTP-6.14 (B) 1) become obsolete/ 2) surplus.</p> <p>Please advise is there any other clause for Unreturned and loss Bonded assets.</p>	<ol style="list-style-type: none"> 1. There is no specific provision under the Foreign Trade Policy, 2023 which provides for debonding of assets which have been stolen or unreturned by employees. 2. Accordingly, the Company will have to explain the STPI authorities about the situation and the Company is willing to pay the applicable Customs duty.
61	<p>This is inform you to our unit located at Mumbai Festus SEZ, we want require import wireless equipment for software Development testing purpose please check and confirm WPC (Wireless Planning and Coordination) applicable for SEZ import for software testing purpose this is not for sale use only inside SEZ unit software testing purpose.</p> <p>Material HSN code-8517.62.0090</p>	<ol style="list-style-type: none"> 1. SEZ Units are exempt from the requirement of obtaining WPC license for goods imported for testing and R&D purposes.
62	<p>In an SEZ-notified area, a building with 20 floors has been constructed. Out of these, five floors have been demarcated and designated as non-processing area in accordance with Rule 11B of the SEZ Rules, 2006.</p> <p>Kindly clarify whether a separate GST registration (under CGST & SGST) is required for operations carried out from the demarcated non-processing area, or whether the existing SEZ GST registration (IGST-based) can continue to be used for these five floors as well.</p>	<ol style="list-style-type: none"> 1. As per Rule 11B(10) of SEZ Rules, 2006 IT/ITES Units in a non-processing area shall be subject to provisions of all Central Acts and rules and orders made thereunder, as are applicable to any other entity operating as a DTA/STPI/EOU/EHTP. 2. Accordingly, a separate GST registration would be required to be obtained.
63	<p>We have discussed with the officer and they are asking for the below data for doing the manual re-credit, we need clarification on what data do we need to put in below column 4 "Forgone amount against which export obligation has been completed"</p>	<ol style="list-style-type: none"> 1. With reference to the below query, in column 4 "Forgone amount against which export obligation has been completed", the amount of duty forgone on imported goods to the extent used in the manufacture of exported product should be indicated.

Query :

1. Whether procurement of Ambulance Vehicle for Occupational Health Centre (OHC) is eligible for Zero Tax. Clarify with relevant instructions/circulars or SEZ Provisions.
2. Whether zero rate benefits are available for Operation and Maintenance of OHC and supply of medicines/tablets.

Reasons for Query :

We, Larsen & Toubro Limited, operating as a Special Economic Zone (SEZ) unit in Kattupalli village, has been authorised since 2012 to undertake the construction, repair, refit, and conversion of a wide range of defence and commercial ships, vessels, and their components. Our capabilities serve both Defence and commercial of domestic and international markets. Our manufacturing facility in Tamil Nadu is formally registered under the Factories Act, 1948, which mandates compliance with regulatory standards for workplace safety, employee welfare and operational integrity.

Construction and refit operations of Ships/Vessels are inherently labour-intensive manufacturing activities. We, Larsen & Toubro Limited, mobilize a dedicated workforce of over 2,000 skilled workmen and employees on a daily basis to ensure the timely and efficient execution of our orders.

As per Rule 62 O of the Tamil Nadu Factories Rules, 1950, industrial establishments employing more than 500 personnel are required to maintain Occupational Health Centre (OHC) facilities. Accordingly, and in our commitment to ensuring a safe and healthy work environment, we have established a fully functional, round-the-clock OHC (Processing Area of SEZ) at our Kattupalli facility, which is located approximately 45 kilometres from the nearest major government hospitals. Our OHC has the following basic facilities.

1. Out Patient Consultation for general sickness and injuries of workmen and employees
2. Medical Laboratory for pre-employment and periodical medical examination of employees
3. Pharmacy
4. Physiotherapy
5. Minor OT for handling minor emergencies.

As per Rule 62 P of Tamil Nadu Factories Rules, 1950, an ambulance is required for industrial establishment employing more than 200 employees. As our Shipbuilding unit is an heavy industry and it is prone to major injuries and medical emergencies like fall from height, head injuries, amputations, chemical exposures like paint and thinners, heart attacks, appendicitis etc.,. The nearest tertiary care hospital for handling such emergencies is around 25 kms away (Tiruvottiyur) and it takes around 50 min to shift a patient. The nearest Government Tertiary Care Hospital is around 45 kms away and it take 1hour 15 min to reach there. In such scenario, any delay in transferring critically ill or injured patient can significantly affect the prognosis and survival outcome. Therefore an on-site ambulance equipped with essential life support system ensures prompt stabilization and safe transport of patient to tertiary medical hospital.

1. As per Section 26 of SEZ Act, 2005 read with Rule 27 of SEZ Rules, 2006, SEZ unit is allowed to procure various types of goods, including raw materials, semi-finished goods, and capital goods, from a DTA unit without paying duty, provided it is for authorized operations. Procurement of ambulance for Occupational Health Centre (OHC) is not related to authorized operations of the Company. Accordingly, no duty/ tax exemption shall be available with respect to procurement of Ambulance.
2. As per Section 26 of SEZ Act, 2005 read with Rule 27 of SEZ Rules, 2006, SEZ unit is entitled to procure services without payment of duty/ tax for its authorised operations, and a list of services has been notified by Ministry of Commerce (MOC) which is commonly known as default services. Uniform list of services generally covers the services procured directly in relation to business of unit. Operation and Maintenance service for Occupational Health Centre (OHC) is not included in the default list of services for authorized operations of SEZ units. Consequently, such services unit would not be eligible for GST exemption.

	<p>Please clarify :</p> <ol style="list-style-type: none"> 1. We need clarification whether CR Ambulance PS (6+P) (AIS:125) BSIV.2 (B-TYPE) ABS can be procured under Zero Rated Tax, as it is critical for medical evacuation during emergencies in the shipyard. SEZ Authorities are of the opinion that Zero Rated benefits cannot be extended for this procurement. 2. Also request to clarify that whether the Operation and Maintenance in the OHC facilities through service providers and supply of medicines including tablets are covered under ZERO RATED. 	
65	<p>I have received a query regarding the proposal submitted by three SEZ units during the UAC meeting for changing their name from "A" to "B" under the same Letter of Approval (LOA) numbers. Please note that this is not a case of merger but a name change in accordance with the Business Transfer Agreement, and as per Instruction No. 109 dated 18.10.2021 issued by the Ministry of Commerce & Industry, New Delhi. The same has been approved in the UAC meeting.</p> <p>In this regard, I kindly request you to provide a step-by-step procedure to effect the name change of Unit "A" to "B" in the following:</p> <ol style="list-style-type: none"> 1. DGFT Portal 2. GST Records 3. Other Government Records 4. RCMC (EPCES or Relevant Council) <p>Particularly, please guide on how to process the name change on the DGFT portal.</p>	<ol style="list-style-type: none"> 1. DGFT Portal: <ul style="list-style-type: none"> • As per Para 2.14(b) of Handbook of Procedures, 2023, any change in constitution of firm, address, bank details or any other primary details, the IEC holder is required to ensure that the IEC details are suitably updated online within 30 days of effecting such change(s). Accordingly, SEZ unit shall login into DGFT portal and amend their IEC with respect to name change on payment of applicable fees. • Also, Importer-Exporter Profile (ANF-1A) shall be updated online on DGFT portal with respect to name change. 2. GST Records <ul style="list-style-type: none"> • As per Rule 19 of Central Goods and Services Rules 2017, if there is any change in the particulars information such as legal name of business, the registered person shall, within a period of fifteen days of such change, submit an application for intimating such changes. 3. Other Government records: <ul style="list-style-type: none"> • From a PAN perspective, since there is a change in name of company, the same should be informed by way of change in particulars of PAN and accordingly the PAN number will remain the same but the particulars will be updated in the income-tax records. • Other regulatory compliances may include changing the existing agreements entered into by the entity, updating banking records, updating particulars of tax deduction account number (TAN). 4. RCMC Certification: <ul style="list-style-type: none"> • As per Para 2.82 of Handbook of Procedures, 2023, SEZ unit shall intimate to the registering authority (EPCES or Relevant Council) within a period of one month from date of name change.

