



Director General SEZEPC <dg@sezepc.in>

Amending SEZ Rulke 43 - Sub-Contracting for DTA by SEZ unit(s) particularly Defense/Space/High tech/R&D DTA units

1 message

Director General SEZEPC <dg@sezepc.in>

4 March 2026 at 23:38

To: "Sh Ajay Bhadoo AS(SEZ)" <astpd-doc@nic.in>, "Vimal ANAND JS(SEZ)" <vimal.anand@nic.in>

Cc: "Sh Gaurav Pundir Dir(SEZ)" <gaurav.pundir@gov.in>, csoffice@nic.in, "Sh Prateek BAJPAI, US(SEZ)" <prateekbajpai.moca@nic.in>

Dear Sir(s)

This is regarding permitting subcontracting by SEZ Units for DTA without insisting upon export especially for Defense/Space/High-Tech/R&D DTA units to reduce imports

In this regard, please see the attached representation from the Regional Chairperson Cochin SEZ.

Presently, as per SEZ Rule 43 , an SEZ unit is allowed to undertake sub-contracting on behalf of a unit in DTA unit with a stipulation that sub-contracting for a DTA unit is permitted only if the finished goods are directly exported from the SEZ unit. This means there is no express provision in the SEZ Rules which permit SEZ units to undertake subcontracting for a unit in DTA including aerospace Defence PSUs and Space establishments which otherwise are importing the same hardware and services that can be supplied by SEZ unit.

This is an unnecessary and unjustified limitation on subcontracting by SEZ units. SEZ units should be allowed to undertake job-work /sub-contracting for DTA units/customers including aerospace, space and defense DTA units such as HAL,BEML,ISRO, DRDO, Ordnance Factories, Brahmos, etc. This will also lead to import substitution.

This can be done by a minor amendment in the SEZ Rules and there is no need for change in SEZ Act.

It is requested that above amendment in SEZ Rule may be considered which will permit SEZ units to undertake job-work/subcontracting for DTA units including aerospace, space and defense DTA units such as HAL,BEML,ISRO, DRDO, Ordnance Factories, Brahmos, etc. leading to import substitution too.

Regards

Alok Chaturvedi

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