# SEZEPC NEWS

Volume : 29 Issue : 25

April - June 2026


Hon'ble CIM Chairs Interaction with Export Promotion Councils and Industry Associations

Stakeholder Consultation by Committee on SEZ Reforms 2.0

## SEZ Zone-Wise Goods Export in USD (In Million)

| Rank | Zone Name | FY-2026-27 | | | April - June in FY-2025-26 | | | Actual Change USD (In Million) | Percentage Change in USD Million terms |
|---|---|---|---|---|---|---|---|---|---|
| | | SEZ Online | ICEGate | Total | SEZ Online | ICEgate | Total | | |
| 1 | Kandla SEZ | $642 | $9,858 | $10,500 | $1,081 | $6,682 | $7,763 | $2,737 | +35% |
| 2 | Seepz Mumbai | $29 | $1,924 | $1,953 | $16 | $1,282 | $1,298 | $656 | +51% |
| 3 | Falta SEZ | $348 | $1,509 | $1,858 | $203 | $1,096 | $1,299 | $559 | +43% |
| 4 | Vishakhapatnam SEZ | $112 | $1,521 | $1,633 | $128 | $1,893 | $2,020 | -$387 | -19% |
| 5 | MEPZ Chennai | $3 | $1,045 | $1,048 | $16 | $798 | $814 | $234 | +29% |
| 6 | Noida SEZ | $44 | $793 | $837 | $42 | $1,075 | $1,117 | -$280 | -25% |
| 7 | Cochin SEZ | $10 | $696 | $705 | $7 | $612 | $619 | $87 | +14% |
| | **Total** | $1,189 | $17,346 | $18,535 | $1,491 | $13,438 | $14,930 | $3,606 | +24% |

## SEZ Zone-Wise Services Export

| Rank | Zone Name | April- June in FY-2026-27 | | April - June in FY-2025-26 | | Actual Chance in INR | Percentage Change in INR Terms | Actual Change USD (In Million) | Percentage Change in USD Million terms |
|---|---|---|---|---|---|---|---|---|---|
| | | INR (Rs. In Cr.) | USD (In Million) | INR (Rs. In Cr.) | USD (In Million) | | | | |
| 1 | Cochin SEZ | ₹ 46,735 | $5,003 | ₹ 40,885 | $4,831 | ₹ 5,850 | +14% | $172 | +4% |
| 2 | MEPZ Chennai | ₹ 31,756 | $3,400 | ₹ 26,461 | $3,125 | ₹ 5,296 | +20% | $275 | +9% |
| 3 | Seepz Mumbai | ₹ 30,717 | $3,281 | ₹ 28,011 | $3,308 | ₹ 2,706 | +10% | -$28 | -1% |
| 4 | Vishakhapatnam SEZ | ₹ 28,201 | $3,014 | ₹ 26,942 | $3,183 | ₹ 1,260 | +5% | -$169 | -5% |
| 5 | Noida SEZ | ₹ 18,444 | $1,975 | ₹ 16,779 | $1,981 | ₹ 1,665 | +10% | -$7 | -0% |
| 6 | Falta SEZ | ₹ 5,143 | $550 | ₹ 4,738 | $560 | ₹ 405 | +9% | -$10 | -2% |
| 7 | Kandla SEZ | ₹ 3,176 | $340 | ₹ 3,952 | $465 | -₹ 776 | -20% | -$125 | -27% |
| | **Total** | ₹ 164,173 | $17,562 | ₹ 147,768 | $17,454 | ₹ 16,405 | +11% | $108 | +1% |

## Top 10 country wise services export April-June 2026-27 vs 2025-26

| Rank | Zones | Fy-2026-27 | | Fy-2025-26 | | Actual Change | Percentage Change | Actual Change | Percentage Change |
|---|---|---|---|---|---|---|---|---|---|
| | | INR (Rs. In Cr.) | USD (In Million) | Inr (Rs. In Cr.) | USD (In Million) | Change In INR | Inr Terms | Change In USD | USD Million Terms |
| 1 | United States | ₹ 85,044 | $9,096 | ₹ 72,470 | $8,561 | ₹ 12,574 | +17% | $535 | +6% |
| 2 | United Kingdom | ₹ 27,078 | $2,904 | ₹ 26,099 | $3,082 | ₹ 979 | +4% | -$178 | -6% |
| 3 | Netherlands | ₹ 11,537 | $1,229 | ₹ 11,136 | $1,315 | ₹ 401 | +4% | -$86 | -7% |
| 4 | Singapore | ₹ 6,137 | $657 | ₹ 5,553 | $657 | ₹ 584 | +11% | $0 | +0% |
| 5 | Australia | ₹ 4,933 | $528 | ₹ 4,300 | $508 | ₹ 633 | +15% | $19 | +4% |
| 6 | Ireland | ₹ 4,714 | $504 | ₹ 3,027 | $358 | ₹ 1,687 | +56% | $146 | +41% |
| 7 | Germany | ₹ 4,699 | $502 | ₹ 4,471 | $528 | ₹ 228 | +5% | -$26 | -5% |
| 8 | Canada | ₹ 2,556 | $273 | ₹ 2,358 | $279 | ₹ 198 | +8% | -$5 | -2% |
| 9 | France | ₹ 2,462 | $263 | ₹ 2,261 | $267 | ₹ 202 | +9% | -$4 | -1% |
| 10 | Switzerland | ₹ 1,930 | $207 | ₹ 1,661 | $196 | ₹ 269 | +16% | $10 | +5% |

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# FEATURES



## SEZEPC News

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

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**Badiga Srikanth**
Chairman

**Alok Vardhan Chaturvedi**
Director General

*Published by*
**Export Promotion Council for EOUs and SEZs (SEZEPC)**

**Badiga Srikanth**
**Chairman**

Corroborating this resilience, the UNCTAD reported in its July Global Trade Update that global goods trade expanded by an estimated 12.5% in the first half of 2026, reaching approximately USD 13.7 trillion.

## *Dear Friends*

I am exceptionally proud to share that India's export community continues to demonstrate remarkable vitality and growth, firmly anchoring our competitive edge in the global marketplace. During the April-June 2026 quarter, overall Indian exports surged by 11.4% to USD 232.7 billion, propelled by a 15.9% increase in national merchandise exports reaching USD 129.3 billion and an estimated 6.2% growth in services exports to USD 103.4 billion. Leading this momentum, our SEZ enclaves have delivered an extraordinary performance. For Q1 (April – June) FY-2026-27, total SEZ goods exports reached USD 18,535 million, registering a robust 24% growth in USD terms over the previous year. Strategic zones such as MEPZ Chennai (up 44%), Kandla SEZ (up 35%), and SEEPZ Mumbai (up 31%) spearheaded this acceleration, proving that our specialized enclaves remain the foundational engines of India's global trade footprint.

This stellar domestic performance unfolds against a complex global macroeconomic backdrop. The International Monetary Fund's July 2026 World Economic Outlook update projects steady global growth at 3.0%, noting that strong technological momentum—particularly driven by Artificial Intelligence—is actively buffering the economic drag caused by Middle Eastern supply shocks. Corroborating this resilience, the UNCTAD reported in its July Global Trade Update that global goods trade expanded by an estimated 12.5% in the first half of 2026, reaching approximately USD 13.7 trillion. While institutions like the World Bank and the World Trade Organization caution that this value surge is heavily influenced by elevated transit costs and a persistent trade inflation rate averaging over 9%, the demand for high-tech and green transition goods remains a powerful catalyst. In response to these shifting supply chain dynamics, the World Customs Organization (WCO) and the World Free Zones Organization are emphasizing the critical role of agile, digitally integrated Free Zones. The World FZO has specifically identified digital and AI-driven manufacturing alongside regional value hubs as vital growth vectors, urging zones to adopt high-end digital backbones to ensure production resilience.

On the policy front, we acknowledge that the one-time measure for SEZ to Domestic Tariff Area (DTA) supplies on concessional duty (effective April 1, 2026) has seen limited utilization from our members. SEZEPC continues to rigorously advocate with the Government to align our framework with global best practices. We are insisting that SEZ to DTA supplies on a duty-foregone basis, reverse job work, and INR payments for services/Manufacturing to the DTA must be permitted to provide our units with the vital flexibility needed to balance export and domestic markets.

Furthermore, I extend my deepest gratitude to everyone who participated in the SEZEPC stakeholder consultation on June 30, 2026, for the Inter-Ministerial Committee on the SEZ 2.0 policy. The Committee is expected to submit its report shortly, which we anticipate will pave the way for a more dynamic and competitive operational environment. We remain entirely committed to supporting your endeavors and amplifying your voices at the highest levels of government.

Friends, we have also changed our short name from EPCES to SEZEPC. official transition from the acronym EPCES to SEZEPC. This clearer, more distinct abbreviation ensures our core representation of SEZs and EOUs is immediately understood by all fronts, avoiding any previous confusion with the plural form of "Export Promotion Council the Export Promotion Council for EOUs and SEZs"—remains entirely unchanged.

For any specific queries, feedback, or official correspondence, please continue to reach out to our headquarters at dg@sezepc.in.

With best regards,

**Badiga Srikanth**

## *Dear Members,*

West Asia crisis which started on 28 February 2028 is still not over. It has created major ripple effects, disrupting global supply chains, triggering energy price volatility, and directly impacting India's trade dynamics. Strait of Hormuz is still not operational. Commercial shipping lines have rerouted around Africa's Cape of Good Hope, adding 10–14 days to transit times between Asia and Europe. Freight rates, war-risk surcharges, and marine insurance premiums have escalated significantly. Energy markets have experienced sharp fluctuations in Brent crude and LNG prices due to transit bottlenecks and supply-chain tightness, feeding into elevated global inflation. Elevated landed prices have significantly widened India's net trade and current account deficits. High import costs feed directly into domestic fuel prices, logistics costs, and input costs for energy-intensive sectors like petrochemicals, fertilizers, and manufacturing. Key Indian exports to Europe, West Asia, and North America—such as Basmati rice, textiles, engineering goods, electronics, and agricultural products—face logistical bottlenecks, extended shipping timelines, and inventory backlogs.

According to the latest WTO Goods Trade Barometer report released on 5.6.2026, global merchandise trade appears to have remained resilient in the first half of 2026 despite headwinds from the ongoing conflict in the Middle East, which seem to have been partly offset by rising demand for electronic components related to investment in artificial intelligence. However, merchandise trade growth may be starting to lose momentum.

During Apr-June 2026, Indian merchandise exports grew by 15.9 % to US$ 129.3 billion, while services exports are expected to grow by 6.2 % to US$ 103.4 billion, thus overall exports increasing by 11.4 % to US$ 232.7 billion. As regards SEZs, merchandise exports grew by 3% to US$ 70.8 billion during 2025-26 and services exports grew by 4% to US$ 112.3 billion. With regards to First Quarter 2026-27(April to June), merchandise exports grew 24% to US$ 18.5 billion during whereas services exports grew marginally by 1% to US$ 17.6 billion.

As was expected, there has not been much interest in the one-time measure for SEZ to DTA supplies on concessional duty notified on 31.3.2026, effective 1.4.2026 for a one-year period. SEZEPC has taken it up with Government and has insisted that SEZ to DTA on duty foregone basis, reverse job work and INR payment for supply of services to DTA should be allowed in accordance with global best practices for flexibility to SEZ units for export and domestic markets.

Meanwhile, SEZEPC organised stakeholder consultation for Inter-Ministerial Committee for formulating SEZ 2.0 policy on 30.6.2026. Thank you so much for an enthusiastic participation from you all. The Committee is likely to submit its report shortly.

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**

During Apr-June 2026, Indian merchandise exports grew by 15.9 % to US$ 129.3 billion, while services exports are expected to grow by 6.2 % to US$ 103.4 billion, thus overall exports increasing by 11.4 % to US$ 232.7 billion.

# Stakeholder Consultation by Committee on SEZ Reforms 2.0

The government has set up an inter-ministerial committee in February 2026 to focus on larger SEZ Reforms and the harmonisation of Export Promotion Schemes, chaired by Shri Ajay Bhadoo, Additional Secretary from the Department of Commerce. On June 30, 2026, the committee held a major stakeholder consultation at Vanijya Bhawan. Organized by the Export Promotion Council for EOUs and SEZs (SEZEPC), the event began with a welcome address and opening discussion led by Shri Badiga Srikanth, Chairman of SEZEPC and Group Director of Phoenix Group.

Shri Alok Chaturvedi, Director General of SEZEPC, presented the various issues raised by stakeholders and moderated the sessions. Shri Rajesh Agarwal, Commerce Secretary also graced the occasion and advised the participants about approach to SEZ reforms.

The consultation drew more than 100 participants representing diverse sectors such as SEZ developers, SEZ units, EOUs, MOOWR units, domestic tariff area (DTA) units, IT/ITES units, think tanks, and advisory firms. Major industry associations actively engaged in the talks, including NASSCOM, FIEO, FICCI, CII, ASSOCHAM, and PHDCII. Prominent corporate

The key issues discussed included allowing SEZ to DTA supplies on a duty foregone basis following global practices and on the current EOU and MOOWR pattern, as well as allowing payment in INR for services supplied by SEZ to DTA units. The attendees also deliberated on allowing reverse jobwork by SEZ units for DTA without any link to exports, merging the EOU and MOOWR schemes, and offering zero-duty supply in DTA for products currently imported into the country from China or FTA countries to support import substitution. Stakeholders also

raised the issue of easing compliance burden for services units in SEZs and improving the overall Ease of Doing Business in SEZ operations. In his closing remarks, the Committee Chairman and Additional Secretary, Shri Ajay Bhadoo, assured everyone that the committee would take advantage of previous studies and will soon finalise its recommendations. Minutes of the Meeting are as follow.

and institutional representatives attended from organizations like Phoenix Group (Hyderabad), Serum Institute (Pune, Maharashtra), Micron Semiconductor Tech (Sanad, Gujarat), CG Semi (Semiconductor) (Gujarat), Brandix Apparel India SEZ (Andhra Pradesh), Salcomp India (Tamil Nadu), Cheyyar SEZ (Fengtay Group/Lotus Footwear, Tamil Nadu), DP World & Vedanta Ltd, Mahansaria Tyres (Gujarat), L&T MBDA Missile Systems SEZ, Suzlon Energy (SE Forge) & ZF Wind Power, Gujarat Credo Alumina Chemicals Ltd., NASSCOM, TCS, DLF, and the K Raheja group.

K-43013(11)/1/2022-SEZ
Government of India
Ministry of Commerce and Industry
Department of Commerce
(SEZ Section)
****

Vanijya Bhawan, New Delhi
Dated the 13 July, 2026

**OFFICE MEMORANDUM**

**Subject: Minutes of the third meeting of the inter-departmental committee for SEZ reforms and harmonisation of various export promotion schemes.**

The undersigned is directed to forward herewith a copy of Minutes of the third meeting of the inter-departmental committee for SEZ reforms and harmonisation of various export promotion schemes held under the Chairmanship of Shri Ajay Bhadoo, Additional Secretary, Department of Commerce on 30.06.2026 at 11 AM - Stakeholder Consultation

2. This issue with the approval of the competent authority.

Bajpai 13/07/26.

(Prateek Bajpai)
Under Secretary to the Govt. of India
Tel. 011-2303 9939
Email: prateekbajpai.moca@nic.in

To

All member of the committee.

Copy to: Sr. PPS to AS(AB)/PS to JS(VA)/PS to Dir (GP)

**Draft Minutes of the third meeting of the inter-departmental committee for SEZ reforms and harmonisation of various export promotion schemes held under the Chairmanship of Shri Ajay Bhadoo, Additional Secretary, Department of Commerce on 30.06.2026 at 11 AM - Stakeholder Consultation**

A stakeholder consultation meeting was held under the Chairmanship of Shri Ajay Bhadoo, Additional Secretary, Department of Commerce on 30.6.2026 regarding SEZ reforms and harmonisation of various export promotion scheme.