66	<p>We are a unit in SEZ, and doing regular export we have small query please resolve the same:</p> <ul style="list-style-type: none"> Is it compulsion to file RFD-11 for a sez unit even though they have BLUT. 	<ol style="list-style-type: none"> As per Section 16(3) of IGST Act 2017, a registered person making zero rated supply shall be eligible to claim refund of unutilised input tax credit on supply of goods or services or both, without payment of integrated tax, under bond or Letter of Undertaking, (LUT) in accordance with the provisions of section 54 of the CGST Act. Further, it is only a declaration filed online on GST portal and furnished each financial year. Therefore, it is advisable file the same to avoid any query or litigation from GST department.
67	<p>We would like to inform you that we are one of manufacturer of textile readymade garments (JAK Expo) functioning near Tiruvallur (TN). Now some overseas customers are contacting us to do exports with the following process that will be carried out at Bangladesh and the balance process at our factory in India.</p> <p>Fabric HSN code : 52 Export product HSN code : 62</p> <p>Following Process at Bangladesh</p> <ul style="list-style-type: none"> Ø Fabric Cutting Ø Stitching <p>Below process will be carried at Chennai</p> <ul style="list-style-type: none"> Ø Label Attaching (stitching on garment) Ø Technical washing (as per customer's requirement) Ø Quality Checking and inspection Ø Packing Ø Export to our overseas customer in USA and European countries <p>Kindly suggest to us under which scheme we can fulfill the process to earn FOREX in india.</p> <ol style="list-style-type: none"> Import Clearance UNDER SAFTA agreement OR MOOWR scheme. Advance Authorization EOU SEZ 	<ol style="list-style-type: none"> Import under South Asian Free Trade Area (SAFTA): Under SAFTA FTA, goods can be imported availing exemption/ concessional duty benefit subject to meeting of origin criteria as prescribed. Subsequently, exports can be made and foreign exchange can be earned. Manufacturing and Other Operations in Warehouse (MOOWR): MOOWR scheme allows import of raw materials and capital goods without payment of duty for manufacturing and other operations in a MOOWR warehouse. However, standalone activities like inspection, label attaching, packing, etc., may not be allowed under MOOWR scheme. Advance Authorisation (AA): Under AA scheme, inputs/ raw materials can be imported duty free which shall be physically incorporated in export product (making normal allowance for wastage). Further, Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories shall be issued for import of relevant fabrics including inter lining which shall be physically incorporated in the export product (making normal allowance for wastage). Export oriented Unit (EOU): An EOU unit can be set up for export of manufactured goods and services including repair, re-making, reconditioning, re-engineering, rendering of services, development of software, agriculture including agro-processing, aquaculture, animal husbandry, bio-technology, floriculture, horticulture, pisciculture, viticulture, poultry and sericulture. Trading units are not covered under these schemes. On exports, EOU unit can earn foreign exchange. Special Economic Zone (SEZ): SEZ unit can be set up for manufacturing of goods or for rendering services including trading. Free Trade Warehousing Zone (FTWZ) allows duty free import, warehousing along with activities such as packing, repacking, labelling/relabeling. On exports, from SEZ unit/ FTWZ foreign exchange can be earned.

68	<p>We are a 100% EOU unit registered with MEPZ.</p> <p>We are regularly exporting materials to our International customers.</p> <p>We need a clarification regarding shipment under courier mode.</p> <p>Our customer is placing purchase order on us for material export thru' courier mode. The courier is being booked by them under their account with their commercial invoice. However, the currency and invoice value declared by them in their invoice differ from the purchase order they have placed on us.</p> <p>Hence, while exporting it, we are unable to raise our commercial invoice.</p> <p>In the above situation, kindly advice how to proceed with the export under courier mode.</p>	<ol style="list-style-type: none"> 1. The Courier Shipping Bill will be filed on the basis of the commercial invoice of the International customer wherein International customer shall be the "consignor" and his foreign buyer will be the "consignee". Accordingly, the Company's commercial invoice would not be required for filing of the Courier Shipping Bill. 2. Further, the Company can raise sales invoice to the International customer on the basis of the purchase order (value and currency) against which the International customer shall make payment to the Company. 3. Further, the Company can provide all the details and documents related to the transaction to the Bank providing explanation with respect to the receipt of payment from International Customer.
69	<p>We are planning a job work to other EOU</p> <p>Please confirm i.e. FROM EOU TO EOU JOB WORK WILL BE ALLOWED</p>	<ol style="list-style-type: none"> 1. There is no explicit provisions under Foreign Trade Policy, 2023 which provides for sending of goods on job-work by one EOU unit to another EOU unit. 2. However, practically EOU unit with the prior permission of concerned Development Commissioners of the transferor and transferee EOU units as well as concerned Customs authorities can send goods to another EOU unit for job-work.
70	<p>Hi Team,</p> <p>Please ignore the previous emails.</p> <p>Apologies for the inconvenience.</p> <p>We would like to clarify that we are the Developer of the SEZ and already hold a valid SEZ GST registration.</p> <p>In this regard, we seek your guidance on the following:</p> <ol style="list-style-type: none"> 1. Whether Rule 11B(10) also applies to Developers, or only to IT/ITES units operating in the non-processing area. 2. If applicable to Developers, whether we need to take a separate GST registration under CGST/SGST for operations in the non-processing area, in addition to our existing SEZ (IGST) registration. 	<ol style="list-style-type: none"> 1. Rule 11B(10) of SEZ Rules, 2006 refers to only businesses engaged in Information Technology or Information Technology Enabled Services Special Economic Zone in a non-processing area shall be subject to provisions of all Central Acts and rules and orders made thereunder, as are applicable to any other entity operating in domestic tariff area. The terms "businesses" means IT/ITES units functioning in a non-processing area. 2. Non-Processing area is also a part of SEZ in terms of Section 6 of the SEZ Act, 2005. Accordingly, no separate registration would be required to be taken by the developer under GST Law.
71	<p>We may please be guided with the Formalities/Rules and Regulations/ Procedure to be followed by us for the semi-finished job work to be done by the 100% EOU to another 100% EOU.</p> <p>The customer is ready to pay the GST and they will not endorse our name in the shipping bill as they said.</p>	<ol style="list-style-type: none"> 1. As per Para 6.13(b)(iii) of Foreign Trade Policy, 2023, sub-contracting of both production and production processes of an EOU unit may be undertaken without any limit through other EOU, on the basis of records maintained in unit. 2. As per Para 6.21(c) of Handbook of Procedures, 2023, where job worker is EOU unit, export may be effected either from job worker's premises or from premises of unit. Export of such products from job worker's premises shall not be allowed through third parties.

