

# **EXPORT PROMOTION COUNCIL FOR EOUs & SEZs**

**Ministry of Commerce & Industry, Government of India**

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**AnandGiri**

**Deputy Director**

**EPCES CIRCULAR NO. 237 DATED 10-08-2016**

**Sub : (1) Instruction No. 85, dated 2/8/2016 reg. Allowing of authorized employees of IT/ITeS units in SEZ to work from home or place outside the SEZ unit**

**(2) Department of Commerce Notification dated 5/8/2016 reg. amendment in SEZ Rule 47 and SEZ Rule 78**

**(3) Department of Commerce Notification dated 5/8/2016 reg. notification of offences contained in some sections of the Customs Act, 1962 (52 of 1962) & Central Excise Act 1944 (1 of 1944)**

**(4) Department of Commerce Notification dated 5/8/2016 reg. authorization of Additional Director General, Directorate of Revenue Intelligence for offences under the Customs Act, 1962 and the Additional Director General, Directorate General of Central Excise Intelligence for offences under the Central Excise Act, 1944.**

**(5) Department of Commerce Notification dated 5/8/2016 regarding authorization of jurisdictional Customs Commissioner, in respect of offences under the Customs Act, 1962 and Commissioner of Central Excise in respect of offences under the Central Excise Act, 1944 and the Finance Act, 1994**

**(1) Instruction No. 85, dated 2/8/2016 reg. Allowing of authorized employees of IT/ITeS units in SEZ to work from home or place outside the SEZ unit**

Department of Commerce, Ministry of Commerce & Industry has issued Instruction No. 85 dated 2/8/2016 (copy enclosed) informing that based on the representation from various stakeholders, authorized employees of IT/ITES units in SEZ are allowed to work from home or place outside the SEZ Unit, on the following conditions:-

1. General conditions for work from home by employees of SEZ units

- a) The person should be a regular employee of the SEZ unit and should be authorized by the SEZ unit (issued Identity Cards as per Rule 70(2) of SEZ Rules, 2006) to undertake the work pertaining to that unit.
- b) The work to be performed by the employees permitted to work from home should be as per the services approved for the SEZ unit, and the work is related to a project of the SEZ unit.
- c) For the purpose of work from home, SEZ unit should provide laptop/desktop and secured connectivity (for e.g. VPN, VDI etc) to establish a connection between the employee and work related to the project of the SEZ unit.

- d) Ensure export revenue of the resultant products/services should be accounted for by the SEZ unit to which the employees is tagged and at no given point should work from home involve the export of services from outside the SEZ unit.
  - e) Once the employees ceases to be part of the project of SEZ unit, the employee shall be untagged from the respective SEZ unit and the unit shall surrender the I-Card (form K) to Specified Officer as per rule 70(2) of SEZ Rules, 2006.
2. Additional Conditions applicable to SEZ units registered as Other Service Provider (OSPs) with Department of Telecommunications (DoT)

For SEZ units registered as OSPs with DOT and availing the benefit of work from home, the prescribed OSP Guidelines issued by Department of Telecommunications and amended from time to time, will be strictly followed by SEZ units.

**(2) Department of Commerce Notification dated 5/8/2016 reg. amendment in SEZ Rule 47 and introduction of SEZ Rule 79**

Department of Commerce has issued Notification dated 5/8/2016 (copy enclosed) amending SEZ Rule 47 and introduction of SEZ Rule 79.

As per the Notification, in SEZ Rule 47, after sub-rule (4), Sub-Rule (5) shall be inserted as under:-

“(5) Refund, Demand, Adjudication, Review and Appeal with regard to matters relating to authorized operations under Special Economic Zones Act, 2005, transactions and goods and services related thereto, shall be made by the Jurisdictional Customs and Central Excise Authorities in accordance with the relevant provisions contained in the Customs Act, 1962, the Central Excise Act, 1944, and the Finance Act, 1994 and the rules made there under or the notifications issued there under”.

This notification also introduced Rule 79 which states as under:-

“79 Audit in Special Economic Zones for indirect taxes – All the authorized operations under Special Economic Zones Act, 2005 and transactions relating thereto in Special Economic Zones and Units in the Special Economic Zones shall be audited by the Customs Officers from a panel drawn by the Jurisdictional Development Commissioner in consultation with the Jurisdictional Chief Commissioner of Customs and Central Excise”.