2. The list of participants may be seen at Annexure.

3. Shri Rajesh Aggarwal, Commerce Secretary kindly consented to address the stakeholders and shared his broad perspective about harmonisation of export promotion schemed and SEZ reforms. He stated that the harmonization exercise should be balanced, rational, and supported by clear policy logic. He explained that existing export schemes are intended to neutralize taxes and simplify compliance. He emphasized the need to identify the rationale for each scheme, apply global benchmarking or India-specific justification where necessary, use technology to improve transparency and trust, preserve the core purpose of SEZs as export-led ecosystems, treat services separately from goods, and continue work toward a balanced draft law and package of reforms.

4. Shri Gaurav Pundir, Director (SEZ) and Member-Secretary welcomed all the participants and gave a brief background about the committee and the expectation of the Committee from the stakeholders.

5. Shri Ajay Bhadoo, Additional Secretary and Chairman of the Committee, in his opening remarks, suggested that the Committee would like to hear views of stakeholders about harmonisation of various export promotion schemes and suggestions about the larger reforms in SEZ policy along with justification. He suggested that harmonisation does not mean merging all schemes into one as they may cater to different category of exporters and serving different purposes. However, we may suggest merging schemes if they are broadly similar and serving the same category of exporters. We may also suggest adopting the accepted principles of one scheme into another scheme. He requested Shri Alok Chaturvedi, Director General, Export Promotion Council for EOUs & SEZs (SEZEPC) to moderate the interaction with the stakeholders.

6. DG SEZEPC made a brief presentation for information of stakeholders so that they may not spend time for which representations have already been made before the Committee. A brief background, characteristic features and the current usage of different export promotion schemes (Advance Authorisation, Duty Free Import Authorisation, Export Promotion Capital Goods, EOU, MOOWR, SEZ) was presented. DG SEZEPC also presented key demands of the industry which included SEZ to DTA on duty foregone basis, INR payment for supply of services from SEZ to DTA, reverse job-work by SEZ units for DTA without any export linkage, need for zero duty/preferential duty for SEZ to DTA supply of those goods which are at present being imported from FTA countries/other countries, reforms in Free Trade warehousing Zones and other EoDB measures. DG suggested that the stakeholders should specifically inform about the goods being manufactured by them and any impact on domestic manufacturers, if any, if SEZ to DTA on duty foregone basis is allowed. Thereafter, DG invited comments and suggestions from the stakeholders.

7. Dr Ajay Sahai, DG, FIEO explained the two broad approaches of duty neutralisation on exports – upfront exemption/suspension or remission. Advance License, EOU,SEZ, MOOWR are duty suspension schemes whereas duty drawback, RoTEP/RoSCTL are duty remission schemes. He stated that these schemes are catering

to the requirement of different categories of exporters - micro exporters, small-exporter, medium-exporter, ultra-large-exporters in different sectors such as carpet, handicraft, pharma, automobile, petroleum, engineering, etc. He opined that no single scheme should be thrust on the trade. SEZ, though it's a suspension scheme, it has come because we wanted to have an island of excellence, where we want to provide the world-class infrastructure, attract the global FDI in the export sector, bring the best of technology. Therefore, SEZ scheme should continue as such and should be improved by adopting international best practices. MOOWR should also be continued as it improves manufacturing competitiveness. EOU scheme can be considered to be converted into either locational SEZs or merged into MOOWR provided RoDTEP /RoSCTL benefits available to EOUs are extended to MOOWR scheme too. DFIA scheme can be phased out as it has lost its utility. EPCG meant for duty free import of capital goods for promoting exports needs to be continued for DTA exporters till import duties on capital goods are reduced. RoDTEP and RoSCTL can be merged into one scheme. As regards SEZ to DTA on duty foregone basis or reverse job work without any linkage to exports, some cap may be introduced as the export orientation of SEZs should be maintained. We may also permit SEZ units to supply those goods to DTA on zero duty which are being imported under FTA or otherwise to a large extent say 75% or more of total imports of that product. He also opined that there is no justification for payment in foreign currency for supply of services to DTA.

8. Shri Hitendra Mehta from ASSOCHAM stated that SEZ reform should be undertaken urgently and in a progressive manner. He grouped the issues into amendments to the SEZ Act, matters to be addressed through rules, and compliance-related issues. He stressed that SEZs should be integrated with the domestic economy through duty-forgone sales to DTA, as such sales is revenue-neutral and would help utilize vacant capacity and developed land. He further suggested amendments to Section 30 and the definition of services, use of Rule 47 for subcontracting, and greater policy flexibility within the existing SEZ Act. He also proposed distinguishing between manufacturing and service SEZs, harmonizing SEZ policy with industrial corridor and PLI schemes, and preserving the broader objective of making India a preferred investment destination. He pointed out that DTA units can import goods duty-free under FTAs, and therefore SEZ units should also be allowed a level playing field for domestic sales of such goods. He said that only limited tweaking within the existing Act is required, rather than creating a completely new framework.

9. Shri Rajiv Dimri from FICCI welcomed the approach adopted in the discussion and made two key suggestions. First, he stated that the legal framework should remain flexible and capable of adapting to the impact of upcoming free trade agreements, rather than being rigidly fixed on current assumptions. Second, he emphasized that compliance burden should be reduced, noting that excessive documentation can deter investors from choosing India. He added that government IT systems are now sufficiently advanced to support a more natural, technology-driven compliance process, and should be leveraged to ease the burden on entrepreneurs.

10. Shri Sabyasachi Ray, ED, GJEPC SEZ units in the jewellery sector are export-oriented, rely mainly on imported inputs, and should be given greater operational flexibility without disturbing DTA units. He supported duty-forgone access, INR-based payments, more flexible raw material sourcing, permission for lower carate jewellery exports, allowance for advance payment of gold, and clearly defined job work provisions. He added that SEZ jewellery manufacturing serves a distinct export niche and would complement, rather than compete with, DTA manufacturing.

11. Shri PC Nambiar, Serum Institute stated that SEZ is a time-tested and highly beneficial scheme, particularly for vaccine manufacturing, and argued that duty-forgone access is essential to keep production affordable and support national immunization efforts. He said SEZ units are export-oriented but also have limited DTA sales, which should be treated on a similar footing as export-committed DTA units, and suggested replacing the multiplicity of export incentive schemes with a simpler duty-entitlement mechanism linked to export earnings or committed exports. He further observed that SEZ units no longer receive income tax benefits, use duty-free capital goods and inputs only for export production, and may appropriately recover the corresponding duty in DTA sales.

12. Shri Srikanth Badiga, Phoenix presented the developer's perspective on SEZ reforms and stated that SEZ developers have created infrastructure far beyond minimum compliance, particularly in the services segment, but their role is still not adequately recognized as infrastructure. He urged that the non-processing area be treated more liberally, that IT SEZs be viewed in the context of real estate and infrastructure, and that vacant SEZ land be considered for wider industrial park development. He said that he is on the Board of Director of the World Free Zones Organisation and he had recently participated in their international conference. India is being watched by global investors for SEZ related reforms for more domestic integration. He also requested that developer-specific issues be included in ease-of-doing-business reforms, advocated greater liberalization, and raised concern that MOOWR may create policy overlap and competition with registered units.

13. Shri C Saravanan, COO, Brandix Apparel India SEZ stated that apparel and textile SEZs should be permitted duty-forgone access to the domestic market, as international brands increasingly require both export and domestic market supply from a single ecosystem. He explained that restricting such access would not benefit domestic manufacturers, but would instead divert business to neighbouring countries and cause loss of employment in India. He therefore emphasized that domestic market access is essential for making SEZs viable and employment-generating in the apparel and textile sector.

14. Shri Murali Sivaperumal (Director), ZF Wind Power informed that they make gearbox for wind-turbines. The fear that access to domestic market on duty foregone basis will harm DTA manufacturers is without any basis. More than 50% of wind turbine products are imported into India. It is not that we are competing against DTA; on the contrary, we are competing against China. Furthermore, in the industry like ours, it is important to have energy security and resilience as recently China stopped export of carbon planks used in the wind turbine blades. Earlier there was a unit in India which closed down because of dumping by China and once it closed, China suddenly stopped exports. Therefore, SEZ to DTA supplies should not only be allowed on duty forgone basis, but it should be duty free if the goods are being imported from China or FTA countries. This will help in import substitution too.

15. Shri C R Subramanium, Director/GM Salcomp India stated that they have three SEZ and three MOOWR units. He stated that MOOWR offers flexibility to serve export market as well as domestic market. While no duty is to be paid on inputs in case of exports, duty on inputs only is to be paid while serving DTA market. This is all the more important for the electronics component industry. Similar benefit of flexibility should be given to SEZ units rather than making SEZ units pay full customs duty on finished goods in case of serving domestic market.

16. Shri Sunil Taneja, Cheyyar SEZ stated that they have a SEZ units in Tamil Nadu which exports sports footwear. They have 30,000 people working in their campus. He welcomed, in principle, the current measure announced by the Government to permit SEZ units to supply to DTA on concessional customs duty. But the measure is half-baked as the duty concession is very low. Their unit compete with the low duty imports from countries such as Vietnam and Indonesia. He suggested that SEZ to DTA sale should be allowed on duty foregone basis as is available in case of MOOWR and EOU schemes.

17. Ms. Pauravi Shah from Mahansaria Tyres SEZ stated that they manufacture off-highway tyres (OHT) in SEZ in Panoli, Gujarat with a phased capacity expansion from 40,000 MT to 100,000 MT. These tyres are special niche category tyres for industrial, agriculture, mining use. Exports have grown by 3.4 times in the last five years to Rs 1160 cr with NFE of Rs 390 cr. India imports approximately Rs 1000 cr of these tyres annually. There is a need for allowing SEZ to DTA on duty foregone basis for import substitution and better capacity utilisation which will also help in achieving economy of scale in meeting export demand in a competitive manner. She also requested that import restrictions should not be allowed in case of supply of goods manufactured in SEZ as this manufacturing and value addition has been done in India only. This will also help in import substitution. She also supported that SEZ unit should also be allowed to do sub-contracting for DTA units without any linkage to exports.

18. Shri Manish K Madhukar from Micron Semiconductor Tech SEZ stated that Micron is engaged in semiconductor back-end manufacturing operations in India. Considering the specialized nature of semiconductor manufacturing, high capital investment, import-dependence, long project execution cycle, and global supply chain integration, certain clarifications and procedural relaxations are required to ensure smooth implementation of the MOOWR and SEZ framework. He requested that movement of goods between MOOWR units and SEZ units for further manufacturing, reverse job work, repair, processing, testing, or completion of manufacturing operations should be permitted without payment of customs duty. Customs duty, if any, should arise only at the point of clearance into the Domestic Tariff Area, and not at the stage of inter-scheme movement. Further, SEZ units operating under a toll manufacturing / consignment manufacturing model, NFE should be calculated based on actual imports made on payment basis and actual foreign exchange received against service invoices. Free-of-cost import of customer-owned / parent-owned materials should not be treated as foreign exchange outflow of the SEZ unit. Free-of-cost export of finished goods owned by the overseas parent / customer should not be treated as export realization of the SEZ unit. He also stated that Micron operates under a toll manufacturing model. Under this model, wafers and dies are received from the overseas parent entity on a consignment / free-of-cost basis. Ownership of the wafers, dies, work-in-process, and finished goods remains with the overseas parent entity. Micron India does not purchase or sell such goods. Instead, Micron India provides manufacturing services and receives foreign remittance against service invoices raised on a cost-plus basis. Therefore, the second proviso to Section 13(3)(a) of the IGST Act, 2017 should be amended so that the place of supply of toll manufacturing services rendered to a foreign principal continues to remain outside India, irrespective of whether the finished goods are physically exported or delivered domestically. He also requested that SEZ developers may be permitted to import or domestically procure any goods, materials, equipment, tools, consumables, spares, construction materials, and project-related items required for authorized operations, without the need for item-wise prior approval of each material. Approval may instead be granted based on broad categories aligned with authorized operations, such

as construction materials, project materials, plant and machinery, electrical systems, HVAC, cleanroom materials, utilities, safety systems, security systems, IT infrastructure, consumables, and maintenance materials. This will support faster project execution, ease of doing business, and timely development of capital-intensive SEZ infrastructure.

19. Shri Niraj Jain, CG Semi Private Limited SEZ informed the committee that the company has two units, namely a pilot line under the MOOWR scheme and a main plant under SEZ. He stated that under MOOWR, depreciation benefits should be given, zero-rating of domestic procurement should be allowed, clarity should be given regarding import of indirect materials, consumables and chemicals and endorsement /mentioning of inputs and consumables in export shipping bills. Similarly, in the SEZs, toll manufacturing/job work should be allowed for domestic customer under SEZ Rule 18(6), time-period of achieving positive NFE for Semi-conductor industry should be extended from 5 years to 10 years, NFE for domestic sales from SEZ should be relaxed and SEZ to DTA sale should be on duty foregone basis. He also requested that toll manufacturing/contract manufacturing services provided by an Indian OSAT unit to a foreign principal, where goods are supplied on FOC basis and ownership remains with the foreign entity, should be treated as export of services, irrespective of whether the processed goods are ultimately sold within India or outside India.

20. Shri Yamanappa Patrut from L&T MBDA Missile Systems, a JV between L&T and MBDA, operating in SEZ Coimbatore, informed that the unit has already manufactured and exported missile rear sections and air-to-air launchers for the Rafale aircraft. He stated that the Indian Air Force has requested the company to undertake MRO activities, but the prevailing SEZ conditions make such domestic service rendering difficult as foreign exchange realization is required. He emphasized the strategic importance of using Indian capability for such MRO work, noting that foreign OEMs take more than a year whereas the Indian unit can complete the work in a little over eight days, and requested permission to undertake these services from SEZ and payment in INR should be allowed in the interest of national security and operational readiness.

21. Shri Nishith Kumar from Suzlon Energy (SE Forge SEZ Unit) stated that as customs duty is charged on the total value in case of supplies of components from SEZ to DTA, the cost of setting the wind power unit increases which in turn raises the effective per-unit electricity cost. He requested that the committee consider allowing for SEZ-to-DTA supply on duty forgone basis. He further referred to the recently announced concessional duty framework and mentioned that the rate for the goods manufactured at their SEZ unit has been rationalized from 7.5% to 6.5% and availing this 1% benefit is not economically viable due to the high cost involved. He therefore requested that further rationalization be considered as per actuals.

22. Shri Anil Malhotra, TUF Metallurgical Pvt. Ltd informed the committee that their Vizag SEZ unit manufactures ferroalloys and that the export-duty matter (no export duty on DTA to SEZ supplies), though decided in their favour by the court, still requires a corresponding policy amendment. He stated that Indian SEZ units should be given more flexibility, similar to free zones such as Jebel Ali and Sohar, where multiple activities are permitted under a common framework. He further highlighted difficulties in converting adjoining land from SEZ to DTA, which is affecting expansion plans, and also expressed concern that FTAs, particularly with Oman, may create an uneven duty environment for domestic manufacturers, since the same product sold from Indian SEZ in DTA attracts 5% duty while competing imports may enter duty-free.