72	<p>We have a registered unit in Gateway Office Parks, SEZ, Chennai, and seek clarification on the following matter:</p> <ul style="list-style-type: none"> When Sutherland procures goods or services with IGST payment and avails ITC for the export of services under LUT, is endorsement required under SEZ/GST regulations to claim ITC or a refund of the utilized ITC? 	<ol style="list-style-type: none"> As per second proviso to Rule 89(1) of CGST Rules, 2017 and Sl. NO. 2 of Circular No. 44/22/2018-GST dated 14.06.2016 for claiming refund of unutilized input tax credit or integrated tax paid by the supplier, on the supplies made to SEZ unit, endorsement shall have to be issued by the specified officer of the Zone to the effect that services has been received by the SEZ unit for the authorised operations. This is only applicable to the supplier of services. No endorsement of input invoices by specified officer would be required in case refund of such unutilized input tax credit by SEZ unit.
73	<p>I am writing to request your guidance in locating the primary source for the Handbook of Procedures (HBP) - Volume 2 on the Directorate General of Foreign Trade (DGFT) website.</p> <p>Specifically, I am looking to access the SION (Standard Input Output Norms) norms issued for the "Chemical and Allied Products" group. Could you please direct me to the correct section or link on the DGFT website where I can find this information?</p>	<ol style="list-style-type: none"> With reference to the below query, please find attached herewith list of SION Norms for the chemical and allied products. Also link for same is https://www.dgft.gov.in/CP/?opt=sion
74	<p>On the above topic of Sims, the imported steel item is used for export.</p> <p>It is imported because similar item is not available within India.</p> <p>What is the option if it is required to be sold in DTA when there is no source available within INDIA.</p>	<ol style="list-style-type: none"> As per Policy Circular No. 30/2015-2020 dated 08.01.2020, in case an item of steel gets registered under SIMS at the time of entry into SEZ/FTWZ, there is no need to seek SIMS Registration again at the time of supply of such item into DTA. In other words, if the goods imported under SIMS to SEZ/FTWZ are supplied to DTA unit without any processing, the DTA unit need not seek any registration under SIMS.
75	<p>We are 100% EOU engaged in mining and one of the largest exporter of crushed limestone in the NorthEast Region. We procure HSD from IOCL depot interstate and also from the local retail outlets to run the DG sets for generating power, mining equipment and auxiliary equipment.</p> <p>The HSD procured from IOCL is inclusive of excise duty and CST and the local retail outlets are inclusive of VAT. We would like to know the current provisions and procedures in the law for availing exemptions and refund of taxes and duties in case of deemed export from DTA suppliers and the appropriate authority for claiming such exemptions/refund.</p>	<ol style="list-style-type: none"> There is no specific provisions under Foreign Trade Policy, 2023 which provides exemptions under VAT Laws for EOU's procuring High Speed Diesel from a unit located in the DTA. Accordingly, High Speed Diesel procured from DTA by an EOU shall be subject to levy of VAT. As per Para 6(d)(iii) of Foreign Trade Policy, 2023, EOUs can also procure excisable goods falling under the Fourth Schedule of Central Excise Act, 1944 from DTA without payment of applicable duty of excise. Accordingly, High Speed Diesel procured from DTA by an EOU is exempt from levy of Excise Duty.

76	<p>This is to bring to your kind attention that the Development Commissioner's office has recently issued a circular dated 17.06.2025 regarding the review of FTWZ/Warehousing units in VSEZ, in line with the Department of Commerce's Instructions No. 117 dated 24.09.2024.</p> <p>Upon reviewing the said instructions, I refer to Para No. xi which states:</p> <p>"Development Commissioners shall keep a strict watch on high-risk commodities such as areca nuts, betel nut, black pepper, dates, etc., and may consider restricting the dealing of such sensitive commodities by FTWZ and Warehousing units. Moreover, the list may further be regularly reviewed by the Unit Approval Committee based on the risk perception of various commodities."</p> <p>In continuation of this, the D.C. office has now directed that all Warehousing units importing/procuring items from DTA, which are not included in their existing Letter of Approval (LOA), must submit proposals to include such items (along with ITC-HS codes, export/import details, NFE, employment, and investment projections) for placing before the UAC for inclusion in the LOA. It has been stated that failing which the activities of such units will not be allowed.</p> <p>In this context, I seek clarification on whether this interpretation by the D.C. office is consistent with the intent and scope of DoC Instructions No. 117/2024. FTWZ/Warehousing units typically cannot predict in advance the exact commodities or clients they will serve. Therefore, expecting units to pre-list all ITC-HS codes may be impractical and may hinder operational flexibility.</p> <p>I request that the matter be taken up appropriately to seek further clarification from the competent authority, in the interest of the warehousing units.</p> <p>Additionally, I would also like to request clarification on whether a warehousing/trading unit is permitted to sell imported aluminum scrap under the current regulations.</p> <p>I am herewith attaching the instructions copy and circular for your ready reference.</p>	<ol style="list-style-type: none"> 1. Circular dated 17.06.2025 directing all the warehousing units to submit a detailed proposal indicating the details of the items to be warehoused along with its ITC HS code. This Circular has been issued in reference to Instruction No. 117 dated 24.09.2024 issued by Ministry of Commerce (SEZ Section). Vide Para xi of said Instruction, Development Commissioners were directed to keep a strict watch on the high risk commodities such as areca nuts, betel nut, black pepper, dates etc. and may consider restricting dealing in such sensitive commodities by FTWZ units and warehousing units. However, Circular dated 17.06.2025 directing all the warehousing units to submit a detailed proposal indicating the details of the items to be warehoused along with its ITC HS code is not in line with the intent of Instruction No. 117 dated 24.09.2024. The intent of Para xi of said Instruction is to only restrict the warehousing/trading of high risk items and not to strictly monitor all items being warehoused. 2. As per Rule 13(2)(c) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, importer who is a trader of aluminium scrap (covered by Part D of Schedule III to this Rules), importing waste on behalf of actual users, shall obtain one time authorisation in Form 7 (To be submitted by trader to the State Pollution Control Board) and copy of this authorisation shall be appended to Form 6 prescribed in these Rules. 3. As per Rule 13(4) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 for clearance of aluminium scrap, the Customs authorities shall verify following documents executed by the importer at time of importing aluminium scrap: <ol style="list-style-type: none"> (i) Duly filled up Form 6 to Hazardous and Other Wastes (Management and Transboundary Movement) Rules, - Movement document; (ii) The import license from Directorate General of Foreign Trade, wherever applicable; (iii) Pre-shipment inspection certificate issued by the inspection agency of the exporting country or the inspection and certification agency approved by Directorate General of Foreign Trade; (iv) Valid one time authorisation from concerned SPCB (v) The chemical analysis report of the waste being imported; (vi) an acknowledged copy of the annual return filed with concerned State Pollution Control Board for import in the last financial year.
----	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