**(3) Department of Commerce Notification dated 5/8/2016 reg. notification of offences contained in certain sections of the Customs Act, 1962 (52 of 1962) & Central Excise Act 1944 (1 of 1944)**

Department of Commerce has issued Notification dated 5/8/2016 (copy enclosed) informing that the Central Government notifies the offences contained in sections 28, 28AA & 28AAA, 74, 75, 111, 113, 115, 124, 135 and Section 104 of the Customs Act, 1962 (52 of 1962), and Section 9, 9AA and Section 11, 11A and 11AA of the Central Excise Act, 1944 (1 of 1944) and Sections 73, 73A, 73B, 75, 76, 89 and Section 91 of the Finance Act, 1994 (32 of 1994).

**(4) Department of Commerce Notification dated 5/8/2016 reg. authorization of Additional Director General, Directorate of Revenue Intelligence for offences under the Customs Act, 1962 and the Additional Director General, Directorate General of Central Excise Intelligence for offences under the Central Excise Act, 1944.**

Department of Commerce has issued Notification dated 5/8/2016 (copy enclosed) informing that Central Government hereby authorizes the Additional Director General, Directorate of Revenue Intelligence for offences under the Customs Act, 1962 (52 of 1962) and the Additional Director General, Directorate General of Central Excise Intelligence for offences under the Central Excise Act, 1944 (1 of 1944) to be the enforcement officer(s) in respect of any notified offence or offences committed or likely to be committed in a SEZ.

**(5) Department of Commerce Notification dated 5/8/2016 regarding authorization of jurisdictional Customs Commissioner, in respect of offences under the Customs Act, 1962 and Commissioner of Central Excise in respect of offences under the Central Excise Act, 1944 and the Finance Act, 1994**

Department of Commerce has issued Notification dated 5/8/2016 (copy enclosed) informing that Central Government authorizes the jurisdictional Customs Commissioner, in respect of offences under the Customs Act, 1962 (52 of 1962) and Commissioner of Central Excise in respect of offences under the Central Excise Act, 1944 (1 of 1944) and the Finance Act, 1994 (32 of 1994) and notified.

This is for kind information of the members.

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**Instruction No. 85**

File No. D.12/21/2010-SEZ(Pt.)  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
SEZ Division

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Dated 2<sup>nd</sup> August, 2016

To,  
All Development Commissioner  
Special Economic Zones

**Subject : Allowing of authorized employees of IT/ITeS units in SEZ to Work from Home or place outside the SEZ unit**

Sir/Madam,

I am directed to say that references have been received from various stakeholders seeking clarification whether employees of IT/ITES units or those of IT/ITES units registered as Other Service Provider (OSP) with Department of Telecommunication (DoT) can work from home or

from the place outside the SEZ as well as for SEZ units registered as Other Service Providers (OSPs) with Department of Telecommunication (DoT).

2. The matter has been examined and keeping in the view the requirements of the aforesaid units, the following has been decided:

3. General conditions for work from home by employees of SEZ units

- f) The person should be a regular employee of the SEZ unit and should be authorized by the SEZ unit (issued Identity Cards as per Rule 70(2) of SEZ Rules, 2006) to undertake the work pertaining to that unit.
- g) The work to be performed by the employees permitted to work from home should be as per the services approved for the SEZ unit, and the work is related to a project of the SEZ unit.
- h) For the purpose of work from home, SEZ unit should provide laptop/desktop and secured connectivity (for e.g. VPN, VDI etc) to establish a connection between the employee and work related to the project of the SEZ unit.
- i) Ensure export revenue of the resultant products/services should be accounted for by the SEZ unit to which the employees is tagged and at no given point should work from home involve the export of services from outside the SEZ unit.
- j) Once the employees ceases to be part of the project of SEZ unit, the employee shall be untagged from the respective SEZ unit and the unit shall surrender the I-Card (form K) to Specified Officer as per rule 70(2) of SEZ Rules, 2006.

4. Additional Conditions applicable to SEZ units registered as Other Service Provider (OSPs) with Department of Telecommunications (DoT)

For SEZ units registered as OSPs with DOT and availing the benefit of work from home, the prescribed OSP Guidelines issued by Department of Telecommunications and amended from time to time, will be strictly followed by SEZ units.

Yours faithfully,

Sd/-  
(T.V. Ravi)  
Director  
23063960

Email :talla.ravi@nic.in

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MINISTRY OF COMMERCE AND INDUSTRY  
(Department of Commerce)

NOTIFICATION

New Delhi, the 5<sup>th</sup> August, 2016

G.S.R.772(E) – In exercise of the powers conferred by section 55 of the Special Economic Zones Act, 2005, the Central Government hereby makes the following rules further to amend the Special Economic Zones Rules, 2006, namely:-

1. Short title and commencement:-

(1) These rules may be called the Special Economic Zones Rules (Amendment) Rules, 2016.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Special Economic Zone Rules, 2006 (herein after referred to as the principal rules) in rule 47, after sub-rule (4) sub-rule (5) shall be inserted as under:-

“(5) Refund, Demand, Adjudication, Review and Appeal with regard to matters relating to authorized operations under Special Economic Zones Act, 2005, transactions and goods and services related thereto, shall be made by the Jurisdictional Customs and Central Excise Authorities in accordance with the relevant provisions contained in the Customs Act, 1962, the Central Excise Act, 1944, and the Finance Act, 1994 and the rules made there under or the notifications issued there under”.