23. Shri Amogh Patankar from K Raheja Group requested that DTA sale of services be permitted in Indian rupees, stating that the earlier concern regarding revenue loss

(CVD component as there is no customs duty on services) has been addressed after the introduction of GST/IGST and that such sales would not adversely impact DTA service providers. He further requested that small vacant pockets in older SEZs be permitted to be used as non-processing areas for industrial units such as domestic data centres without requiring denotification, noting that denotification is a slow and cumbersome process involving multiple authorities. He also sought flexibility in SEZ land-use norms to allow a small hotel within the SEZ to support visiting professionals, and stated that the first two proposals would require amendments to the SEZ Act, while the hotel-related proposal would require changes in the SEZ Rules.

24. Shri Swapnil Yadav from NASSCOM thanked the committee for taking a distinct approach to the services sector and stated that most of the issues raised by the industry had already been covered. He specifically supported the proposal relating to INR payment for supply of services from SEZ to DTA and for job work for DTA without any linkage to export and expressed strong support for the reform measures under discussion. He also informed the committee that some ease-of-doing-business issues remain unresolved and stated that a detailed note had already been submitted to the Ministry of Commerce in August last year, which would be shared again with the committee.

25. Shri Naman Patel, Gujarat Credo Alumina Chemicals Ltd. informed the committee that the unit manufactures inorganic chemicals, primarily aluminium hydroxide and synthetic zeolites, the latter being manufactured by only one company in India. He submitted that unit is significantly under-utilized because it cannot sell freely in the DTA and that permitting duty-forgone DTA sales would not harm domestic producers since there is no local competition. He noted that the unit competes globally, particularly against suppliers from South Korea, Thailand, and China, and that it is commercially inequitable for Indian customers to buy from foreign FTA suppliers while being unable to source from the SEZ unit. He further stated that it is a paradox that they are unable to supply to the Indian operations or entities of the same group companies who are their customers abroad. He further emphasized that export-led manufacturing requires access to both domestic and export markets in order to build quality, scale, and long-term competitiveness.

26. Shri Paresh Rathod, Kalika International & SURSEZ Association informed the committee that, unlike DTA exporters, SEZ units are required to bear the salary cost of customs staff even though customs clearance is a government function. He questioned the rationale for placing this burden on private SEZ units and stated that such disparity adversely affects their international competitiveness.

27. Shri Ganesh Sanganeria, VP, ITC Ltd. from ASSOCHAM stated that SEZ policy presently lacks a clear negative list and requested clarity on products discouraged by the government or covered under international commitments such as FCTC. He submitted that SEZ relaxations should not be extended to products prohibited in India or otherwise not intended for concessional benefits, particularly in cases involving high tax arbitrage. Citing liquor and tobacco as examples, he cautioned that permitting such activities in SEZs or FTAs may be used to circumvent policy and aggravate the existing illicit-market problem in India.

28. Representative from FICCI stated that the duty forgone requirement for SEZ remains relevant in the present environment. He requested harmonization of the two schemes and submitted that MOOWR players should be extended comparable benefits. He highlighted that depreciation benefit is available under SEZ for clearing capital goods but not under MOOWR, and further requested that the duty forgone benefit under

MOOWR, presently restricted to owned capital assets, be extended to leased capital assets also, similar to the SEZ framework.

29. Shri Rahul Kalburgi from Aequs SEZ stated that the SEZ scheme has significantly benefited the aerospace manufacturing cluster. He requested a relook at certain legacy SEZ provisions, particularly restrictions on DTA job work, stating that these restrictions are preventing the unit from servicing defence and other customers in India and are resulting in work being shifted abroad and re-imported. He further highlighted an anomaly in DTA sale duty treatment, citing the toys sector as an example where SEZ units face full customs duty while EOUs pay only duty foregone, and requested a level playing field. He also suggested policy changes to permit conversion of EOUs into SEZs, ease procurement from small suppliers, and align the SEZ job-work return timeline with the EOU timeline.

30. Shri Manohar from Meghmani Industries Limited highlighted difficulties in exiting SEZ and requested that debonding be permitted by allowing capital goods to be removed at depreciated value. He stated that this is particularly necessary as the unit's products face anti-dumping duty issues from China and the existing one-time debonding framework imposes duty on movement of capital goods. He further submitted that the unit is unable to fully utilize its capacity because DTA sales on duty-forgo ne terms are not permitted. He also requested better digital data integration and monthly reporting through a common utility, permission for return of SEZ-supplied goods in case of quality issues, and removal of the duty anomaly in FTA-linked trade, where import-based units can procure backward-integrated products duty-free while SEZ units must supply the same product at 7.5% duty.

31. Shri Manjur Ahmad from Aco Perfumes & Cosmetics LLP, Surat Special Economic Zone, informed the committee that the unit is facing difficulty in claiming IGST refunds, whereas refund claims were easier under the earlier service tax regime. He stated that although there are judgments of the Madras and Gujarat High Courts, clear operational guidelines are still required for claiming refund on DTA services used in SEZ units. He further highlighted system glitches in the customs department and requested seamless electronic integration among customs port systems, the gateway system, ICEGATE, and shipping line systems.

32. DG SEZEPC noted that due to shortage of time, some participants did not get time to present their views. He requested that they may send their views and suggestions through email at dg@sezepc.in or gaurav.pundir@gov.in so that the same may be considered by the Committee. He also advised participants who have spoken may also submit in writing for better clarity.

33. Shri Ajay Bhadoo, AS(SEZ) and chairman of the committee requested the Committee members to give their comments /suggestions, if any.

34. Shri Ranjan Khanna, Additional Pr DGEP observed that the meeting represented an important first step in a structured dialogue on the harmonization of SEZ schemes and related processes. He noted that while harmonization is necessary, it should not imply the indiscriminate merging of all schemes, since different sectors operate with distinct production systems, supply chains, and compliance needs. He emphasized that any reform must be guided by global best practices, sector-specific consultation, and robust data-based reasoning, and that the committee should prioritize practical and achievable measures in a balanced manner. He further highlighted that trust and technology will be central to the success of any liberalized framework, and referred to the need for greater use of digital systems to improve transparency and confidence. He

identified section 2(z) and section 30 of the SEZ Act as the two major issues requiring careful examination. He also stated that any proposal should be assessed on the basis of competitive neutrality, complementarity with the DTA, revenue neutrality, and avoidance of regulatory arbitrage.

35. Ms. Shilpa, from Niti Aayog stated that the stakeholder discussion was useful as it brought out both the positive and negative aspects of the existing framework. She observed that harmonization involves a delicate balancing exercise, since what benefits one set of sectors may raise concerns for another. She emphasized the need to build an efficient system that enables industry to strengthen capacities and reduces underutilization of resources. She further noted that while sale to DTA on a duty-forgone basis is an important issue, SEZ performance should be assessed through a broader and alternative framework, including parameters such as NFE. She also highlighted the need for a clear, well-defined and seamless exit policy, with proper demarcation for transition from one mechanism to another.

36. Shri Vimal Anand, Joint Secretary stated that the harmonization exercise is being pursued to address long-standing reform issues and to reduce scheme shopping between SEZ, EOU, and other schemes, noting that EOU already provides access to the DTA market on a duty-forgone basis. He explained that the government is considering concerns raised by DTA stakeholders and other ministries regarding the perceived advantages of SEZ units, including income tax, state-level, GST, capital goods duty, land, and financing benefits. He further stated that these concerns led to the March 31 notification providing concessional duty instead of pure duty forgone, in order to preserve a level playing field between SEZ and DTA units. He requested written submissions from industry bodies such as CII, FICCI, and ASSOCHAM so that the DTA perspective can be incorporated in the report.

37. Shri Ajay Bhadoo, Additional Secretary and Chairman of the Committee thanked the participants for their active participation and informed that any participant who had not yet submitted their views or had not got an opportunity to speak may send a detailed representation for consolidation and onward submission to the committee. He assured the participants that the Committee will examine in detail the observations made by the participants as well as the written representations and submit its report shortly.

The meeting ended with a vote of thanks to the Chair.

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# Government notifies One Time Measure of Conditional Concessional Customs Duty for SEZ to Domestic Tariff Area sales to boost manufacturing capacity – SEZEPC raises concerns regarding limited usage by exporters

Ministry of Finance, in line with the Budget announcement 2026, vide notified dated 31.3.2026. notified the conditional customs duty concessions on clearance of goods manufactured in Special Economic Zones (SEZs) to the Domestic Tariff Area (DTA) to improve capacity utilisation of manufacturing units impacted by global trade disruptions. The measure is expected to benefit approximately 1,200 SEZ manufacturing units by enabling economies of scale, reducing costs and enhancing resilience, while preserving the export-oriented nature of SEZs.

The measure allows eligible SEZ manufacturing units to clear goods to the DTA at concessional duty rates, subject to a limit of 30 per cent of the highest annual Free-on-Board export value achieved in any of the three immediately preceding financial years. Export benefits such as duty drawback on inputs are not permitted for such clearances to prevent double benefits.

The notification prescribes key eligibility conditions, including a minimum 20 per cent value addition within the SEZ, calculated using a defined formula based on assessable value and input costs. The concessional framework covers a broad range of sectors including mineral products; chemical products; plastics and rubber; hides and skins, leather products and articles of fur skins; wood, cork and paper; textiles and textile articles; footwear and headgear; stone, ceramic and glass; base metals and articles thereof; machinery and electrical equipment; vehicles, aircraft and transport equipment; optical, medical and scientific instruments; arms and ammunition; and miscellaneous manufactured articles. However, sectors such as agriculture (including marine and processed food products, tobacco, etc.), marble and granite, gems and jewellery, vehicles, toys and petroleum are excluded.

For availing concessional duty benefits, SEZ units are required to furnish a Development Commissioner's certificate confirming compliance with conditions, along with a declaration to pay full duty in case of non-fulfilment. The units will also be subject to audit under SEZ Rules, 2006. The notification is effective from April 1, 2026 to March 31, 2027.

The above has been implemented vide Notification No. 11/2026-Customs dated March 31, 2026 issued under Section 25(1) of the Customs Act, 1962. The notification grants conditional customs duty concessions on goods manufactured in SEZs and cleared to the DTA, including reduced duty rates and, in certain cases, partial exemption from Agriculture Infrastructure and Development Cess. It applies to units that commenced production on or before March 31, 2025 and meet specified conditions, while excluding Free Trade Warehousing Zone units and goods imported into SEZs and cleared to DTA without adequate manufacturing.

As per Section 30 of the Special Economic Zones Act, 2005, clearance of goods from SEZs to the DTA is treated as imports into India and attracts applicable customs duties, which had affected the competitiveness of SEZ manufacturers. The present measure addresses this concern while ensuring a level-playing field for units operating in the DTA.

The SEZEPC raised the concerns of the SEZ units regarding the limited usage of the benefits in view of low benefits and heavy compliance burden and the fact that the measure is limited for one year only. Based on the analysis, 96.5% of total DTA sale by manufacturing units and 62% of manufacturing units making DTA sale under top 200 HSN codes will not be really benefitted from the current initiative. Even benefit to manufacturing units for concessional slab of more than 1% will be just 17 MN USD (Rs 158 cr). The council brought the following points for the consideration of the Government:

**(i)** The basis of fixation of concessional custom duties in respect of different HSN codes may kindly be made known for understanding of the Government. The calculation of duty foregone and equalisation duty, if applied, for arriving at the concessional duty in different HSN code may kindly be known to the Industry.

**(ii)** No equalisation duty is applied in respect of supplies to DTA by SEZs in US, UK, China, Indonesia, Thailand, etc. having significant DTA markets. SEZ units have to just pay duty forgone (duty paid on inputs consumed in the finished good being sold into DTA)

**(iii)** This marginal concession (1% or zero concession to maximum units and higher concession to a very few units) will not serve any meaningful purpose for the utilisation of the capacity of the SEZ units.

**(iv)** SEZ units are engaged in high quality export market / higher end segment of the domestic market. Their competition is not the goods manufactured by DTA manufacturers but the imports made by the traders from FTA countries (ASEAN) or low priced high-quality Chinese goods. Therefore, higher concession should be provided in respect of those HSN goods which are being imported (from FTA countries / China) to compete and substitute these imports. The Export Promotion Council for EOUs and SEZs had, vide its emails dated 16.2.2026 and 8.3.2026 had suggested that

**(a)** All imports from China or imports from different countries under different Trade Agreements at concessional duties should be allowed to be supplied from SEZ to DTA at concessional duties as per FTA (zero duty or concessional duty). In this regard, the proposal as per the email sent earlier on 16.2.2026 may kindly be considered.

**(b)** All goods from SEZ to DTA in labour-intensive sectors—Textiles and Leather, Footwear—should be allowed on reversal of duties on imported inputs.

**(c)** All goods in the defence, space, R&D, and high-tech sectors may be allowed to be sold to DTA units including PSUs/ Government Agencies (Defence, HAL, ISRO, BEML. DRDO, etc) , upon reversal of duties on imported inputs.

**(d)** SEZ units should be allowed to undertake subcontracting work for DTA units including PSUs/Government Agencies (Defence, HAL, ISRO, BEML. DRDO, etc) in the defence, space, R&D, and high-tech sectors without any linkage to export by amending SEZ Rule 43 as submitted vide EPCES email dated

**(e)** Payment for supply of services to DTA units, particularly to PSUs/Government Agencies (Defence, HAL, ISRO, BEML. DRDO, etc) in the defence, space, R&D, and high-tech sectors should be allowed in INR.

SEZEPC also requested for clarification on the export benefit and other issues vide its email dated 24.4.2026 Which are as follows.

# SEZ to DTA clearances under Notification No.11 /2026- Customs dated 31.03.2026 -reg

*Director General SEZEPC <dg@sezepc.in>Sat, 1 1 Apr, 2026 at 4:37 pm*
*To: Sh Gaurav Pundir Dir(SEZ) <gaurav.pundir@gov.in>, Vimal ANAND JS(SEZ) <vimal.anand@nic.in>*
*Cc: Sh Ajay Bhadoo AS(SEZ) <astpd-doc@nic.in>, Sh Prateek BAJPAI, US(SEZ) <prateekbajpai.moca@nic.in>, ddg ddg <ddg@epces.in>, csoffce@nic.in*

Dear Sir

Please refer to the Notification No. 11/2026–Customs dated 31.03.2026 regarding sales from SEZ to DTA at a concessional rate.

We have received representations from the member SEZ units regarding the inadequate concession provided vide the above notification to have any meaningful impact. Copies of two such representations are attached.

The Export Promotion Council for EOUs and SEZs has made an analysis of the concessional rates and the number of units that benefited from the said notification. As per the data for SEZ to DTA supplies available for 2023-24 (2024-25 and 2025-26 SEZ to DTA is not accurately available because of partial implementation of ICEGATE for SEZ), the following points may kindly be considered:

As of now, of total 6,395 SEZ units, there are 1 ,888 manufacturing units, 4,040 Services units (1 ,1 03 Financial Services, 2,937 IT/ITES services) and 467 Trading and Warehousing units.

An analysis of units which are supplying to DTA for the FY 2023-24 was made based on data made available by NSDL/SEZ Online. During 2023-24, a total of 2,352 units (1 ,042 manufacturing, 1 ,1 83 services, 1 27 trading and warehousing) made DTA sales worth 32,568 Mn USD

(Manufacturing 9,570.9 Mn USD, Services 4,1 60 Mn USD, Trading and warehousing 1 8,837.2 Mn USD) in 5440 HSN codes.

Trading and Warehousing units are not eligible for any concessional duty. Further, Services units also will not be eligible for concessional duty as they are basically supplying laptop/scrap/components to DTA and will not comply with value addition criteria even though their HSN codes have been notified under the HSN code given concessional duty for SEZ to DTA supply. Therefore, focus of analysis has been the manufacturing units under these top 200 HSN codes.