77	<p>We are currently in the process of partial denotification of a Special Economic Zone (SEZ). In this context, we seek clarification on the following points:</p> <ol style="list-style-type: none"> 1. Is GST applicable on the fee paid for Consent for Establishment and Consent for Operation? 2. In the event of partial denotification of the SEZ, are we required to pay the GST on the above-mentioned consent fees? 	<p>As per Entry No. 4 of Notification No. 12/2017-Central Tax (Rate) dated 28 June 2017 (updated till now), the government has exempted the service provided by governmental authority by way of any activity in relation to any function/activities cover under Article 243W of the Constitution of India. Further, we wish to apprise you that Article 243W of the Constitution of India include such activities related to Urban planning including town planning, Regulation of land-use and construction of buildings public health, sanitation conservancy and solid waste management and other etc.</p> <p>In light of the above, GST is not applicable on the fee paid to Pollution Control Board.</p>
78	<p>Being in a special economic zone and having both imports and exports. We often find it challenging to work with multiple available exchange rates for our transactions, for any given rate.</p> <p>The rates are : Customs Rate as per the Shipping Bill / Bill of Entry ; RBI Rate and the Bank TT Rate (SBI).</p> <p>Which of the above rates should be recorded in books of accounts.</p> <p>We are also required to submit Quarterly Data / Annual Data of Performance for the Special Economic Zone, where the imports and exports figure mismatch to that our books due to the rate difference.</p> <p>From compliance point of view and as per the applicable accounting standards, please advise on the exchange rate to be taken into books of accounts.</p>	<ol style="list-style-type: none"> 1. As per Ind AS-21, a foreign currency transaction should be recorded in the entity's functional currency on initial recognition using the spot rate at the date of transaction. For practical reasons, Ind AS-21 permits the use of an average rate if it is reasonable approximation of the actual rate. 2. Spot rate may be RBI Rate or Bank TT Rate.
79	<p>As an EOU can I invoice the products as finished to another EOU for export. GST liability is there or not.</p>	<ol style="list-style-type: none"> 1. Transfer of manufactured goods from one EOU unit to another EOU unit is allowed on payment of applicable GST and compensation cess with prior intimation to concerned Development Commissioners of the transferor and transferee units as well as concerned Customs authorities following the procedure as provided in Para 6.12(a) of Foreign Trade Policy, 2023.
80	<p>We are looking for clarity in the matter below related to SEZ.</p> <p>The brief background of the matter :</p> <p>We HCL Tech Ltd are an IT based company and accordingly Import various Networking and IT Equipment's for carrying out the approved Authorized Operations. Occasionally, we are also required to clear / transfer the used Networking & IT Equipment's to our DTA locations for further use as per business requirement. We have filed an application with the Authorized officer (A.O), SEZ Noida for removal of used Network Switches falling under the Chapter Heading(HSN) 85176290 from SEZ to DTA.</p> <p>The Authorized Officer turned down our application stating that the goods being requested for clearance are secondhand goods and fall under the Sr. No I (b) of Para 2.31 of FTP and restricted for imports. These can be removed in DTA subject to fulfillment of conditions of Sr. No I (b) of Para 2.31 of FTP. Our Understanding in the</p>	<ol style="list-style-type: none"> 1. As per our understanding, a network switch connects de-vices within a network (often a local area network, or LAN) and forwards data packets to and from those devices. 2. On perusal of the Electronics & Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 dated 13.11.2012 as amended from time to time, prima facie it appears that network switch falling under Tariff Item 8517 62 90 are not covered by the said Order. 3. Accordingly, second-hand network switch (capital goods) are not "Restricted" for import in terms Sl. No. I(b) of Para 2.31 of Foreign Trade Policy, 2023. Second-hand network switch (capital goods) are "Free" for import in terms Sl. No. I(d) of Para 2.31 of Foreign Trade Policy, 2023.

	<p>matter however differs, we are of belief that Network Switches falling under the Chapter head 85176290 are not covered either in CRO 2012 or CRO 2021 and accordingly they fall under the scope of S.No I (d) of Para 2.31 of FTP instead of S.No I (b).</p> <p>We, therefore, seek clarity as to whether the used network switches can be cleared in DTA from SEZ or not especially keeping in view the provisions of SEZ, Customs and FTP Policy</p>	<p>Also, our experts shall get in touch with you for any further clarification.</p> <ol style="list-style-type: none"> 1. As per our understanding, a network switch connects de-vices within a network (often a local area network, or LAN) and forwards data packets to and from those devices. 2. On perusal of the Electronics & Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 dated 13.11.2012 as amended from time to time, prima facie it appears that network switch falling under Tariff Item 8517 62 90 are not covered by the said Order. 3. Accordingly, second-hand network switch (capital goods) are not "Restricted" for import in terms Sl. No. I(b) of Para 2.31 of Foreign Trade Policy, 2023. Second-hand network switch (capital goods) are "Free" for import in terms Sl. No. I(d) of Para 2.31 of Foreign Trade Policy, 2023. <p>Also, our experts shall get in touch with you for any further clarification.</p>
81	<p>We, Capgemini Technology Services India Limited are registered SEZ unit vide LOA no 10/84/2011-SEZ/5850 Dt.08.08.2011 and are operating from Ground to 3rd Floor, Building No.6, Ground to 13th, Floor Building No. 5, Ground and 11th, Floor Building No.4, IT/ITES SEZ, Candor Gurgaon One Realty Projects Pvt. Ltd., Village Tikri, Sector-48, Gurgaon (Haryana)</p> <p>Being an SEZ unit, as per Rule 22 (V) of SEZ Rule 2006, we have obtained Registration-cum Membership Certificate (No RCMC/EPCES/00935/2023-24) from EPCES and periodically renewal our membership every financial year.</p> <p>We have a query related to procurement of leased goods (i.e. Laptops & Desktops) for our above SEZ unit as per agreement with HP Financial Services India Pvt. Ltd. under "Bill To" & " Ship To" method and pay monthly lease rental on the items procured. In the agreement with HPFS at the end of contract, we are required to return these leased goods back to them or buyback these goods if required for further use.</p> <p>Since these goods were procured in year 2020 and are more than 5 years old, they have crossed their age (>2 years and < 5 years) as mentioned in Notification No. 56/2023 dated 01.01.2024 and thus it has lost the merit to be removed under Rule 49(1) of the SEZ Rule 2006. Pls find attach copy of Notification no. 56/2023 dt. 01.01.2024.</p> <p>In view of the above submission, we would like to understand if applicability of Notification no. 56/2023 dt. 01.01.2024 implies on lease goods being sent to DTA unit of HPFS. As HPFS is the owner of assets and the leased goods are return back to them.</p> <p>We need your help and guidance to suggest us on the above transactions from SEZ unit to DTA unit in light of Notification no. 56/2023 dt. 01.01.2024</p>	<ol style="list-style-type: none"> 1. Import of used IT Assets is governed by Para 2.31 of the Foreign Trade Policy 2023 read with Notification No. 56/2023 dated 01.01.2024, and Rule 49(1) of the SEZ Rule 2006. As per these provisions, removal of old IT assets is permissible only when the conditions specified in paragraph 2.31 of FTP and Notification no. 56/2023 are met. The sole exception is for e-waste vendors. 2. Since the products are past the period of limitation, the aforementioned provisions shall not be applicable to the said transaction.

