

EXPORT PROMOTION COUNCIL FOR EOUs AND SEZs

(Setup by Ministry of Commerce, Government of India)
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EPC/SEZ/AM18/F-4
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EPCES CIRCULAR NO. 331

Sub : SEZ Policy Changes and urgent feedback required

(1) eBRC Charges by SBI

As informed that Hon'ble Union Minister for Commerce & Industry ShriPiyushGoyal had convened a meeting with all the Export Promotion Councils, Commodity Board and Trade Associations to get the feedback and review of Foreign Trade Policy on 19.12.2019 at New Delhi.

During the meeting, Hon'ble Minister exporters submitted that Banks charge ₹ 1,000 as eBRC fee for every shipment exported from the country. Hon'ble Commerce & Industry Minister immediately took up the matter with Chairman SBI asking him to review their decision and withdraw the increase in eBRC charges as this will increase the transaction cost of the exporters and making them uncompetitive in the global market.

We are happy to inform that SBI has informed that eBRCcharges has been reduced to NIL for all export credit customer. SBI further agreed to reverse the charges, if wrongly levied by its field formation.

(2) Pending GST Refund

During the meeting, Hon'ble Minister exporters submitted that their GST refunds are pending for long with the Government for one reason or another or unknown reasons. Accordingly EPCES requests its members to provide the following details to represent this issue before the Ministry:-

1. IEC Code of the unit
2. GST Number of the unit for which refund is pending
3. Name of the Unit
4. Address of the unit
5. Date of application of GST refund
6. Refund application number
7. Relevant section under which refund is eligible
8. Amount of GST refund
9. Authority / Officer with whom GST refunds are pending
10. Reasons for non-receipt of GST refund

(3) Name appearing in EDPMS as risk exporter due to non settlement of shipping bills

EPCES is receiving request from various members regarding the name appearing in EDMPS as risk exporter due to non-settlement of shipping bills. On a discussion with the member, EPCES understand that in spite of repeated requests by the members to the bank, the shipping bills are pending to be settled by the bank in EDPMS. Due to this, the name of the exporter is appearing as a risk exporter and members are receiving notices from RBI for settlement of pending shipping bills.

In this regard, EPCES had a meeting with the Ministry of Commerce and Industry to take up the issue and accordingly, EPCES request its members to provide the following details to represent this issue before the Ministry in the attached format:-

- (i) IEC Code of the unit
- (ii) Name of the Unit
- (iii) Address of the unit
- (iv) Number of shipping bills pending for settlement
- (v) Shipping bill number
- (vi) Shipping bill date
- (vii) Amount of Shipping Bill
- (viii) Reasons for non-settlement in EDPMS
- (ix) Grounds why shipping bills should not appear in EDPMS
- (x) Grounds why name of exporter should not appear as risk exporter.

We request members to kindly provide the abovementioned details at the earliest possible. EPCES thank Hon'ble Commerce & Industry Minister for his timely intervention and resolving the issue.

(4) Gazette Notification dated 17.12.2019 – amendment in SEZ Rules

Ministry of Commerce & Industry, Department of Commerce vide Notification dated 17.12.2019 made the rules further to amend the SEZ Rules, 2006. A copy of the Notification dated 17.12.2019 is available at <http://sezindia.nic.in/cms/sez-rules-and-amendments.php>. The major changes are as under:-

- Rule 5 of SEZ Rules has been amended. As per the changes minimum land requirement for a SEZ or FTWZ other than IT/ITES, Biotech or Health, will be fifty hectare or more. For Assam, Meghalaya, Nagaland, Arunachal Pradesh, Mizoram, Manipur, Tripura, Himachal Pradesh, Uttarakhand, Sikkim, Goa or in UT, the minimum area shall be twenty five hectare or more.
- There shall be no minimum land requirement for IT/ITES, Biotech or Health services SEZ but a minimum built up processing area requirement shall be applicable, based on the category of cities.
- The minimum processing area in any SEZ cannot be less than fifty per cent of the total area of the SEZ.
- All existing notified SEZs shall be deemed to be a multi-sector SEZ.
- BOA may grant extension beyond the said period of ten years for a further period of not exceeding one year at a time, subject to maximum upto ten such extension.

- Letter of Approval shall be issued by Approval Committee for services, which can be broad-banded with IT/ITES such as financial services, consultancy services, design services, architect services, commercial training or coaching services.

(5) Instruction No. 103 - Clarification on DoCs Instruction no. 98 regarding review of lease period in case of develop, co-developer and units in Special Economic Zones.

Department of Commerce has issued Instruction No. 103 dated 11.12.2019 informing that with further reference to instruction No. 98 dated 29.8.2019 on the above subject, the amendment in tenure clause in compliance of the said instruction may be considered and if suitable, approved at the level of the jurisdictional Development Commissioner subject to compliance with extant rules and regulations as per State/UT government's policy. These instructions are applicable to SEZs which are not owned by the Government of India.

(6) Instruction No. 102 dated 18.11.2019 (Compliance of contiguity condition of SEZ in terms of Rule 5 & 7

Department of Commerce has issued Instruction No. 102 dated 18.11.2019 informing that DC must specifically certify the contiguity condition of the SEZ in explicit terms at the time of forwarding the proposals for setting up of new SEZ / Notification and partial de-notification thereof. It must also be certified in DC's inspection report that the Physical Inspection has been carried out in the presence of Revenue/Land Authority of the concerned State Government and the name with designation of the officials present during the physical inspection also be mentioned in DC's Inspection Report.

(7) Instruction No. 101 dated 1.11.2019 – Delegation of powers for shifting of SEZ unit from one SEZ to another within same zone.

Department of Commerce has issued Instruction NO. 101 dated 1.11.2019 informing about approval of the competent authority for delegation of powers to jurisdictional Development Commissioners for authorizing the proposals of shifting/relocation/ transfer of SEZ units from one SEZ to another SEZ within the same Zone. In case of shifting/ relocation/transfer of SEZ unit from one zone to another zone, approval of Department of Commerce will be required.

All the instructions/notifications are available on the link <http://sezindia.nic.in/cms/instructions.php>

This issues with the approval of Vice Chairman EPCES.