During 2023-24, a total of 1 ,042 manufacturing units made DTA supplies worth 9,570.9 Mn USD under different HSN codes. Top 200 HSN codes accounted for total 30,300.3 Mn USD covering 94% of total DTA sales. They also accounted for 8,837.8 MN USD DTA sale by Manufacturing units, covering 93% of total DTA sale by manufacturing units. Therefore, we analyzed the units falling under these top 200 HSN codes. (Summary of analysis attached)

Under this top 200 HSN code category, 678 manufacturing units made DTA sale worth 8,837.8 Mn USD. Of this, there is no concession in respect of DTA sale of 5,498.7 Mn USD (62%). Further, DTA sales worth 3,035 Mn USD (34%) was made by manufacturing units in the concessional slab of 1 %. Units with only a 1 % concession may not be interested in availing this marginal concession because the additional compliance cost will outweigh the benefit. Thus, DTA sale worth 8,533.7 Mn USD ( 5498.7+3035) (96 %) by manufacturing units under top 200 HSN code will not be benefitted.

In terms of number of SEZ manufacturing units, it is to be noted that of 678 manufacturing units ,aking DTA sale in top 200 HSN codes, there is no concession in respect of DTA sale by 205 (30%) manufacturing units, and only 1 % concession in respect of 21 8 (though total 351 , as some will have concession in more than one slab) (32%) manufacturing units. Therefore, a total of 423 (205+21 8) (62%) manufacturing units making DTA sale in top 200 HSN codes will not be benefits.

Thus, 96.5% of total DTA sale by manufacturing units and 62% of manufacturing units making DTA sale under top 200 HSN codes will not be really benefitted from the current initiative. Even benefit to manufacturing units for concessional slab of more than 1 % will be just 1 7 MN USD (Rs 1 58 cr). This is in respect of top 200 HSN codes covering 93% of total DTA sale of manufacturing units during FY 2023-24.

In view of the above, the following is requested for Government's consideration:

The basis of fixation of concessional custom duties in respect of different HSN codes may kindly be made known for understanding of the Government. The calculation of duty foregone and equalisation duty, if applied, for arriving at the concessional duty in different HSN code may kindly be known to the Industry.

No equalisation duty is applied in respect of supplies to DTA by SEZs in US, UK, China, Indonesia, Thailand, etc. haing significant DTA markets. SEZ units have to just pay duty forgone (duty paid on inputs consumed in the finished good being sold into DTA)

This marginal concession (1 % or zero concession to maximum units and higher concession to a very few units) will not serve any meaningful purpose for the utilisation of the capacity of the SEZ units.

SEZ units are engaged in high quality export market / higher end segment of the domestic market. Their competition is not the goods manufactured by DTA manufacturers but the imports made by the traders from FTA countries (ASEAN) or low priced high quality Chinese goods. Therefore, higher concession should be provided in respect of those HSN goods which are being imported (from FTA countries / China) to compete and subtitute these imports. The Export Promotion Council for EOUs and SEZs had, vide its emails dated 1 6.2.2026 and 8.3.2026 (copies attached) had suggested that

All imports from China or imports from different countries under different Trade Agreements at concessional duties should be allowed to be supplied from SEZ to DTA at concessional duties as per FTA (zero duty or concessional duty). In this regard, the proposal as per the email sent earlier on 1 6.2.2026 may kindly be considered.

All goods from SEZ to DTA in labor-intensive sectors—Textiles and Leather, Footwear—should be allowed on reversal of duties on imported inputs.

All goods in the defense, space, R&D, and high-tech sectors may be allowed to be sold to DTA units including PSUs/Government Agencies (Defense, HAL, ISRO, BEML. DRDO, etc) , upon reversal of duties on imported inputs.

SEZ units should be allowed to undertake subcontracting work for DTA units including PSUs/ Government Agencies (Defence, HAL, ISRO, BEML. DRDO, etc) in the defense, space, R&D, and high-tech sectors without any linkage to export by amending SEZ Rule 43 as submited vide EPCES email dated

Payment for supply of services to DTA units, particularly to PSUs/Government Agencies (Defense, HAL, ISRO, BEML. DRDO, etc) in the defense, space, R&D, and high-tech sectors should be allowed in INR.

The Council will be happy to provide any further information, if required.

Regards

Alok V Chaturvedi DG

EPCES
Goverment Of India

Director General SEZEPC
<dg@sezepc.in>

# Request for Joint CBIC-DoC Doubt clearing webinar regarding implementation of notification No 11_2026 -Custom dated 31.3.2026 for SEZ to DTA supply on concessional duty

*Director General SEZEPC <dg@sezepc.in> 24 April 2026 at 16:33 To: "Sh Ajay Bhadoo AS(SEZ)" <astpd-doc@nic.in>, "Vimal ANAND JS(SEZ)" <vimal.anand@nic.in>, js-dor@gov.in, REVAS-MOF@gov.in, "Sh Gaurav Pundir Dir(SEZ)" <gaurav.pundir@gov.in>*
*Cc: csoffice@nic.in, Revenue Secretary <RSECY@nic.in>, membercus.cbic@gov.in, DGEP New Email ID <dgep-sez@gov.in>, DG Export Promotion <dgep-dor@gov.in>*

Dear Sir

Please refer to Notification No. 11/2026 dated 31.3.2026 by CBIC for DTA supplies on concessional duty.

A key problem in the implementation is ensuring condition number 4 of the Annexure which states the following:

"No benefit of duty drawback or any other export benefit as admissible under the Foreign Trade Policy has been availed in respect of any of the inputs used in the manufacture of such goods, either by the Unit in the SEZ or by the supplier of the inputs, as the case may be."

DTA suppliers to SEZ units receive duty drawback benefits when supplying goods to those units. SEZ units use these goods for both exports and DTA supplies. There should be a mechanism for SEZ units to refund benefits taken, based on the proportionality of exports versus DTA supplies. The problem is that SEZ units mostly export goods manufactured using DTA-procured materials, making it very difficult to separate the DTA goods used in exports from the DTA supplies.

This needs urgent clarification.

The meaning of any other export benefit as admissible under the FTP also needs clarification.

It is requested that a clarification on these points may kindly be issued urgently. Regards

Alok Chaturvedi
DG EPCES

*Alok V Chaturvedi, IAS(Retd) | Director General, Mobile +91 8130525959 | Tel: +91 11 23329770*
*Email : dg@epces.in*
*Export Promotion Council for EOUs and SEZs,*
*A101, 10th Floor Himalaya House 23, KG Marg, New Delhi, Delhi 11000*

*---------- Forwarded message ---------*
*From: Director General SEZEPC <dg@sezepc.in> Date: Wed, 15 Apr 2026 at 13:33*
*Subject: Request for Joint CBIC-DoC Doubt clearing webinbar regarding implementation of notification No 11_2026 - Custom dated 31.3.2026 for SEZ to DTA supply on concessional duty*
*To: Sh Ajay Bhadoo AS(SEZ) <astpd-doc@nic.in>, Vimal ANAND JS(SEZ) <vimal.anand@nic.in>, Sh Gaurav Pundir Dir(SEZ) <gaurav.pundir@gov.in>, Anupam Prakash <anupam.prakash@nic.in>, DG Systems & Data Management <dg.sys@icegate.gov.in>, DG Export Promotion <dgep-dor@nic.in>, DGEP New Email ID <dgep-sez@gov.in> Cc: <csoffice@nic.in>, ddg ddg <ddg@epces.in>, Sh Prateek BAJPAI, US(SEZ) <prateekbajpai.moca@nic.in>, Yogendra Garg Member , CBIC <y.garg@nic.in>, <membercus.cbic@gov.in>*

Dear Sir(s)

EPCES, in association with Lakshmikumaran and Sridharan Attorneys, conducted a webinar for its members regarding the recent notification No 11/2026 dated 31.3.2026 by CBIC for DTA supplies on concessional duty. A copy of the presentation is attached.

Several points for clarification were identified in the presentation. Many units have also raised certain issues. EPCES has also asked from all its member SEZ units for giving their problems /suggestions.

A compilation of doubts/difficulties which need to be clarified by DoC/CBIC has been made and attached.

As was assured in the meeting taken by AS(SEZ) on 7.4.2025, a doubt clearing session will be held jointly by DoC and CBIC once the doubts/ difficulties have been identified.

In view of the above, a doubt clearing webinar may be held at the arliest clearing the doubts identied in the attachment.

Regards,

DG SEZEPC

*Alok V Chaturvedi, IAS(Retd) | Director General, Mobile +91 8130525959 | Tel: +91 11 23329770*
*Export Promotion Council for EOUs and SEZs,*
*A101, 10th Floor Himalaya House 23, KG Marg, New Delhi, Delhi 110001*


# Hon'ble CIM Chairs Interaction with Export Promotion Councils and Industry Associations.

The Union Minister of Commerce and Industry Shri Piyush Goyal chaired an interaction with Export Promotion Councils (EPCs) and Industry Associations in New Delhi on 24th June 2026 to review progress under the Export Promotion Mission (EPM) and discuss strategies for accelerating India's export growth.

The meeting built upon the consensus reached during an earlier interaction with EPCs that the focus must extend beyond addressing individual organisational concerns to developing a structured and coordinated action plan for expanding exports, accessing new markets, promoting new products and enhancing the contribution of each Council to the country's overall export performance. To enhance predictability and expedite trade facilitation, the Minister informed participants that a tentative schedule of statutory and facilitation committee meetings has been finalised and placed on the DGFT website. The Norms Committee, Policy Relaxation Committee, EPCG Committee and Exim Facilitation Committees will now meet on a fortnightly basis on fixed days, while the Inter-Ministerial Working Group on SCOMET will meet every month. The initiative aims to ensure time-bound disposal of cases, reduce pendency, expedite issuance of meeting minutes and provide a more predictable and credible facilitation environment for exporters.

Shri Goyal urged all EPCs and industry associations to remain actively engaged with DGFT and to submit focused, quantifiable and outcome-oriented proposals. He emphasised that EPCs, as India's interface with global markets, must work in close partnership with the Government and fully leverage the market access opportunities emerging from India's trade agreements to achieve the shared objective of substantially increasing the country's exports.

During the discussion, Commerce Secretary Shri Rajesh Agarwal emphasised that the success of the Export Promotion Mission would depend not only on launching interventions but also on ensuring their effective uptake by exporters. Referring to initiatives such as export factoring, credit guarantees for e-commerce exporters, collateral support for export credit and support for emerging export opportunities, he called upon EPCs and industry associations to undertake focused outreach programmes in partnership with banks and other stakeholders. He stressed that the objective should be to translate available budgetary support into measurable outcomes and higher export growth.

The Commerce Secretary also encouraged EPCs to proactively develop proposals under various EPM components, particularly in the areas of export warehousing and logistics, certification support, trade intelligence and market access. He highlighted the need to identify new markets, leverage the opportunities created through India's Free Trade Agreements and promote wider participation in key international trade events, especially in regions offering significant export potential. The Commerce Secretary underlined the importance of active participation by EPCs in

the District Export Hubs initiative and urged them to nominate focal points at the national, State and district levels. He encouraged EPCs to work closely with District Export Promotion Committees to identify products and districts with immediate export potential. Citing examples such as GI products, agricultural produce and local crafts, he stressed the need to convert district-level strengths into export opportunities and bring new exporters into the ecosystem through sustained handholding, capacity building and market linkages.

Department of Commerce
Statistics Division, DGFT

**Top 10 Export Destinations- India's Country-wise Merchandise Export of QE Groups: Growth for last 2 years and current year**

(Value in US$ Million)

| S. No. | QE Groups | 2024-25 | 2025-26 | % Change | June, 2025 | June, 2026 | % Change | May, 2026 | % Change 2025-26 | Apr - Jun, 2026-27 | Apr - Jun, | % Change | % Share |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | U S A | 86,514 | 87,316 | 1 | 8,274 | 8,175 | -1 | 8,817 | -7 | 25,483 | 25,468 | -0 | 20 |
| 2 | U Arab Emts | 36,638 | 37,359 | 2 | 2,614 | 2,707 | 4 | 3,065 | -12 | 9,019 | 7,952 | -12 | 6 |
| 3 | China P Rp | 14,252 | 19,471 | 37 | 1,374 | 1,807 | 32 | 2,022 | -11 | 4,389 | 5,598 | 28 | 4 |
| 4 | Netherland | 22,763 | 17,501 | -23 | 1,454 | 1,479 | 2 | 1,673 | -12 | 5,526 | 4,519 | -18 | 4 |
| 5 | U K | 14,550 | 13,444 | -8 | 1,149 | 1,248 | 9 | 1,210 | 3 | 3,322 | 3,691 | 11 | 3 |
| 6 | Singapore | 12,976 | 11,864 | -9 | 973 | 1,449 | 49 | 1,897 | -24 | 3,240 | 6,519 | 101 | 5 |
| 7 | Germany | 10,629 | 11,526 | 8 | 895 | 996 | 11 | 1,083 | -8 | 2,766 | 3,105 | 12 | 2 |
| 8 | Bangladesh Pr | 11,485 | 10,587 | -8 | 874 | 875 | 0 | 844 | 4 | 2,638 | 3,059 | 16 | 2 |
| 9 | Saudi Arab | 11,757 | 10,281 | -13 | 804 | 769 | -4 | 916 | -16 | 2,505 | 2,536 | 1 | 2 |
| 10 | Hong Kong | 6,067 | 8,082 | 33 | 491 | 620 | 27 | 733 | -15 | 1,491 | 2,237 | 50 | 2 |
| | **Sub Total** | **1,64,033** | **1,66,843** | **-** | **12,584** | **16,268** | **-** | **18,133** | **87** | **40,045** | **51,232** | **-** | |
| | **Total of above country** | **3,91,664** | **3,94,274** | **0.7** | **31,486** | **36,393** | **15.6** | **40,393** | **-9.9** | **1,00,424** | **1,15,916** | **15.4** | **89.6** |
| | **% Share** | **89** | **89** | | **90** | **90** | | **89** | | **90** | **90** | | |
| | **Total export by India** | **4,37,705** | **4,41,730** | **1** | **34,979** | **40,414** | **16** | **45,197** | **-11** | **1,11,566** | **1,29,324** | **16** | **100** |