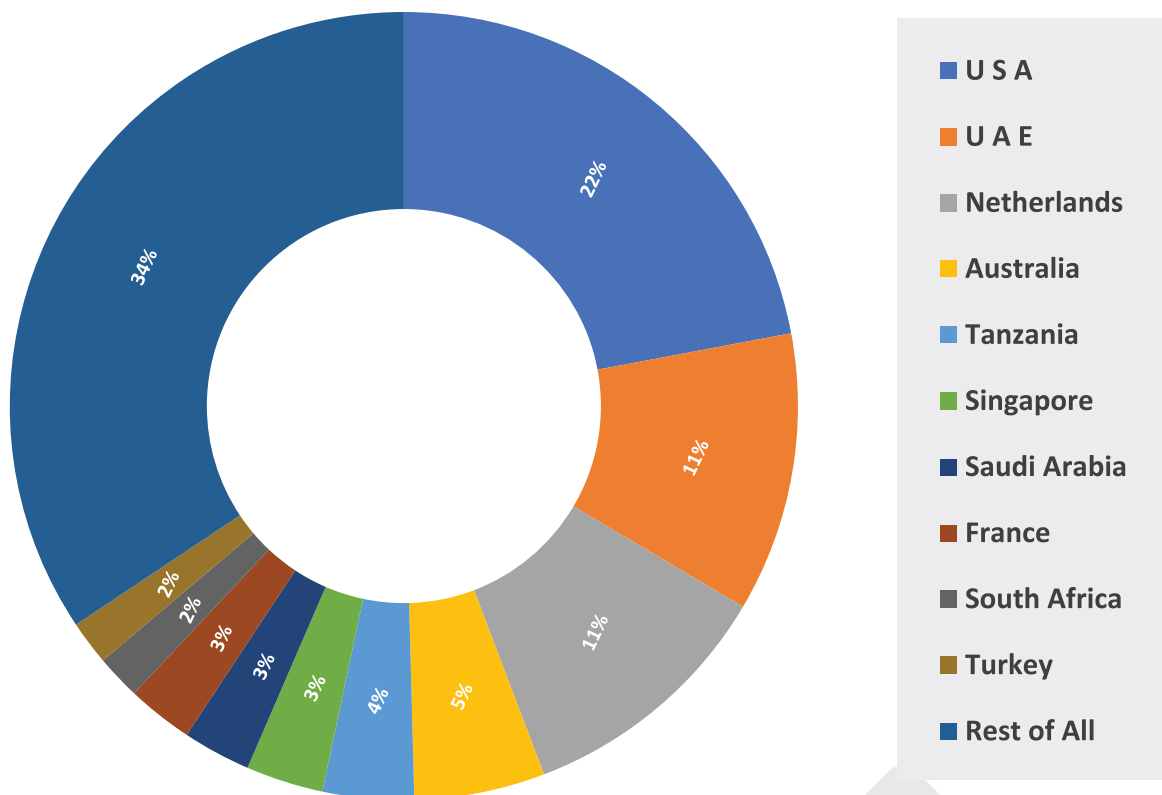
82	<p>We are an Export Oriented Unit (EOU) availing benefits under Notification No. 78/2017-Customs dated 13th October 2017 and Notification No. 48/2017-Central Tax dated 18th October 2017.</p> <p>Prior to the restrictions introduced via Notification No. 54/2018 – Central Tax dated 9th October 2018, we were exporting goods on payment of IGST and claiming refunds under Rule 96, based on the corresponding shipping bills. Following the insertion of Rule 96(10) and the restrictions it imposed, we shifted to the LUT route and began claiming refunds under Rule 89 instead.</p> <p>Subsequently, the Kerala High Court, in our case, M/s. Sance Laboratories Pvt. Ltd. v. Union of India, held that Rule 96(10) was ultra vires the Act. The Court noted that Section 16(3) of the IGST Act explicitly permits exporters to either export without payment of IGST under a bond or LUT and claim a refund of unutilized input tax credit, or export on payment of IGST and claim a refund of the tax paid. It was held that a subordinate rule cannot override the statutory options granted by the parent legislation. Similarly, the Gujarat High Court, in Messrs Addwrap Packaging Pvt. Ltd. & Anr. v. Union of India & Ors., has held that the omission of Rule 96(10) by Notification No. 20/2024 – Central Tax dated 8th October 2024 is prospective in nature, but would apply to all refund proceedings pending as of that date.</p> <p>In light of the above judicial pronouncements and the said omission notification, in our understanding, that exporters — including EOUs — are no longer barred from opting to export with payment of IGST and claiming refund under Rule 96, even if benefits under duty exemption notifications have been availed.</p> <p>Accordingly, we seek your kind clarification on whether, under the present circumstances, we may file refund applications under Sections 54 and 16 of the IGST Act read with Rule 96, without being subject to the restrictions previously imposed by Rule 96(10), while continuing to avail benefits under Notification No. 78/2017-Customs and Notification No. 48/2017-Central Tax.</p>	<p>1. Notification No. 20/2024-Central Tax, dated 08.10.2024 has omitted the Rule 96(10) and such omission allows exporters including EOUs to claim refunds without restrictions tied to IGST exemptions on procurement.</p>
83	<p>We operate as an Export Oriented Unit (EOU) and currently benefit from import duty exemption on inputs under Notification No. 52/2003 Customs dated 31.03.2003, which are used in the production of our final finished goods. We also procure indigenous goods for the same production process.</p> <p>As per FTP Para 6.08, we occasionally make DTA (Domestic Tariff Area) sales of our finished products.</p> <p>My question is regarding the reversal of customs duty on these DTA sales. Specifically, should we reverse the customs duty only on the imported inputs consumed in the production of the finished goods sold in DTA, or should the reversal apply to the customs duty equivalent of both imported inputs AND indigenous goods that went into the production of those final finished products?</p>	<p>1. As per Para 6.07(a)(i) of Foreign Trade Policy, 2023, an EOU unit can sell finished goods to DTA unit on payment of GST and compensation cess along with reversal of duties of Custom leviable under First Schedule to the Customs Tariff Act, 1975 availed as exemption, if any on the inputs utilized for the purpose of manufacturing of such finished goods.</p> <p>2. Accordingly, reversal of Customs duty is required only with respect to imported inputs utilized for the purpose of manufacturing of finished goods on which exemption was availed at the time of import.</p>