3. In the principal rules, after rule 78, the following rule shall be inserted, namely :-

“79 Audit in Special Economic Zones for indirect taxes – All the authorized operations under Special Economic Zones Act, 2005 and transactions relating thereto in Special Economic Zones and Units in the Special Economic Zones shall be audited by the Customs Officers from a panel drawn by the Jurisdictional Development Commissioner in consultation with the Jurisdictional Chief Commissioner of Customs and Central Excise”.

[F.No. D.6/40/2012-SEZ]

ALOK VARDHAN CHATURVEDI, Addl. Secy.

**Note :** The principal rules were published in the Gazette of India, Extraordinary vide number G.S.R. 54(E), dated the 10<sup>th</sup> February, 2006 and last amended vide G.S.R. 627(E) dated the 6<sup>th</sup> August, 2015.

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MINISTRY OF COMMERCE AND INDUSTRY  
(Department of Commerce)

NOTIFICATION

New Delhi, the 5<sup>th</sup> August, 2016

G.S.R.2665(E) – In exercise of the powers conferred by sub section (1) of section 21 of the Special Economic Zones Act, 2005 (28 of 2005), (hereinafter referred as the Act), the Central Government hereby, notifies the offences contained in the under-mentioned sections of the Customs Act, 1962 (52 of 1962), the Central Excise Act, 1944 (1 of 1944) and the Finance Act, 1994 (32 of 1994) as offences under the Act:-

<b>The Customs Act, 1962</b>	
1	Section 28, 28AA and 28AAA
2	Section 74 and 75
3	Section 111
4	Section 113

5	Section 115
6	Section 124
7	Section 135
8	Section 104
<b>The Central Excise Act, 1944</b>	
9.	Section 9
10.	Section 9AA
11	Section 11, 11A and 11AA
<b>The Finance Act, 1994</b>	
12.	Section 73, 73A, 73B and 75
13.	Section 76
14	Section 89
15	Section 91

[F.No. C.1/1/2009-SEZ]

ALOK VARDHAN CHATURVEDI, Addl. Secy.

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MINISTRY OF COMMERCE AND INDUSTRY  
(Department of Commerce)

NOTIFICATION

New Delhi, the 5<sup>th</sup> August, 2016

G.S.R.2666(E) – In exercise of the powers conferred by sub section (2) of section 21 and second proviso to Section 22 of the Special Economic Zones Act, 2005 (28 of 2005), (hereinafter referred as the Act), the Central Government hereby authorizes the Additional Director General, Directorate of Revenue Intelligence for offences under the Customs Act, 1962 (52 of 1962) and the Additional Director General, Directorate General of Central Excise Intelligence for offences under the Central Excise Act, 1944 (1 of 1944) and the Finance Act 1994 (32 of 1994) to be the enforcement officer(s) in respect of any notified offence or offences committed or likely to be committed in a Special Economic Zone. The enforcement officer(s), for the reasons to be recorded in writing, may carry out the investigation, inspection, search or seizure in the Special Economic Zone or Unit and shall intimate the details of any action initiated under sub-section (3) of section 21 of the Act to the Joint Secretary in charge of Special Economic Zones Division in the Department of Commerce immediately and in any case not later than seven days of initiation of any action.

[F.No. C.1/1/2009-SEZ]

ALOK VARDHAN CHATURVEDI, Addl. Secy.

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MINISTRY OF COMMERCE AND INDUSTRY

(Department of Commerce)

NOTIFICATION

New Delhi, the 5<sup>th</sup> August, 2016

G.S.R.2667(E) – In exercise of the powers conferred by section 22 of the Special Economic Zones Act, 2005 (28 of 2005), (hereinafter referred as the Act), the Central Government hereby authorizes the jurisdictional Customs Commissioner, in respect of offences under the Customs Act, 1962 (52 of 1962) and Commissioner of Central Excise in respect of offences under the Central Excise Act, 1944 (1 of 1944) and the Finance Act, 1994 (32 of 1994) and notified under the Act, for the reasons to be recorded in writing, to carry out the investigation, inspection, search or seizure in a Special Economic Zone or Unit with prior intimation to the Development Commissioner, concerned.

[F.No. C.1/1/2009-SEZ]

ALOK VARDHAN CHATURVEDI, Addl. Secy.