**Department of Commerce**
Statistics Division, DGFT

## Top - 10 India's Goods Export of QE Groups: Growth for last 2 years and current year

(Value in US$ Million)

| S. No. | QE Groups | 2024-25 | 2025-26 | % Change | June, 2025 | June, 2026 | % Change | May, 2026 | % Change 2025-26 | Apr - Jun, 2026-27 | Apr - Jun, | % Change | % Share |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Engineering Goods | 1,16,754 | 1,22,434 | 4.9 | 9,507 | 11,479 | 20.7 | 12,311 | -6.8 | 28,913 | 34,144 | 18.1 | 26.4 |
| 2 | Petroleum Products | 63,383 | 53,828 | -15.1 | 4,464 | 4,874 | 9.2 | 8,421 | -42.1 | 17,025 | 23,022 | 35.2 | 17.8 |
| 3 | Electronic Goods | 38,556 | 47,962 | 24.4 | 4,143 | 4,927 | 18.9 | 5,097 | -3.3 | 12,400 | 15,197 | 22.6 | 11.8 |
| 4 | Drugs & Pharmaceuticals | 30,468 | 31,116 | 2.1 | 2,622 | 2,809 | 7.1 | 2,628 | 6.9 | 7,584 | 8,100 | 6.8 | 6.3 |
| 5 | Organic & Inorganic Chemical | 28,706 | 28,673 | -0.1 | 2,316 | 2,766 | 19.4 | 2,720 | 1.7 | 6,984 | 7,896 | 13.1 | 6.1 |
| 6 | Gems and Jewellery | 29,818 | 28,208 | -5.4 | 1,788 | 2,407 | 34.6 | 2,534 | -5.0 | 6,664 | 7,264 | 9.0 | 5.6 |
| 7 | Others | 24,565 | 23,994 | -2.3 | 1,937 | 2,238 | 15.5 | 2,245 | -0.3 | 5,877 | 6,845 | 16.5 | 5.3 |
| 8 | RMG of all Textiles | 15,989 | 15,772 | -1.4 | 1,310 | 1,162 | -11.3 | 1,297 | -10.4 | 4,193 | 3,671 | -12.4 | 2.8 |
| 9 | Cotton Yarn/ Products Etc. Fabs./Madeups, Handloom | 12,056 | 11,587 | -3.9 | 930 | 1,012 | 8.8 | 985 | 2.8 | 2,860 | 2,966 | 3.7 | 2.3 |
| 10 | Rice | **12,472** | **11,537** | **-7.5** | **859** | **1,000** | **16.5** | **1,019** | **-1.8** | **2,907** | **3,034** | **4.4** | **2.3** |
| | Others | 64,938 | 66,619 | | 5,103 | 5,740 | | 5,940 | | 16,159 | 17,185 | | |
| | Total Export | **4,37,705** | **4,41,730** | **0.9** | **34,979** | **40,414** | **15.5** | **45,197** | **-10.6** | **1,11,566** | **1,29,324** | **15.9** | **100.0** |
| | Total Export Excluding Petroleum Products | **3,74,321** | **3,87,902** | **3.6** | **30,515** | **35,539** | **16.5** | **36,776** | **-3.4** | **94,541** | **1,06,301** | **12.4** | **82.2** |
| | Total Export Excl Petroleum Prod and Gems & Jwlry | **3,44,503** | **3,59,694** | **4.4** | **28,727** | **33,132** | **15.3** | **34,241** | **-3.2** | **87,877** | **99,037** | **12.7** | **76.6** |

## Trade during June 2026*

| Sector | Trade Flow | June 2026 (US$ Billion) | June 2025 (US$ Billion) |
|---|---|---|---|
| **Merchandise** | Exports | 40.41 | 34.98 |
| | Imports | 70.84 | 54.08 |
| **Services*** | Exports | 33.03 | 32.11 |
| | Imports | 17.92 | 15.90 |
| **Total Trade** | **Exports** | **73.45** | **67.09** |
| **(Merchandise + Services)*** | **Imports** | **88.76** | **69.98** |
| **Trade Balance** | | **-15.32** | **-2.89** |

** Note: The latest data for the services sector released by RBI is for May 2026. The data for June 2026 is an estimation. (ii) Data for April–June 2025-26 has been revised on a pro-rata basis using quarterly balance of payments data.*

India's international trade exhibited steady expansion in the first quarter of the 2026-27 financial year, driven by a strong performance across key sectors and global markets. Cumulative exports for the April–June period reached an estimated US$ 232.73 billion, representing a solid 11.37% growth compared to the previous year. Focusing specifically on June 2026, total combined exports for merchandise and services climbed to US$ 73.45 billion, up from US$ 67.09 billion in June 2025. Monthly merchandise exports accounted for US$ 40.41 billion, heavily supported by substantial growth spikes in engineering goods, electronics, gems, and jewelry. However, total imports for June also expanded significantly to US$ 88.76 billion, leading to a monthly trade deficit of US$ 15.32 billion. Meanwhile, the services sector maintained its upward trajectory with an estimated export value of US$ 33.03 billion for the month, continuing to provide a steady buffer for the nation's overall trade profile. Key global destinations like Singapore, Tanzania, and South Africa emerged as major growth drivers for Indian goods during the quarter.


# CIM holds Board of Trade Meeting - Strategic Push for $1 Trillion Exports

The Board of Trade, the apex consultative platform of the Department of Commerce, met under the chairmanship of Union Minister of Commerce & Industry (CIM) Shri Piyush Goyal in New Delhi on 3.7.2026. Minister of State for Commerce and Industry Shri Jitin Prasada, newly inducted members of the Board of Trade, Ministers and representatives from States and Union Territories, Export Promotion Councils, apex industry chambers and non-official members participated in the meeting.

CIM outlined a seven-point action agenda for States, Export Promotion Councils (EPCs), industry associations and exporters to accelerate India's export growth.

As the first point of agenda, CIM called upon all stakeholders to make exports a high-priority agenda item. He urged States, line ministries, EPCs and industry associations to establish export committees, hold regular engagements with exporters and conduct monthly review meetings, including through video conferencing where necessary.

As the second point of the action agenda, Shri Goyal urged States to actively participate in the BHAVYA Industrial Parks Scheme, for which the first round is currently open. He also called upon States that have not yet notified labour rules under the labour codes to do so at the earliest, describing land and labour as two critical business enablers requiring urgent attention.

The Minister's third action point focused on strengthening quality infrastructure. He assured States and industry that the Government would provide full support for establishing testing facilities in government, semi-government and university laboratories, which would significantly reduce testing costs and improve the competitiveness of Indian products.

As the fourth point, Shri Goyal highlighted the support available under the Export Promotion

Mission (EPM) for exporters, particularly micro and small enterprises. He said the Mission would finance a substantial portion of the expenditure incurred in obtaining international approvals and certifications, including those related to pharmaceuticals, agricultural products, SPS and TBT requirements, testing costs and compliance with regulations in developed markets. He also urged States to align their incentive structures and industrial policies with Central Government initiatives to create economies of scale and promote high-quality, high-productivity manufacturing units.

Under the fifth action point, the Minister encouraged industries affected by unfair trade practices to approach the Directorate General of Trade Remedies (DGTR). He stated that DGTR would support domestic industries facing injury due to dumping or predatory pricing by foreign producers and could provide remedies through anti-dumping measures, safeguard duties and other available trade remedy instruments. He also highlighted DGTR's outreach mechanisms, including Jan Sunwai, for addressing industry concerns.

The sixth action point focused on import substitution. Shri Goyal urged States and industry to identify products that are currently being imported but can be manufactured competitively in India. He said such efforts would not only reduce import dependence and save foreign exchange but also strengthen domestic supply chains and reduce vulnerabilities arising from excessive dependence on foreign suppliers.

As the seventh action point, the Minister urged States and industry associations to actively participate in international exhibitions, trade fairs and business delegations. He called upon States to prepare lists of associations and exporters interested in exploring overseas markets, particularly new exporters and MSMEs. He said the Export Promotion Mission would support eligible enterprises by assisting with overseas exhibitions and international business outreach, enabling them to take advantage of India's expanding network of Free Trade Agreements.

Setting the broader agenda for the meeting, Shri Goyal noted that India had concluded FY 2025-26 with its highest-ever exports of USD 863 billion, registering growth of 4.6 per cent despite tariff realignments, freight disruptions and slowing global demand. Merchandise exports remained resilient at around USD 442 billion, while services exports

reached a record level of over USD 421 billion.

Referring to India's record export performance in FY 2025-26, the Minister said that the achievement had come despite significant global challenges, including tariff realignments, freight disruptions and slowing demand. He attributed the strong performance to the resilience of Indian exporters, diversification of markets and the transformative reforms undertaken under the leadership of Honourable Prime Minister Shri Narendra Modi.

The Minister announced a time-bound 90-Day Drive under the Districts as Export Hubs initiative covering 120 priority districts across 27 States and Union Territories. Supported by 24 DGFT Regional Authorities and 11 partner agencies, the drive will focus on measurable outcomes, including new exporter registrations and export value growth, while converging with the One District One Product initiative, GI products and MSME clusters.

Highlighting the Government's support architecture for exporters, Shri Goyal placed the Export Promotion Mission, jointly implemented by the Ministries of Commerce, MSME and Finance with an outlay of over ₹ 25,000 crore, at the centre of MSME-led export growth. Through its two pillars, NIRYAT PROTSAHAN for trade finance and NIRYAT DISHA for market access, and eleven interventions covering credit, collateral, factoring, warehousing, freight, compliance, trade intelligence and Brand India, the Mission addresses the complete exporter journey.

The Board reviewed presentations across key pillars of India's trade and industrial ecosystem. These included India's Free Trade Agreements, which have opened markets accounting for over USD 27 trillion in GDP; DGTR and its new SETU digital platform; the Government e-Marketplace (GeM), where procurement has crossed ₹5 lakh crore with 45 per cent benefiting MSMEs; DPIIT's startup ecosystem comprising more than 2.35 lakh startups and the Fund of Funds 2.0; the BHAVYA Industrial Parks Scheme with an outlay of ₹33,660 crore for development of 100 industrial parks; the Ministry of Textiles' Vision 2030 targeting USD 100 billion in exports; the data-centre ecosystem with nearly ₹7 lakh crore in announced investments; and electronics manufacturing, presented by Apple India Managing Director Mr. Virat Bhatia, highlighting Production Linked Incentive (PLI)-driven mobile phone production of approximately ₹6.25 lakh crore.

Union Minister Shri Piyush Goyal set an ambitious USD 1 trillion export target (USD 530 billion in merchandise and USD 470 billion in services), highlighting cross-border e-commerce as an easy entry point and urging States to use Dak Ghar Niryat Kendras to transform every district into an export hub. He emphasized the need for a strong Centre-State partnership, import substitution, container manufacturing, and robust testing infrastructure to achieve an Aatmanirbhar Bharat under PM Narendra Modi's leadership. During the meeting, Export Promotion Councils, industry bodies, and State ministers shared best practices, while Shri Goyal urged States to prioritize exports, resolve regulatory bottlenecks, align MSME schemes, and conduct monthly reviews.

# The Union Finance Minister reviewed the GIFT City SEZ in Gandhinagar

Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman on 22.5.2026 chaired a high-level review meeting on the progress of GIFT City and its evolving international financial services ecosystem, at GIFT City, Gandhinagar. The review meeting was also attended by Shri P.K. Mishra, Principal Secretary to the Prime Minister; Shri Harsh Sanghavi, Deputy Chief Minister of Gujarat; senior officials from the Prime Minister's Office, Ministry of Finance, Ministry of Corporate Affairs, Government of Gujarat, International Financial Services Centres Authority (IFSCA), and GIFT City officials.

Also present were Shri V. Vualnam, Secretary, D/o Expenditure; Smt. Anuradha Thakur, Secretary D/o Economic Affairs; Shri Arvind Shrivastava, Secretary, D/o Revenue; Shri Uday Kotak, Chairman of GIFT City; and Shri K. Rajaraman, Chairman, International Financial Services Centres Authority (IFSCA). During the meeting, presentations were made on the progress achieved by GIFT City across sectors including banking, capital markets, fund management, insurance and reinsurance, aircraft and ship leasing, fintech, bullion exchange, international education and allied services.

Discussions were held on infrastructure development, talent ecosystem, ease of doing business, taxation framework, residential ecosystem and measures required for further strengthening GIFT City's position as a globally competitive international financial and business hub.

GIFT City today hosts more than 1,150 entities operating across financial services, technology and allied sectors. Banking assets at GIFT City have crossed USD 110 billion, while capital commitments under fund management activities have exceeded USD 32 billion. The ecosystem includes 37 banking units, 217 fund management entities, 36 insurance companies, 35 aircraft lessors and 36 ship leasing entities, along with international exchanges, fintech firms and international universities.

In her address post review, the Union Finance Minister highlighted the strategic importance of GIFT City in deepening India's integration with global financial markets and facilitating international capital flows into the country supported by globally benchmarked institutional frameworks, regulatory agility and supportive social ecosystem.

Noting that GIFT City has emerged as an important pillar of India's international financial architecture and reflects the country's growing economic confidence and global aspirations, Smt. Sitharaman stated that India today offers a unique combination of scale, technology, talent and growth opportunities.

The Union Finance Minister also highlighted the importance of futuristic discussions leading to immediate action driving ground level changes. The progress achieved so far is encouraging, and continued coordination among stakeholders will further strengthen GIFT City's role in India's growth journey towards Viksit Bharat @2047.

In his post review address, Principal Secretary to the PM underscored the importance of materialising the Prime Minister's vision for GIFT IFSC by bringing in skilled professionals and creating world class infrastructure and lauded the efforts made so far in that direction.

# SEZEPC participates in the meeting of Governor, Reserve Bank of India with Representatives of Export Organisations in Mumbai on June 25, 2026

Shri Badiga Srikanth, Chairman Export Promotion Council for EOUs & SEZs (SEZEPC) participated in the meeting of Governor, Reserve Bank of India with Representatives of Export Organisations in Mumbai on June 25, 2026.

The discussions during the meeting covered matters related to Foreign Exchange Management Act (FEMA), 1999, including export-related regulations, export credit, Letters of Credit, and other procedural aspects. Participants shared their suggestions and feedback on policy and operational matters affecting the export sector. List of Issues discussed during the meeting are as follows - Export Promotion Council for EOUs and SEZs (SEZEPC) Issues Related to RBI Meeting on 25 June 2026

1. **EXCESSIVE BANK CHARGES FOR EXPORT BILL REGULARIZATION (EDPMS)** -Service sector SEZ units have reported high charges by AD banks for regularization of export bills—ranging from ₹500 to ₹1,700 per invoice—impacting small IT/ITES units. It may be brought to the notice of RBI to regulate or cap charges at a nominal rate per invoice or adopt a slab system to ease compliance and support small exporters. Even though IT Sector holds


a considerable percentage in the forex earnings of the country, this sector is not getting much assistance from the Government. Regularization of the bank charges on their invoices will be a great help to them.

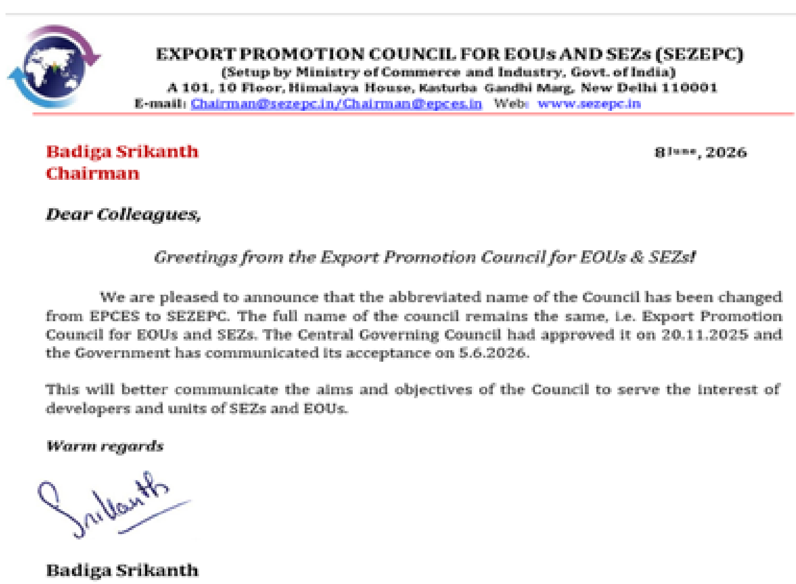
2. **INR Payment for supply of services from SEZ to Domestic Tariff Area-** It is against the currency policy of the Government that it is mandatory for making payment in Foreign Currency for the supply of services by SEZ units to DTA entities, even though both the entities are situated in India. It does not happen in China and other countries. RBI should mandate payment in INR for such supply of services from SEZ to DTA. It also increases transaction costs

3. **Export Data Processing and Monitoring System (EDPMS)**- Exporters are facing significant difficulties in closing the export transactions under EDPMS while shipments are routed through ports located in Iran, despite the fact that the ultimate destination, consignee and payment realization are from non-sanctioned countries. A common example is exports to Uzbekistan, a landlocked country that relies heavily on the Port of Bandar Abbas in Iran as its nearest and most commercially viable gateway. In such cases, when the consignee is in Uzbekistan, the goods are destined for Uzbekistan, and export proceeds are duly realized by the Uzbek buyer through normal banking channels, the

shipping bill necessarily mentions Bandar Abbas, Iran, as the port of discharge or transit point. However, several banks are refusing to regularize or close the corresponding EDPMS entries merely because the word "Iran" appears in the shipping documentation. Such an approach overlooks the actual nature of the transaction and fails to distinguish between exports to Iran and exports routed through an Iranian port to a third-country destination. The issue is further aggravated by the fact that banks are often unwilling to examine the complete set of export documents, including the commercial invoice, bill of lading, consignee details, final destination and proof of realization of export proceeds. Instead of seeking clarification from the Reserve Bank of India or other competent authorities, or undertaking a proper examination of the transaction, banks are adopting an excessively restrictive interpretation that results in unnecessary delays and hardships for genuine exporters. In several instances, exporters are left with outstanding EDPMS entries despite full realization of export proceeds, which adversely affect their compliance status, export incentives, banking relationships, and future export operations. There is also concern that such unresolved EDPMS cases are being used by certain banks as leverage during negotiations on unrelated banking matters, causing additional hardship to exporters. We therefore request RBI to kindly intervene and issue appropriate directions/advisories to banks to assess such transactions based on their actual substance and commercial reality, rather than solely on the appearance of the word "Iran" in shipping documents. Banks may be instructed to consider the final consignee, ultimate destination, nature of the transaction, and realization of export proceeds before withholding EDPMS closure.