84	<p>In addition to aforesaid revert, Circular No.13/2017-Cus dtd. 10th April, 2017 is relevant in connection with DTA clearance of goods procured by EOUs/EHTP/STP units from indigenous sources – charging of Duty – reg.</p> <p>Summary of Circular No. 13/2017-Cus (dated 10 April 2017):</p> <p>The Circular clarifies the procedure for DTA (Domestic Tariff Area) clearance of goods procured by EOUs/EHTP/STP units from indigenous sources where deemed export benefits have been availed. It states that such goods should be treated as imported goods, and applicable Customs Duty must be paid upon their clearance or exit. In such cases, there is no need to obtain a certificate from the Development Commissioner confirming the refund or non-availment of deemed export benefits, as required earlier by Circular No. 74/2001-Cus.</p> <p>However, EOUs/EHTP/STP units still have the option to clear goods on payment of Central Excise Duty under Notification No. 22/2003-CE, provided they submit a certificate from the Development Commissioner confirming that deemed export benefits were either not availed or have been refunded. Accordingly, Circular No. 74/2001-Cus is modified to reflect this updated compliance procedure and reduce practical difficulties in obtaining such certificates.</p> <p>In view of above, whether it means that Customs Duty has to be reversed on DTA clearance of goods procured from indigenous sources if deemed export benefits were availed. Am i right or wrong?</p>	<ol style="list-style-type: none"> 1. Circular No. 13/2017-Cus., dated 10.04.2017 deals with as such sale/ transfer back of domestically procured raw materials/ capital goods by EOU unit to DTA unit. In the said Circular, it is clarified that such goods procured on availing the deemed export benefits are to be treated as 'imported goods' and accordingly, duty as applicable to the imported goods is liable to be paid on as such sale/ transfer back of such goods. 2. However, the aforesaid Circular do not deal with sale of finished goods by EOU unit to DTA unit. 3. Accordingly, reversal of Customs duty is required only with respect to imported inputs utilized for the purpose of manufacturing of finished goods on which exemption was availed at the time of import and not on domestically procured inputs.
85	<p>We are an SEZ Unit and are procuring goods from an EOU unit without payment of any duties.</p> <p>In this regard, we wanted to understand -</p> <ol style="list-style-type: none"> 1) if 'bill of export' is required to be filed by the EOU or SEZ unit. This is because Rule 30(14) read with Rule 30(12) of the SEZ Rules seeks for filing of Bill of Entry. But ICEGATE FAQ on SEZ Filing states that bill of export is to be filed for supply from EOU. (Refer to question 22) 2) Also, as per the FTP 2023, Para 4.21(iv)- authorisation holder is required to file bill of entry for export to sez. Will EOU qualify under this para? 3) if we need to file DTA procurement form? Or any other compliances? 	<ol style="list-style-type: none"> 1. As per Rule 30(14) read with Rule 30(12), an SEZ unit shall procure goods from EOU unit on filing of Bill of Entry (BOE). 2. As per Para 4.21(iv) of FTP, 2023, an Advance Authorisation (AA) holder shall file Bill of Export for export to SEZ unit. The same is not applicable to EOU unit. 3. DTA Procurement form is required to be filed only in case of procurement of goods by SEZ unit from DTA unit and not EOU unit.
86	<p>Our unit in Mahindra World City Jaipur SEZ, and we are manufacturing & Exporting the Bearing Components with HSN code 84829900, and at the time of expansion, we have added the polyamide / plastic components with HSN Code 84829900 (same as existing part). The Copy of LOA is attached for your ref.</p> <p>Now, we need to modify the HSN Code 39269097 instead of 84829900 for this production - polyimide / plastic part for the same i.e. Bearing Components / Automobile parts.</p> <p>So, please guide us that</p> <ol style="list-style-type: none"> 1. Can we amend the LOA with this HSN Code ?, if yes, please let us know the procedure for the same. 	<ol style="list-style-type: none"> 1. As per first proviso to Rule 19(2) of SEZ Rules, 2006, Approval Committee shall approve proposal for broad-banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity, subject to meeting the requirements under Rule 18 of SEZ Rules, 2006. 2. We understand that the Company had applied for expansion for production of polyamide / plastic parts of the bearing components under existing HSN code 8482 99 00 (for bearing components). Now, the Company wants to modify the HSN code for polyamide / plastic parts of the bearing components to Tariff Item 3926 90 97.

	<p>2. or submit the revised projections report for this product 39269097 for amendment of LOA.</p>	<p>3. Accordingly, as new separate entry is to be added for polyamide / plastic parts of the bearing components (Tariff Item 3926 90 97) though already projections for same were shown along with bearing components (Tariff Item 8482 99 00), the Company should file an application for amendment of LOA with the Approval Committee providing separate projections separately for both items (Tariff Item 8482 99 00 and Tariff Item 3926 90 97).</p>
87	<p>Our unit in Mahindra World City Jaipur SEZ, and we are manufacturing & Exporting the Bearing Components with HSN code 84829900, and at the time of expansion, we have added the polyamide / plastic components with HSN Code 84829900 (same as existing part). The Copy of LOA is attached for your ref.</p> <p>Now, we need to modify the HSN Code 39269097 instead of 84829900 for this production - polyimide / plastic part for the same i.e. Bearing Components / Automobile parts.</p> <p>So, please guide us that</p> <ol style="list-style-type: none"> 1. Can we amend the LOA with this HSN Code ?, if yes, please let us know the procedure for the same. 2. or submit the revised projections report for this product 39269097 for amendment of LOA. 	<ol style="list-style-type: none"> 1. As per first proviso to Rule 19(2) of SEZ Rules, 2006, Approval Committee shall approve proposal for broad-banding, diversification, enhancement of capacity of production, change in the items of manufacture or service activity, subject to meeting the requirements under Rule 18 of SEZ Rules, 2006. 2. We understand that the Company had applied for expansion for production of polyamide / plastic parts of the bearing components under existing HSN code 8482 99 00 (for bearing components). Now, the Company wants to modify the HSN code for polyamide / plastic parts of the bearing components to Tariff Item 3926 90 97. 3. Accordingly, as new separate entry is to be added for polyamide / plastic parts of the bearing components (Tariff Item 3926 90 97) though already projections for same were shown along with bearing components (Tariff Item 8482 99 00), the Company should file an application for amendment of LOA with the Approval Committee providing separate projections separately for both items (Tariff Item 8482 99 00 and Tariff Item 3926 90 97).
88	<p>Considering the (S.no. 10) FAQs on Government services attached.</p> <p>Can you please clarify whether pollution Control Board falls under "Government" and whether GST is applicable on fee paid.</p>	<ol style="list-style-type: none"> 1. The State Pollution Control Board does not fall under the definition "Government". Further, as responded in the trailing mail, the Entry No. 4 of Notification No. 12/2017- Central Tax (Rate) dated 28 June 2017 (updated till now), the government has exempted the service provided by governmental authority by way of any activity in relation to any function/ activities cover under Article 243W of the Constitution of India. Further, we wish to apprise you that Article 243W of the Constitution of India include such activities related to Urban planning including town planning, Regulation of land-use and construction of buildings public health, sanitation conservancy and solid waste management and other etc. <p>In light of the above, GST is not applicable on the fee paid to Pollution Control Board.</p>

