

EPCES Hosts Stakeholder Consultation Chaired by Commerce Secretary to Address SEZ & EOU Challenges at Chennai

Commerce Secretary Engages with Industry Stakeholders to Address Key SEZ Policy and Operational Challenges

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An industry interface organised by the Export Promotion Council for EOUs and SEZs (EPCES) was held in Chennai on 20th November 2025, bringing together more than 150 stakeholders for an interaction with **Commerce Secretary Shri Rajesh Agrawal**. The meeting was attended by **Additional Secretary (SEZ) Shri Ajay Badoo**, **Joint Secretary Shri Vimal Anand**, **Development Commissioner, MEPZ, Shri Alex Paul Menon**, **Director (SEZ) Shri Gourav Pundir**, **Director General, EPCES, Shri Alok Chaturvedi**, **Chairman EPCES Shri Badiga Srikanth**, and **Vice Chairman Shri Sunil Rallan**, along with EPCES CGC Members and representatives from SEZ units and developers.

During the consultation, stakeholders highlighted issues related to Special Economic Zone(SEZ)– Domestic Tariff Area (DTA) transactions, duty foregone, ICEGATE connectivity constraints, import monitoring systems, and reverse job work challenges faced by MSMEs. IT/ITES stakeholders raised concerns over rules on vacant built-up area classification, timelines for renewal of Letters of Approval (LoA), and procurement attestation requirements that differ from GST norms.



Participants also drew attention to the lack of parity for SEZ units under concessional import duty and duty drawback schemes available to DTA units, operational inefficiencies introduced by the new Procurement Certificate process, countervailing duties imposed by the US, and the need to review QCO applicability for SEZ-to-DTA sales, particularly in cases such as KASEZ.



Responding to the issues, the Commerce Secretary thanked EPCES for enabling direct industry engagement and assured that the Ministry would examine each challenge in detail with a view to strengthening ease of doing business. He noted that shifts in global value chains, increased demand for DTA market access, and the evolving impact of FTAs necessitate SEZ policies that align with current economic realities.

He emphasised the importance of long-term vision and data-driven policymaking, urging industry to prepare structured analyses to support reform considerations. He assured stakeholders that connectivity concerns with BSNL and issues related to import monitoring systems would be reviewed, reiterating the Government's commitment to enhancing the SEZ ecosystem to make it more dynamic, responsive and globally competitive.



Participants interaction during session

He concluded by reaffirming that the Ministry will examine all issues raised and work toward pragmatic solutions to build a more flexible, efficient and globally aligned SEZ framework