# Change in the Abbreviated Name of the Council from EPCES to SEZEPC

We are pleased to announce that the Council has officially transitioned from EPCES to SEZEPC. EPCES used to get misunderstood from the plural of Export Promotion Council and the fact that the council is representing SEZs and EOUs was not easily getting communicated. With SEZEPC as a short name, this fact will now easily get communicated distinctly and without any doubt. The audience will easily understand that the council represents SEZs and EOUs. The full name of the council remains the same, i.e. Export Promotion Council for EOUs and SEZs. The Central Governing Council had approved it on 20.11.2025 and the Government has communicated its acceptance on 5.6.2026.



**EXPORT PROMOTION COUNCIL FOR EOUs AND SEZs (SEZEPC)**
**(Setup by Ministry of Commerce and Industry, Govt. of India)**
**A 101, 10 Floor, Himalaya House, Kasturba Gandhi Marg, New Delhi 110001**
**E-mail:** Chairman@sezepc.in/Chairman@epces.in Web: www.sezepc.in

**Badiga Srikanth**
**Chairman**

8 June, 2026

***Dear Colleagues,***

*Greetings from the Export Promotion Council for EOUs & SEZs!*

We are pleased to announce that the abbreviated name of the Council has been changed from EPCES to SEZEPC. The full name of the council remains the same, i.e. Export Promotion Council for EOUs and SEZs. The Central Governing Council had approved it on 20.11.2025 and the Government has communicated its acceptance on 5.6.2026.

This will better communicate the aims and objectives of the Council to serve the interest of developers and units of SEZs and EOUs.

***Warm regards***

**Badiga Srikanth**

# Customs Export-Import Facilitation Centre Inaugurated by Shri Jitin Prasada, Hon'ble MoS, Commerce & Industry at SEEPZ

On June 19, 2026, Union Minister of State for Commerce & Industry and Electronics & Information Technology, Shri Jitin Prasada, inaugurated the state-of-the-art Customs Export–Import Facilitation Centre at SDF VIII, SEEPZ-SEZ, Mumbai, marking a significant milestone in strengthening trade facilitation and export infrastructure within one of India's premier Special Economic Zones. The newly inaugurated Customs Export–Import Facilitation Centre has been developed as a modern single-window facility that integrates key customs processes under one roof. It is equipped with dedicated infrastructure for customs examination, secure handling of high-value consignments and specialised support for e-commerce operations. The facility is expected to significantly enhance operational efficiency, expedite customs clearances, improve stakeholder services and reinforce SEEPZ-SEZ's position as a leading export hub.

Addressing the gathering, the minister Prasada said that the newly inaugurated facility reflects the Government's commitment to modernising trade infrastructure and advancing the vision of Prime Minister Shri Narendra Modi to create globally competitive export ecosystems. He observed that in a rapidly evolving global economy, reform and transformation must go hand in hand, and that world-class infrastructure is essential to sustain India's export growth. The Minister emphasised that time is money for exporters, particularly for micro, small and medium enterprises (MSMEs), which often lack dedicated resources for logistics and compliance. He noted that the new Customs Facilitation Centre would simplify procedures, reduce transaction time and provide seamless customs services under one roof, thereby enhancing the ease of doing business and enabling exporters to focus on growth and competitiveness.

The Minister stressed that "Quality, Quality and Quality" must remain the guiding principle for Indian industry. He urged exporters to maintain the highest international standards and assured them of the Government's support in strengthening testing infrastructure and quality assurance systems so that products carrying the Brand India label continue to earn global trust.

Commending the Government's proactive trade policies and landmark FTAs, particularly with the United Arab Emirates and Australia, Bhansali observed that these agreements have expanded market access and unlocked fresh opportunities for Indian exporters. Reaffirming the industry's commitment to the vision of Viksit Bharat, he said the gems and jewellery sector is working towards an ambitious target of achieving USD 200 billion in exports by 2047.

The inauguration underscores the Government of India's continued commitment to creating world-class trade infrastructure, reducing compliance burdens and fostering a robust, technology-driven export ecosystem that supports businesses of all sizes and contributes to the goal of making India a developed nation by 2047.

# Outreach program organized to highlight the achievements, progress, and future vision of Gujarat's SEZ sector over the last 12 years


An outreach program showcasing the achievements, progress, and future vision of Gujarat's SEZ sector over the past 12 years was inaugurated on 17.6.2026 by Shri Ajay Bhadoo, Additional Secretary, Ministry of Commerce and Industry, Government of India; Shri Gyaneshwar B. Patil, Zonal Development Commissioner of Kandla Special Economic Zone (KASEZ); and Shri P. Swaroop, Industries Commissioner, Government of Gujarat. The event was organized jointly by the Government of Gujarat and the Directorate General of Foreign Trade (DGFT), Ministry of Commerce and Industry, Government of India. Highlighting India's growing global trade footprint, Shri Ajay Bhadoo stated that India's total exports have increased from approximately USD 441 billion to USD 863 billion over the last decade. This growth has been driven significantly by engineering products, petroleum products, electronics, pharmaceuticals, gems and jewellery, and chemicals. Gujarat has emerged as a major contributor to this growth, accounting for approximately USD 110 billion in exports. He noted that Gujarat took a historic initiative by establishing Free Trade Zones in 1965. At that time, not only in India but across Asia, such a visionary model of industrial development was rarely conceived. Gujarat played a pioneering role in this field and


paved the way for global investment and export-led growth.

He emphasized Prime Minister Narendra Modi's vision of "Made in India, Make for the World." To improve the ease of doing business, the Government of India has launched major digital initiatives such as Trade Connect, the Trade Intelligence and Analytics (TIA) Portal, and the Merchandise Imports Monitoring Portal (MIMP). He also noted that the India Brand Equity Foundation (IBEF) has become a symbol of trust for India at the global level. He further stated that India's proactive trade diplomacy has resulted in important Free Trade Agreements (FTAs) with Mauritius, the United Arab Emirates (UAE), Australia, and the United Kingdom, while negotiations with the European Union and New Zealand are progressing. These agreements are creating new opportunities for Indian exporters.

He added that the Government has launched an Export Promotion Mission with an outlay of ₹25,600 crore for the period from FY 2025–26 to FY 2030–31. The mission aims to strengthen the export ecosystem, support the MSME sector, and accelerate India's integration into Global Value Chains (GVCs).

Shri Gyaneshwar B. Patil, Zonal Development Commissioner, stated that SEZs have emerged as key drivers of investment, employment, innovation, and exports, and are playing a crucial role in realizing the visions of **"Make in India," "Atmanirbhar Bharat," and "Viksit Bharat 2047."**

He reported that exports from Gujarat's SEZs increased from ₹1,79,808 crore in 2014–15 to ₹3,00,793 crore in 2025–26, reflecting growth of nearly 67 percent. Gujarat currently contributes approximately 21 percent of India's total SEZ exports. During the same period, investments in Gujarat's SEZs increased from ₹1,22,654 crore to ₹2,28,624 crore, while employment opportunities rose from 63,475 to more than 222,000 jobs. During the event, representatives from Zydus SEZ, INOX, KASEZ, and Micron SEZ shared their industrial success stories and highlighted the proactive support provided by the government in their growth journeys.

# DGFT Exempts QCO/BIS Applicability for Imports of All Goods by SEZs

The Directorate General of Foreign Trade (DGFT) has updated the Foreign Trade Policy through a new notification dated June 2, 2026, to clear up long-standing confusion regarding quality control rules for Special Economic Zones (SEZs). Previously, SEZs were only exempt from Quality Control Orders (QCOs) and Bureau of Indian Standards (BIS) rules when importing raw materials meant strictly for export production. Under the revised policy, this exemption is expanded to cover all permitted goods needed for approved business operations inside the zone. This explicitly includes raw materials, components, consumables, spare parts, and capital goods like machinery. The change applies to both SEZ Units and SEZ Developers, successfully aligning the trade policy with the original SEZ Act of 2005 and SEZ Rules of 2006 to improve the ease of doing business.

While the import process inside the zones is now simpler, the government has set strict conditions for moving these items into the local Indian market, known as the Domestic Tariff Area (DTA). The quality control exemption remains valid only as long as the imported items stay and are used within the SEZ for authorized activities. If any of these imported goods, or any finished products made from them, are transferred or cleared into the local market, they must fully comply with all standard QCO and BIS quality regulations in force at the time of clearance. To ensure compliance, businesses are required to submit a formal written undertaking to their respective SEZ Development Commissioner at the time of importation, promising to follow these exact rules.

(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

**Notification No. 20/2026-27**
**New Delhi, Dated: 02nd June, 2026**

**Subject: Applicability of Quality Control Orders (QCOs)/BIS requirements on imports by Special Economic Zone (SEZ) Units and Developers- Amendment in Para 2.03(A)(iii) of FTP 2023 reg.**

**S.O. (E):** In exercise of the powers conferred by Section 3 read with Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (22 of 1992), read with Paragraph 1.02, of the Foreign Trade Policy (FTP), 2023, as amended from time to time, the Central Government hereby makes the following amendments relating to SEZ imports in Para 2.03(A) (iii) of the FTP, 2023, with immediate effect, as under:

| **Existing Para 2.03A(iii)** | **Revised Para 2.03A(iii)** |
|---|---|
| Exemption from applicability of mandatory QCOs issued under the BIS Act, 2016, shall be provided to SEZ on import of inputs which are required for export production. No DTA clearance of such inputs or goods manufactured made out of such inputs, are allowed. An undertaking to that effect will be submitted to the concerned Development Commissioner of the SEZ by the SEZ Unit at the time of importation. The exemption from QCO will be available for physical exports only. This exemption is further subject to para 2.03 (c) of FTP. | Exemption from applicability of Quality Control Orders (QCOs) issued under the BIS Act, 2016, shall be provided to SEZ Units or SEZ Developers for import of all permissible goods, including raw materials, components, consumables, spares, and capital goods, required for authorised operations within Special Economic Zones (SEZs), in accordance with the provisions of the SEZ Act, 2005 and Rule 27 of the SEZ Rules, 2006 made thereunder.<br><br>Such exemption shall apply only for the use of the imported goods within the SEZ for authorised operations. However, any removal, transfer or clearance of such goods, or goods manufactured or processed therefrom, from the SEZ into the Domestic Tariff Area (DTA) shall be subject to compliance with the applicable Quality Control Orders (QCOs), Bureau of Indian Standards (BIS) requirements and any other applicable laws, rules or regulations in force at the time of such clearance.<br><br>An undertaking to the above effect shall be submitted to the concerned Development Commissioner of the SEZ by the SEZ Unit or SEZ Developer at the time of importation. |

**Effect of this Notification**: Para 2.03A(iii) of FTP, 2023 is amended to align the provisions relating to exemption from applicability of Quality Control Orders (QCOs) for imports by SEZ Units and Developers with the provisions of the SEZ Act, 2005 and SEZ Rules, 2006, and to bring clarity regarding the applicability of QCOs.

This is issued with the approval of the Minister of Commerce & Industry.

(Lav Agarwal)
Director General of Foreign Trade &
Ex-officio Additional Secretary to the Government of India
E-mail: dgft@nic.in

(Issued from the File No. 01/89/180/13/AM-15/PC-2(A)/[E-5910]

# Government Extends SEZ APR Filing Timeline to 180 Days

The Ministry of Commerce has amended the Special Economic Zones (SEZ) Rules, 2006. The time allowed under Form H, Condition 7 has been increased from 180 days to nine months. The Annual Performance Report (APR) timeline has also been extended by replacing the second quarter with the third quarter. These changes came into effect on 9 July 2026.

2 THE GAZETTE OF INDIA : EXTRAORDINARY [PART II—SEC. 3(i)]

टिप्पण:- मूल नियम भारत के राजपत्र, असाधारण, भाग-II, खंड 3, उप-खंड (i) में अधिसूचना संख्या के सा.का.नि. 54 (अ), तारीख 10 फरवरी, 2006 द्वारा प्रकाशित किए गए थे और अधिसूचना संख्या के सा.का.नि. 114 (अ), तारीख 03 फरवरी, 2026 द्वारा अंतिम बार संशोधित किए गए थे।

**MINISTRY OF COMMERCE AND INDUSTRY**

**(DEPARTMENT OF COMMERCE)**

**NOTIFICATION**

New Delhi, the 9th July, 2026

**G.S.R. 609(E).**— In exercise of the powers conferred by section 55 of the Special Economic Zones Act, 2005 (28 of 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 (Second Amendment) Rules, 2026.

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

2. In the Special Economic Zones Rules, 2006 (hereinafter referred to as the principal rules), in Form H, in Condition 7, for the words "one hundred eighty days", the words "nine months" shall be substituted.

3. In the principal rules, in Annexure-I, in item (1), for the words "second quarter", the words "third quarter" shall be substituted.

[F. No. K-43022/83/2025-SEZ]

VIMAL ANAND Jt. Secy.

Note: - The principal rules were published in the Gazette of India, Extraordinary *vide* notification number G.S.R 54(E), dated the 10th February, 2006 and was lastly amended *vide* notification G.S.R. 114(E), dated the 3rd February, 2026.

Uploaded by Dte. of Printing at Government of India Press, Ring Road, Mayapuri, New Delhi-110064 and Published by the Controller of Publications, Delhi-110054.

KUMER CHAND MEENA

# Government Restores RoDTEP Benefits and Extends Scheme Until September 2026

In a relief measure, Government announced the full restoration of benefits under the RoDTEP Scheme, effective March 23, 2026 Which completely withdraws the 50 percent restriction that was previously imposed on February 23, 2026, under Notification No. 60/2025–26. By overriding the older order, the government has reinstated the incentive structures and value caps to the exact levels that were in force as of February 22, 2026, ensuring that all eligible export products once again receive full policy support. This intervention was enacted as a relief to the ongoing geopolitical friction in West Asia, which has severely disrupted traditional maritime routes. With exporters facing logistical challenges—including forced vessel rerouting, unpredictable schedules, and a sharp spike in freight and insurance costs—the reinstatement of full RoDTEP benefits is designed to provide a much-needed financial help to businesses to offset these rising operational expenses and war-related trade risks.