89	We Bioplus Life Sciences Pvt Ltd – 100% EOU situated at Bangalore, Karnataka manufacturing of Pharmaceuticals and Nutraceutical tablets, capsules, powders and oils etc exporting to various countries. We have received an order from Bangladesh to export Pregnancy and Lactation Vitamin and Mineral Supplement in tablet form under HSN code 3004 9090 and as Food supplement under HS code 2106 9099. Please let us know if there are any restrictions for exporting the above products to Bangladesh. Similarly, can you tell us whether there are any restrictions for importing from India to Bangladesh ?	<ol style="list-style-type: none"> 1. There are no export restrictions for export of pregnancy and lactation vitamin and mineral supplement under HSN code 3004 9099 (HSN code 3004 9090 as provided in trail e-mail does not exist) as well as food supplement under HS code 2106 9099. 2. With regard to import restrictions of the aforementioned products in Bangladesh from India, the same may be confirmed from Customs authorities or local Customs consultants in Bangladesh.
90	I would like to know if the premium paid by the SEZ unit for Partnership Insurance/Keyman Insurance for its partners in order to safeguard its interest incase of death of its partner is exempt from GST.	<ol style="list-style-type: none"> 1. As per Section 16(1)(b) of the IGST Act, 2017, zero-rated supply refers to the supply of goods or services or both for authorized operations to a SEZ developer or unit. Further, an SEZ unit is entitled to procure services for its authorized operations, and a list of such services has been notified by the Ministry of Commerce, commonly known as the default list of input services. Since Keyman Insurance is classified under Life Insurance Services, which is not included in the default list of services for authorized operations of SEZ units, the premium paid for Keyman Insurance would not be eligible for GST exemption.

Top 10 Countries - Merchandise Exports during F.Y. 2024-25





HOLISTIC ECOSYSTEM FOR YOUR WELL-BEING

MUMBAI



Mindspace Airoli East



Mindspace Airoli West

PUNE



Gera Commerzone Kharadi

AHMEDABAD



Mindspace Gandhinagar

HYDERABAD



Mindspace Madhapur



Commerzone Raidurg



Mindspace Pocharam



To know more : www.mindspaceindia.com

Disclaimer: The advertisement is for information purposes only and does not constitute an offer or an invitation for any product and may differ from the actual product. The products or services featured in this ad are subject to availability and may vary. The information herein is for guidance only and all details must be independently verified prior to acting in any manner. There is no representation or warranty of any kind regarding the accuracy, completeness, adequacy, completeness or suitability of the content in any manner whatsoever. We reserve the right to modify or withdraw this ad at any time without prior notice. By accessing or responding to this advertisement, you acknowledge and agree to release the advertiser, publisher, and their respective affiliates from any liability, claims, or damages arising from your reliance on the information provided in this advertisement. All intellectual property in the collateral is owned by K. Raheja Corp & its group companies / MindSpace and shall not be copied, reproduced, etc. for use of any nature.

इस परिवर्तनशील समय में निर्यात के लिए दोहरा बीमा
Double assurance for exports in these volatile times.



निर्यातकों के लिए ऋण जोखिम बीमा
Credit Risk Insurance for Exporters

एवं /&

बैंकों के लिए ऋण जोखिम बीमा
Credit Risk Insurance for Banks

आर्थिक अस्थिरता के इस समय में निर्यात के अनुकूल
ईसीजीसी के साथ ऋण जोखिम का बीमा कराएं।

In these times of economic instability, insure
against credit risk with ECGC's export-friendly
credit risk covers.

अधिक जानकारी के लिए ईसीजीसी के निकटतम कार्यालय से संपर्क करें।
For more information contact your nearest ECGC office.



ई सी जी सी लिमिटेड

(भारत सरकार का उद्यम)

पंजीकृत कार्यालय: एक्सप्रेस टावर्स, 10वीं मंजिल, नरीमन प्वाइन्ट,
मुंबई-400 021 टेली: 6659 0500 / 6659 0510,
वेबसाइट: www.ecgc.in

ECGC Limited

(A Government of India Enterprise)

Registered Office: Express Towers, 10th Floor, Nariman Point,
Mumbai - 400 021, India. Tel : 6659 0500 / 6659 0510.
Website: www.ecgc.in

IRDAI Regn. No. 124 | CIN No. U74999MH1957GOI010918 | [@ecgclimited](https://www.ecgc.in)

आप निर्यात पर ध्यान केन्द्रित करें, हम जोखिम से रक्षा प्रदान करेंगे. • You focus on exports. We cover the risks.

Looking for industrial land in a Special Economic Zone? End your search with Mahindra World City Jaipur!



3000 acres
development in
partnership with
RIICO, located
off NH 48

Leading integrated
industrial ecosystem
encompassing
manufacturing, services
and warehousing

Co-located Special
Economic Zone (SEZ),
Domestic Tariff Area (DTA)
and proposed social &
residential infrastructure

Our value proposition



Clear
land title



Accessible
location



Best-in-class
infrastructure



Existing utility
infrastructure



Commitment to
sustainability

Home to 130+ companies and growing.....



Contact us now to enable your growth plans:

Anuj Pareek: 9636700111 | Apul Maheshwari: 9928960704



Phoenix IT/ITES SEZ

Crafting world-class innovative workspaces

**Phoenix Group is a pioneer in developing IT/ITES SEZs
and has developed six world-class IT/ITES SEZs at all
the prime locations of Hyderabad's IT Hubs.**

The state-of-the-art SEZ spaces embody the 'Plug and Play' concept, offering seamless connectivity to both the city and the airport. They are strategically positioned in Hitech City and the Financial District, allowing easy access and collaboration among businesses.



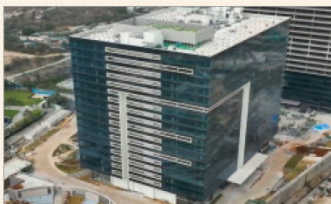
Phoenix Aquila
Financial District



Phoenix Business Hub
Financial District



Phoenix Centaurus
Financial District



Phoenix 285 FD
Financial District



Phoenix Avance Business Hub
Hitech City



Phoenix H10 Campus
Hitech City

Phoenix Group

Plot No. 1335, Road No. 45,
Jubilee Hills, Hyderabad -500033

Email: info@phoenixindia.net | Website: www.phoenixindia.net

Trade Smarter with Cross-Border Financing



-Expand Beyond Borders with **M1 NXT**
and experience the benefits

Global financier
network

Multi-currency
credit options

Quick
finance

Competitive
rates

Support for
global expansion

Collateral-free
working capital



Manoj Bhaskaran Nair

+91 77382 12812

Sarita Murugan Shetty

+91 9930075395

VISIT US AT

www.m1nxt.com

Indian Merchandise Exports

Quick Estimates for Top 10 Sectors

S. No.	Values in Million USD					% Change	
	Commodities	June- 24	April 24 - June 24	June 25	Apr 25- June 25	Apr 25- June 25	April 25 - June 25
1	Engineering Goods	9,378	27,894	9,505	28,904	1.35	3.62
2	Petroleum Products	5,489	20,634	4,616	17,409	-15.92	-15.63
3	Electronic Goods	2,822	8,434	4,147	12,407	46.93	47.11
4	Drugs & Pharmaceuticals	2,469	7,203	2,616	7,578	5.95	5.21
5	Organic & Inorganic Chemicals	2,297	7,102	2,334	7,266	1.65	2.31
6	Gems & Jewellery	2,247	7,265	1,788	6,664	-20.43	-8.26
7	RMG of all Textiles	1,294	3,850	1,310	4,193	1.23	8.91
8	Cotton Yarn/Fabs./made- ups, Handloom Products etc.	960	2,917	930	2,860	-3.07	-1.94
9	Rice	852	2,808	859	2,908	0.85	3.54
10	Plastic & Linoleum	695	2,122	711	2,164	2.26	1.96
	Rest of All	4,404	13,207	4,394	13,997	0.02	5.98
	Sub-Total	32,907	103,435	33,209	106,349	0.92	2.82
	Grand Total	35,163	110,057	35,144	112,175	-0.05	1.92

Note 1: Exports include Re-Exports.

Note 2: The figures for JUN'25 are provisional.

Note 3: Grand total is inclusive of component 'Other

Quick Estimates for Top 10 Countries

S. No.	Values in Million USD					% Change	
	Countries	June- 24	April 24 - June 24	June 25	Apr 25- June 25	Apr 25- June 25	April 25 - June 25
1	USA	6,718	20,886	8,298	25,518	24	22
2	U A E	3,100	8,823	2,630	9,042	-15	2
3	Netherland	1,942	7,186	1,485	5,652	-24	-21
4	China P Rp	1,178	3,740	1,381	4,408	17	18
5	U K	1,270	3,991	1,149	3,322	-10	-17
6	Singapore	956	3,529	980	3,288	3	-7
7	Germany	855	2,497	895	2,766	5	11
8	Bangladesh Pr	984	2,773	875	2,601	-11	-6
9	Saudi Arab	822	2,900	809	2,513	-2	-13
10	Australia	873	1,902	634	2,168	-27	14
	Rest All	5,740	18,060	5,252	16,626	-9	14
	Sub-Total	24,439	76,287	24,388	77,904	0	2
	Grand Total	35,163	110,057	35,144	112,175	0	2

Note 1: Grand total is inclusive of all countries.

Note 2: The figures for JUN'25 are provisional.

About Us

Export Promotion Council for EOUs & SEZs (EPCES) is a multi-product Export Promotion Council set up by the Ministry of Commerce and Industry in January 2003, representing the interests of SEZ units, SEZ developers and Export Oriented Units. It has about 6400 members with more than 5000 SEZ units, 400 SEZ developers and 1000 EOUs. In F.Y. 2024-25, total exports of goods and services from SEZs were recorded at US\$ 176.6 billion. Exports of goods from SEZs were at US\$ 69 billion constituting 15.8% of India's total exports of goods at US\$ 437.5 billion and export of services were at US\$ 107.6 billion constituting 27.8% of India's total exports of services at US\$ 387.5 billion. There are about 6279 units functioning in 276 operational SEZs providing an employment to 31.94 lakh persons with a total investment of about ₹ 7.07 lakh crore.

Key Achievements

- The Refund of Duties and Taxes on Export Products (RoDTEP) scheme has been extended to SEZs and EOUs vide Notification No. 70/2023 dated 8.3.2024.
In the case of EOUs, the scheme was made effective w.e.f. 11.3.2024, while for SEZs, it became effective w.e.f. 1.7.2024. It was suspended on 5.2.2025 due to budget constraints and has now been restored w.e.f. 1.6.2025.
- Mandatory Quality Control Orders (QCOs) issued by the Ministry of Steel, Ministry of Textiles, Department for Promotion of Industry and Internal Trade, and Department of Pharmaceuticals and Chemicals have been exempted for imports by SEZs and EOUs for export purposes, vide DGFT Notification No. 71/2023-24 dated 11.3.2024.
- IT/ITES SEZs can now serve the Domestic Tariff Area by demarcating non-processing areas under the new SEZ Rule 11B (vide Notification No. GSR 881(E) dated 6.12.2023). Clarifications have been issued vide Instruction No. 115.
- SEZ units have been exempted from Safeguard Quantitative Restrictions imposed on the import of Isopropyl Alcohol vide DGFT Policy Circular 4 dated 31.8.2023.
- Zero-rating benefits for lease rentals and employee welfare charges in SEZ units will continue, as clarified by the Department of Commerce vide letter dated 3.10.2023.
- SEZ units and EOUs have been exempted from obtaining a "restricted import authorization" for IT hardware imports for captive use, as per Notification 23/2023 and DGFT Policy Circular No. 6 dated 19.10.2023.
- Special exemption from restrictions on the movement of used IT assets (laptops, desktops, monitors, printers) from SEZ to DTA has been granted by DGFT vide Notification No. 56/2023 dated 11.2.2024, amending Para 2.31 of the FTP.
- The Problem due to sudden deactivation of SIMS (Steel Import Monitoring System) portal accounts was resolved promptly

Shri Srikanth Badiga

Chairman EPCES
Director, Phoenix Infocity Pvt. Ltd.
Email: Chairman@epces.in

Shri Alok Chaturvedi IAS (Retd.)

Director General EPCES
Email : dg@epces.in

Website: <https://www.epces.in/>

Twitter: <https://twitter.com/dgepces>

Send query regarding FTP/ SEZ Act/Rules/ Direct/Indirect Taxes to query@epces.in Send general problem, suggestion, if any, at <https://www.epces.in/enquiry-form.php>
Apply for non-preferential Certificate of Origin at <https://coo.dgft.gov.in/>



Export Promotion Council for EOUs & SEZs

(Set up by Ministry of Commerce & Industry, Government of India)

A101, 10th Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi - 110001

Email : epces@epces.in Website : www.epces.in