Adding to this development, DGFT has officially extended the RoDTEP Scheme beyond its original expiration date of March 31, 2026. According to Notification No. 74/2025-26, issued on March 31st, the scheme will seamlessly continue to cover all eligible export products for an additional six months, spanning from April 1, 2026, to September 30, 2026. During this extended period, eligible exports will continue to receive the RoDTEP benefits at the exact same rates and value caps that were applicable and in force on March 31, 2026. All other existing terms and conditions governing the scheme will remain completely unchanged.

Credit – PIB

**[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, New Delhi,**

**Notification No. 74 /2025-26**
**Dated: March 31st ,2026**

**Subject: Continuation of RoDTEP Scheme beyond March 31, 2026**

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, as amended from time to time, the Central Government hereby makes the following amendment in the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme:

The RoDTEP Scheme shall continue for all eligible export products for a further period of six months with effect from April 01, 2026, to September 30, 2026.

The rates and value caps as notified in Appendix 4R and Appendix 4RE, as applicable on March 31, 2026, shall continue unchanged during the aforesaid period.

The other terms and conditions governing the Scheme shall remain unchanged.

Effect of this notification:
Eligible exports made during the period from 01.04.2026 to 30.09.2026 shall continue to be entitled to RoDTEP benefit at the rates and value caps in force as on 31.03.2026, subject to the existing terms and conditions of the Scheme.

(Lav Agarwal)
Directorate General of Foreign Trade &
Ex-officio Additional Secretary to the Government of India

(File No. 01/94/180/090/AM26/PC-4)

# Bangalore SEZ

## Export Trade Control Perspective for High-Risk Sectors," on 19th May 2026 at WTC Bengaluru.


The EPCES Karnataka & Kerala Region hosted a webinar titled "HSN & ECCN in Global Trade: An Export Trade Control Perspective for High-Risk Sectors," aimed at Indian exporters in Aerospace, Defence, Telecom, and Engineering. The event, held in association with World Trade Centre (SEZ Co-Developer & RGC member) and Ernst & Young India, featured Chief Guest Ms Dona Ghosh, ITS, Joint DGFT & DC, Mangalore SEZ, who graced this event with her presence and guided the trade and export community on export compliances for their ease of doing business. Shri K.K. Pillai, Regional Chairman of EPCES CSEZ, highlighted the need for clarity on classification issues. Keynote speakers, Mr Krishna Barad and Smt. Ruchi Bhat from EY discussed the implications of ECCN classification and its relevance to India's SCOMET controls and U.S. export regulations. They emphasised that HSN compliance alone is not enough for export-control-driven industries. The event concluded with remarks from RD Bangalore and a vote of thanks from World Trade Centre Bangalore, attracting 379 participants, including many EPCES members. The questions mainly related to ECCN classification, SCOMET licensing procedures, advance rulings time limit, etc., which are suitably answered by the keynote speakers.

## Interaction with Russian Delegation on 17th April 2026 at WTC Bengaluru

A delegation of management students and faculty from HSE University, Russia, visited SEZ Co-Developers location at World Trade Center, Malleshwaram, Bengaluru for an interactive session on international trade.

The session explored opportunities for international collaboration, the role of education in strengthening global partnerships and the importance of trade facilitation in building stronger ties between India and Russia. The visiting group engaged in insightful discussions with: Mr. C.U. Poovaiah, IRS (R), Regional Director, EPCES, Bengaluru, provided an in-depth look at India's EXIM ecosystem and the specific facilitations offered to SEZs and EOUs to bolster international business. Mr. Vivek Georg, Assistant General Manager, WTC Bengaluru, the RGC Member, explained the global role of World Trade Center`s as trade facilitators and their impact on establishing Special Economic Zones. The visit was coordinated by Dr. A.V. Rao, Professor & Dean – Administration, National School of Business, Bangalore.

# Visakhapatnam SEZ

## International Day of Yoga Celebrated at VSEZ

The International Day of Yoga was celebrated on 21 June 2026 at the Visakhapatnam Special Economic Zone (VSEZ) with great enthusiasm, in line with the Ministry of Ayush's global theme, "Yoga for Healthy Ageing."

The VSEZ Administration, under the leadership of Shri Muppalla Srinivas, Zonal Development Commissioner, organized a special yoga session at the premises of the VSEZ Administrative Building, Duvvada, Visakhapatnam. Employees of the VSEZ Administration and representatives from SEZ units actively participated in the session, demonstrating their commitment to promoting physical fitness, mental well-being, and a healthy lifestyle through the practice of yoga.

The programme highlighted the importance of incorporating yoga into daily life for healthy ageing, stress management, and overall well-being, while reinforcing the message of wellness and harmony among all participants.

## National Workshop on Seafood Exports Held on 5th and 6th June 2026 in Visakhapatnam to Strengthen India's Global Seafood Competitiveness

The National Workshop on Seafood Exports was organized by the Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying, in collaboration with the Ministry of Commerce and Industry, with the support of the Government of Andhra Pradesh, on 5th and 6th June 2026 at Visakhapatnam, Andhra Pradesh.

The inaugural day of the workshop was graced by the presence of Shri Nara Chandrababu Naidu, Hon'ble Chief Minister of Andhra Pradesh; Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry; Shri Rajiv Ranjan Singh, Hon'ble Minister of Fisheries, Animal Husbandry & Dairying and Panchayati Raj; 

Shri Kinjarapu Rammohan Naidu, Hon'ble Minister of Civil Aviation, Government of India; and Shri Chirag Paswan, Hon'ble Minister of Food Processing Industries, Government of India.

The workshop brought together senior officials from the Central Government, representatives from various States and Union Territories, national institutions, seafood exporters, industry associations, processors, start-ups, and stakeholders across the seafood value chain.

Key national organizations including the Marine Products Export Development Authority (MPEDA), Export Inspection Council (EIC), National Fisheries Development Board (NFDB), NABARD, NCDC, NCEL, SFAC, and Invest India participated in the deliberations, providing comprehensive representation of the seafood export ecosystem.


The discussions focused on strengthening India's position as a globally competitive seafood exporting nation by moving beyond volume-based exports towards value-added, high-quality, and technology-driven seafood products. Emphasis was placed on innovation, advanced processing technologies, robust traceability systems, quality assurance, and compliance with international standards to enhance India's seafood brand globally.

The participants highlighted the need for strengthening export infrastructure and logistics, including cold chain facilities, air cargo connectivity, quarantine infrastructure, and efficient multimodal transportation systems to support seamless and compliant seafood trade.

The workshop also underlined the immense potential of inland fisheries, which contribute significantly to India's seafood production, and explored opportunities in emerging segments such as ready-to-eat products, processed seafood, and high-value species. The importance of sustainability, responsible fishing practices, strengthening processing capacity, and promoting investment and private sector participation was emphasized.

A whole-of-government approach was advocated to create a resilient and future-ready seafood export ecosystem by integrating policy support, infrastructure development, technology adoption, and industry collaboration.

Addressing the gathering, Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry, appreciated the resilience and dedication of India's fishing community and acknowledged their commitment towards meeting international quality standards and practices.

Highlighting the sector's remarkable growth, Shri Goyal stated that India's seafood production had reached 164 lakh tonnes by 2024. He further noted that seafood exports, which were historically valued at around USD 5 billion, had increased to approximately USD 8.5 billion in the current financial year, registering a significant growth of around 25% to 30%.

He attributed this progress to the comprehensive development initiatives undertaken under the leadership of Hon'ble Prime Minister Shri Narendra Modi, which have supported growth across various sectors.

India currently exports premium-quality seafood products to 38 countries, and the Government aims to further expand this global footprint. Shri Goyal highlighted the role of the Pradhan Mantri Matsya Sampada Yojana (PMMSY) in modernizing fisheries infrastructure, improving productivity, and strengthening the sector's competitiveness.

Reaffirming the Government's commitment to making Indian seafood available across global markets, Shri Goyal emphasized that sustainable practices, institutional support, innovation, and value addition will enable India to emerge as a leading high-quality seafood supplier worldwide.

# Felicitation Ceremony to Honour the Development Commissioner, VSEZ, by the Regional Governing Council (RGC) Members of SEZEPC at Visakhapatnam SEZ on 17th June 2026 at VSEZ Conference Hall

Regional SEZEPC VSEZ organized a meeting with the Development Commissioner (D.C.) and the officers and staff of VSEZ to felicitate and congratulate the Development Commissioner on achieving 6% export growth during 2025–26 compared to the previous financial year.

The meeting was attended physically by the VSEZ Regional Governing Council (RGC) members and the Regional Vice Chairman, while other RGC members joined virtually. Chairman, Sri Srikanth Badiga, participated in the meeting Virtually.

On behalf of the Export Promotion Council for EOUs and SEZs (EPCES), Shri. Ch.S.S.Sekhar Regional Director expressed sincere gratitude to the Development Commissioner, VSEZ, for providing the opportunity to organize an appreciation meeting to celebrate the Zone's remarkable 6% export growth during the financial year 2025–26. He congratulated the Development Commissioner, VSEZ officials, Customs authorities, and all SEZ units for their collective efforts in achieving this milestone despite challenging global economic conditions. He appreciated the dynamic leadership of the Development Commissioner, under whose guidance VSEZ has made significant progress in addressing regulatory and infrastructure issues identified in the PwC study, with only a few initiatives, such as the Single Window System and 24×7 Customs operations, remaining for implementation. He expressed confidence that, with the continued support and proactive leadership of the Development Commissioner, VSEZ would achieve even greater export growth and emerge as one of the leading SEZs in the country.

Sri B.S.S.V. Narayana, Regional Vice Chairman, EPCES (VSEZ Region), congratulated the Development Commissioner, VSEZ officials, Customs authorities, SEZ units, and all stakeholders on the remarkable achievement of the Visakhapatnam Special Economic Zone (VSEZ), which recorded exports of ₹2,42,486.82 crore during the financial year 2025–26, registering a 6% growth over the previous year despite global economic uncertainties, including tariff-related challenges and geopolitical disruptions.

He stated that this outstanding performance reflected the collective efforts of the Development Commissioner, VSEZ administration, entrepreneurs, and the workforce. He highlighted that VSEZ has attracted investments of over ₹1.26 lakh crore and generated employment for more than 6.03 lakh people. He further noted that recently approved projects across Andhra Pradesh, Telangana, and Chhattisgarh are expected to bring investments of ₹6,245 crore and create nearly 6,900 additional jobs, further strengthening the region's industrial ecosystem.

Sri Narayana appreciated the proactive leadership of the Development Commissioner in enhancing investor confidence, improving the ease of doing business, and addressing regulatory challenges. He also emphasized the need to provide continued support to existing industries, alongside attracting new investments, to sustain export growth, create employment opportunities, and further strengthen the SEZ ecosystem

EPCES Chairman, Sri Srikanth Bagdiga, congratulated the Development Commissioner, VSEZ officials, and all SEZ industries for their collective efforts in achieving impressive export growth. He appreciated the proactive leadership of the Development Commissioner and the dedicated support of the officials in facilitating industrial growth and exports.

He emphasized the need for expeditious processing of proposals and their timely recommendation to the Board of Approval (BoA) so that new investments and expansion projects can be implemented without delay, thereby further enhancing exports from the Zone.

Sri Bagdiga also observed that, in the past, there had been a strong demand from Telangana for the appointment of a separate Development Commissioner. However, after the present Development Commissioner assumed charge, that demand has largely subsided due to his able guidance, prompt decision-making, and timely initiatives in addressing the concerns of industries in both Andhra Pradesh and Telangana. He appreciated the Development Commissioner for maintaining close coordination with stakeholders and expressed confidence that such proactive leadership would continue to strengthen the growth of SEZs in the region

During the session, the Regional Vice Chairman and other members felicitated the D.C. with a shawl and flower bouquet. A cake-cutting ceremony was also organized to celebrate the achievement.

While addressing the members, the Development Commissioner congratulated the SEZ industries on their outstanding export performance during the financial year 2025–26. He observed that, despite the global economic slowdown and recessionary conditions affecting international trade, the SEZ units had achieved remarkable export growth, reflecting their resilience, competitiveness, and commitment.

The Development Commissioner assured all stakeholders that any SEZ unit facing difficulties or grievances may approach him at any time without hesitation. He emphasized that his office would extend all possible support for the speedy resolution of issues and reaffirmed his commitment, along with his team, to facilitate the growth and development of SEZ units through a proactive and industry-friendly approach.

# SEZEPC Explores Joint Training Initiatives with NACIN, Visakhapatnam

The Regional Director, SEZEPC, along with the Regional Vice Chairman, met Shri Ravi Kiran Edara, IRS, Additional Director General, and Shri J. M. Kishore, IRS, Additional Director, of the National Academy of Customs, Indirect Taxes & Narcotics (NACIN), Visakhapatnam, to discuss collaboration on capacity-building initiatives for SEZ and EOU units.

During the meeting, copies of the EPCES Quarterly Newsletter were presented to the NACIN officials. Discussions focused on organizing joint seminars, training programmes, and webinars on GST, Customs, and other regulatory matters relevant to SEZs and EOUs.

The Additional Director General informed the delegation that NACIN would be pleased to organize a half-day seminar for SEZEPC member units based on their specific training requirements. He suggested that SEZEPC identify and compile the topics of interest so that a suitable programme could be designed accordingly.

Although NACIN's primary mandate is to impart training to departmental officers, the institution has positively responded to SEZEPC's request and expressed its willingness to extend its expertise and training support to SEZ and EOU member units. This collaborative initiative is expected to enhance industry awareness and strengthen compliance with GST, Customs, and allied regulatory provisions.

# Blood Donation Camp Organised at VSEZ Premises


MEPZ SEZ organized an Outreach Programme on the India–Oman Comprehensive Economic Partnership Agreement (CEPA) on 21 January 2026. The programme aimed to disseminate information on the provisions, opportunities, and benefits of the CEPA, which was signed on 18 December 2025, covering trade in goods and services, investment facilitation, professional mobility, and regulatory cooperation.

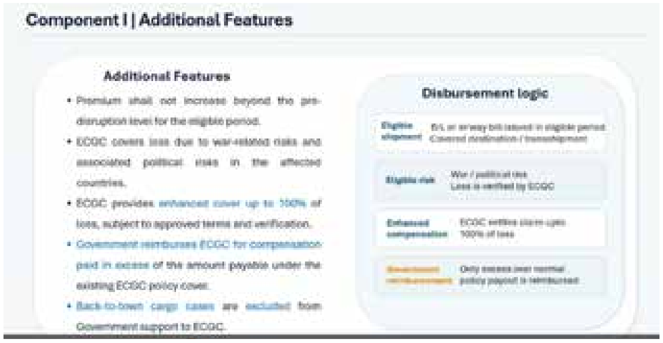
The interactive session focused on enabling exporters, service providers, and businesses to effectively leverage the Agreement to enhance trade with Oman. The event witnessed active participation, with around 60 members attending physically and more than 35 members joining online.

Shri Arthur Worchuiyo, IAS, Joint Development Commissioner, MEPZ SEZ, delivered the welcome address. Smt. Jennifer Difiva, Deputy Development Commissioner, MEPZ SEZ, gave an introduction to the India–Oman CEPA, highlighting its objectives and explaining the state-wise and region-wise benefits. Shri Prabukumar K, Deputy Development Commissioner, MEPZ SEZ, provided a detailed walkthrough of the sectoral gains under the CEPA and also delivered the concluding remarks.

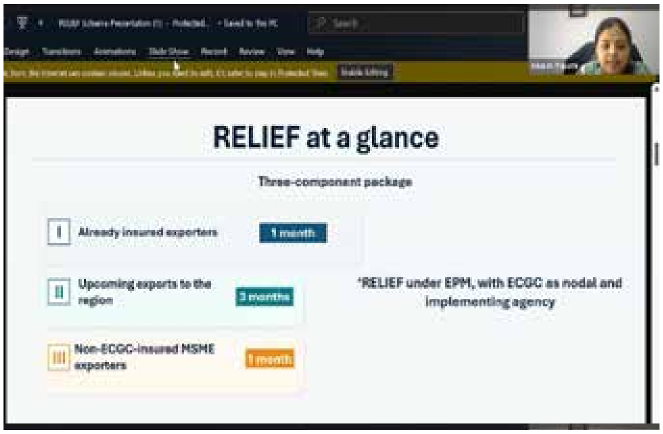
The programme concluded with an interactive question-and-answer session, which enabled participants to clarify their queries and gain a better understanding of the opportunities arising from the India–Oman CEPA.

# Cochin SEZ

## Export Promotion Mission - RELIEF Scheme




Organised a session on RELIEF Scheme under the Export Promotion Mission, declared by the Ministry to support the exporters who face difficulties due to the ongoing war on 7th April 2026. ECGC, who




is the nodal agency to implement the scheme had made a presentation on the guidelines to avail the benefit as well as the procedure to apply the same. The message shared by the ECGC team was that even the exporters those who are not the existing users of ECGC coverage can also apply

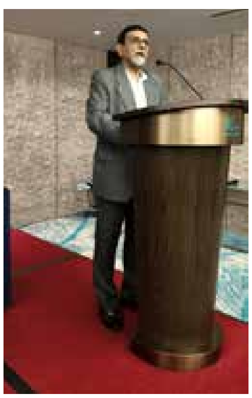
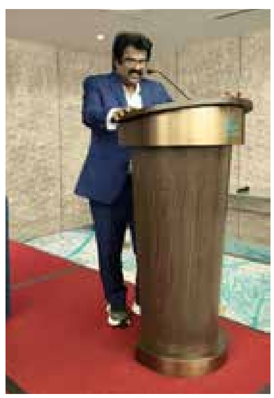

for their insurance coverage within the stipulated time period mentioned in the Notification. They also offer special schemes for MSME exporters as per the provisions declared. During the session a live demo was shown to avail the RELIEF in ECGC website. Mr. Adarsh Trihpathi, Branch Manager of ECGC Kochi office and Ms. Meghana Edakalathur were the ECGC representatives, who handled the session. After the presentation, they attended the queries raised by the participants. More than 40 unit representatives attended the session.

## US Iran Conflict – Discussion

DC office convened a meeting with the units to discuss the issues that come up due to the geopolitical stress in the Middle East. Mr. N.S. Dev IRS, DDC chaired the meeting. Other than ADC, Ms. Maheswariamma, Mr. K.K. Pillai, Regional Chairperson, Mr. Anikumar PC, Regional Vice Chairperson, RD and unit representatives attended the meeting. DDC informed that the main agenda of the meeting is to find out, how the exporters were affected by the geopolitical stress in Middle East. Unit representatives informed that shipping lines are over charging as war surcharge. Units using LNG has informed that their consumption has been limited to 70% on daily basis and the charges also increased manifold. It was decided to collect data on the same to represent with the Ministry. DDC requested SEZEPC Cochin region to co-ordinate and also take up along with the DC office. There was discussion on the SEZ sale to DTA on concessional duty rate. DDC suggested that the same has to be represented to simplify the procedural difficulties. In that case also he requested EPCES to represent with the DoC and DC office also will be taking up. RD informed the efforts taken by HO. He thanked EPCES for its efforts to support the trade. EPCES prepared a format to collect data on Middle East and forwarded the same to DC office.

## Interactive Session on DTA sales on Concessional Duty

SEZEPC in association with CEPZIA, organised an interactive session with the DDC on the DTA Sales on concessional duty and the Impact of war on exports to Middle East and transit through Middle East. Mr. N.S. Dev IRS, DDC interacted with the unit representatives. During his speech he assured DC office's support to sort out their issues. He told units have to share correct facts and figures, which would help his office to take up the issues effectively. Gloves manufacturing units raised the issue of per day fuel charging by adani gas. It was informed that per day consumption of gas has been restricted; because of that even if their consumption for the period of 15 days or 30 days is less than the already contracted quantity, adani gas is over charging only because of the per day consumption is more than the restricted quantity. Units informed that for heating the furnance, it will take approx 4 hours and after that the consumption will be less and if they calculate the consumption on 10 - 15 days cycle, units can manage within their limit. Another issue raised was the time taken by vessels to the destination ports or diverted ports. Earlier it was around 10-15 days and the buyers used to make the payment after reaching the cargo. Now the cargo takes around 30-45 days to reach destination and the payment will be realised only after that. This affects the working capital of the units and the rate has considerably increased when compared to last year. Regarding DTA sale, DDC informed that no unit from Kerala has applied for DC's Certificate. On discussion with the unit representatives, those units who have DTA sale informed that considering the procedural difficulties, they prefer to continue their earlier practice of paying duty and sell the product. The percentage concession given is only 1% in most of the products come under CSEZ. Mr. K.K. Pillai, Regional Chairperson presided over the session, Mr. Anikumar PC, Regional VC extended welcome and Mr. Sumesh Panicker, RGC member made the closing remarks. DDC thanked and appreicated the efforts of SEZEPC to alleviate the difficulties of the trade and also its co-operation in the initiations of DC office. More than 60 representatives attended the session and the feedback received was also very positive.

## Webinar on HSN & ECCN

SEZEPC CSEZ Region organised a webinar on HSN & ECCN in Global Trade: An Export Trade Control Perspective for High-Risk Sectors in association with WTC and EY. Ms. Dona Ghosh ITS, Jt. DGFT & DC, Mangalore SEZ was the Chief Guest on 19th May 2026. During the speech ma'am stressed the importance of verifying HSN codes of products with dual use. During the presentation, the faculties also pointed out that the Product Classification is important and accurate HSN and ECCN codes are crucial for compliance and avoiding penalties in trade operations. For clarification on HSNs, it was suggested that units can go for Advance Ruling from the Customs. Faculties advised that the responsibility of Importers and exporters are they must ensure documents are consistent; relying on suppliers' HSN codes can lead to penalties. Export Control Complexity is ECCN regulations are essential covering goods, software, and technical data; compliance extends beyond India to international standards. The session was very informative and the queries raised by the members were attended by the faculties.

## Meeting with the Joint Secretary, Dept. of Commerce

Attended a meeting organised by the Export Inspection Agency with Shri Ujjwal Kumar Ghosh IAS, Joint Secretary, DoC (who is in charge of Kerala) at MPEDA on 10th June 2026. During the meeting JS informed that Govt. is planning to review and revise the existing policies to achieve the goal of Vikasit Bharat. He made a presentation on FTAs and its impact on India's trade, SPS and other proposals to improve ease of doing business. After the presentation he invited suggestions / points from the attendees. Seafood exporters association informed that the difficulties to procure catch certificate, spices exporters pointed out that in case of export container rejection due to slight quality issues, if they have to bring back the cargo, FSSAI is not giving clearance in India and they have to destroy the entire cargo. Other issues pointed out related spices were, various commodity boards are following different methods for testing and this creates delay in exports and a quality standards of India have to be formulated considering the quality standards of other countries, which will help the exporters to reduce their time and resources for complying the standards of importing countries. During the discussion, it was suggested that the farmers may also be taken in to the loop and create awareness among them to avoid using banned pesticides, manure, etc. which will help to improve the quality of raw materials. Delay in getting certificate from the Rubber Board was mentioned, LNG rate issue and bank related issues were discussed. Representatives from Commodity Boards, EPCs, Seafood Exporters Association, Spices Exporters Association, etc. attended the meeting.

## Meeting with RBI on EDPMS

Visited RBI with the Vice Chairman on 10th June 2026 and met the AGM and had discussion on the issues related to EDPMS. It was informed that EDPMSs in which nearest port mentioned was a port in Iran, banks are not regularising the EDPMSs. If the exports are to landlocked countries, nearest ports' names used to be mention. This creates issue to the units as non-closure of the same will affect their working capital, bank restrictions, etc. Another EDPMS related issue taken up was the exorbitant charges levied by the banks to regularize the bills related to IT sector. The rate varies from bank to bank and there is no uniformity at all. Iran related EDPMS issue, RBI told will discuss with the representative who takes care the bank related issues and they will try to sort it out. IT Bills related EDPMS charges, AGM told to submit a representation once again and informed will take up with the higher authorities.

## Unit Visits

Visited EOUs and had discussion on the issues faced by them. The main issue raised by them was EO period of pepper & paprika may be extended from 180 days to 360 days as they could not export these raw materials within the time limit. The raw materials will be imported during the harvesting season for the whole year. Another issue mentioned was the difficulty in accepting the quality certificate of one Govt. agency by the other. For organic product exports, it was told that APEDA's certificate is also required. There is difficulty in accepting the certificates issued by Spices Board by APEDA. This creates delay and various testing formalities and fees burden on the exporters. These units are having state-of-art laboratories with sophisticated technology, so their suggestion is that if Customs can accept a self-declaration on the onus of the quality of the product depends on the exporter, this delay can be avoided. It was also suggested that if any quality issue traced by one of the exporters from India or the product exported from India and re-exported by another country, all exporters from India, who export that product, there is always a blanket ban on the product (for eg. ban by Japan on Mangoes). It was requested that the company which is under question has only been black listed and published in the DGFT website, then other genuine exporters will not be affected. Another request was to formulate an Indian standard for products by analysing and incorporating the standards of our major markets viz. US, EU, etc. Creating awareness among the farmers is also important on the usage of pesticides, manure, etc. Units requested SEZ EPC to take up these issues with the concerned Ministries for an inclusive solution.



## District Export Hub - Meetings

As a part of Govt. policy to develop each district as an export hub, Ernakulam District has been identified in its pilot run. Major focussing sectors in Ernakulam are spices, agriculture and IT. To formulate a modus operando, District Collector in association with the O/o JDGFT, Cochin organised a meeting of the stakeholders at Collector's Chamber. District Industries Centre, NABARD, Indian Postal Service, FIEO, ECGC, representatives of leading Bank were the attendees other than SEZEPC. Jt. DGFT in Charge, co-chaired the meeting and gave a detailed picture of the scheme. Collector requested attendees to put forward their suggestions to improve the export prospectives of Ernakulam District. Participants pointed out points - sophisticated NABL accredited lab facility with international standards, warehousing and cold storage, etc. ECGC suggested that in a few states part of the premium will be reimbursed by the State Governments and if Kerala also can consider, more exporters will be attracted to ECGC. It will help the exporters to find out reliable buyers. After detailed discussion, Collector summarised by suggesting 5 areas to be taken care for the next 3 months. O/o DGFT and DIC will be co-ordinating the activities. Collector suggested that KSIDC can be nominated as an agency to act as Export Facilitation - a single window system to assist the export aspirants. Collector suggested that DGFT, FIEO & SEZ EPC have to extend necessary assistance to DIC for training the export aspirants.

- As a part of Govt. policy to develop each district as an export hub, Alappuzha District has been identified in its pilot run. Major focussing sectors in Alappuzha are coir and marine products. To formulate a modus operando, District Collector's Chamber, Asst. Collector chaired the meeting along with the Dy. DGFT. District Industries Centre, NABARD, Indian Postal Service, FIEO, ECGC, NABARD, representatives of leading Bank were the attendees other than SEZ EPC. Jt.DGFT in Charge gave a detailed picture of the scheme. Asst. Collector requested attendees to put forward their suggestions to improve the export prospectives of Alappuzha District. Participants pointed out points - sophisticated NABL accredited lab facility with international standards, warehousing and cold storage, etc. ECGC suggested that in a few states part of the premium will be reimbursed by the State Governments and if Kerala also can consider, more exporters will be attracted to ECGC. It will help the exporters to find out reliable buyers. NABAD gave an elaborated details of it's schemes for cluster development and for individual exporters. MSME also expressed willingness to conduct training programmes. Asst. Collector suggested that DGFT, FIEO & SEZ EPC have to extend necessary assistance to DIC for training the export aspirants.

# MEPZ

## ECGC Outreach Programme on RELIEF Initiative – 7th April 2026

Regional Director, SEZEPC MEPZ participated in an outreach programme organized by the Export Credit Guarantee Corporation of India (ECGC) to create awareness about the Government of India's RELIEF (Resilience & Logistics Intervention for Export Facilitation) initiative on 7th April 2026 at Taj Coromandel, Chennai.

The session focused on the newly launched RELIEF initiative aimed at supporting Indian exporters through enhanced risk mitigation measures and financial assistance mechanisms. Senior officials from ECGC, FIEO, APEDA, EEPC, AEPC, DGFT and various Export Promotion Councils participated in the programme.

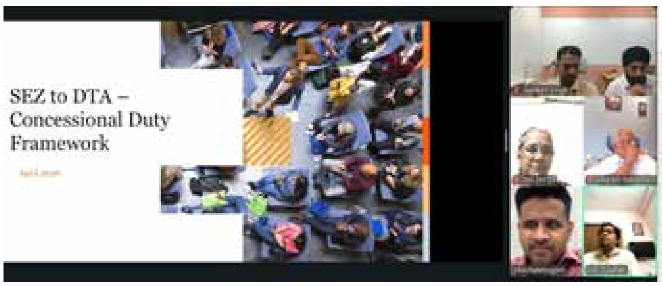
**Key Highlights**

- Detailed explanation of the three components of the RELIEF scheme.
- Measures to strengthen exporters against global trade disruptions.

- Enhanced insurance support and financial assistance for exporters.
- Strategies to mitigate increasing logistics and transportation costs.
- Encouragement to export promotion councils to disseminate information among exporters.

The programme provided valuable insights into the Government's efforts to strengthen export resilience and improve competitiveness in international markets. Participants appreciated ECGC's initiative and committed to spreading awareness among exporters.

## Virtual Webinar on "SEZ to DTA at Concessional Rates – Navigating Legal & Practical Aspects" – 17th April 2026




SEZEPC, MEPZ SEZ, in association with PwC India, organized a virtual webinar on the legal and practical aspects of DTA clearances at concessional rates by SEZ units on 17th April 2026 through online.

The session commenced with a welcome address by Regional Chairman, SEZEPC, MEPZ SEZ emphasized the importance of understanding recent policy changes impacting SEZ units.

**Key Discussion**

The PwC experts provided detailed guidance on:

- Policy background and recent amendments.
- Eligibility conditions for concessional DTA clearances.
- Computation of value addition.
- Documentation and approval procedures.
- Practical challenges faced by SEZ units.
- Best practices for compliance and record maintenance.

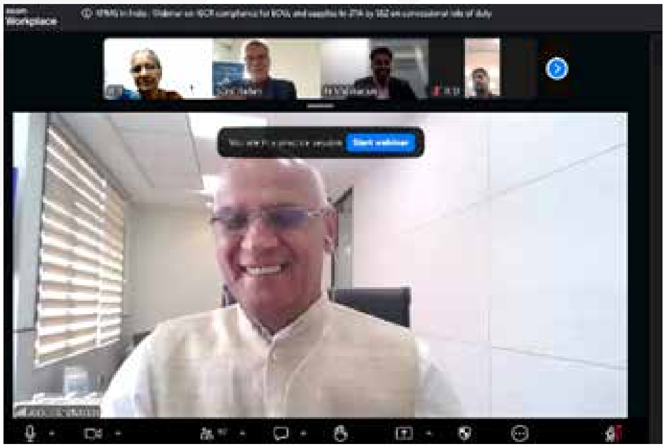
More than 80 members from SEZ units and export-oriented industries attended the webinar.

The webinar enabled participants to gain clarity on procedural and legal requirements relating to concessional DTA clearances and provided practical solutions to common compliance issues. The vote of thanks was delivered by Ms. S. Kalyani, Regional Director, SEZEPC MEPZ SEZ.

## Virtual Webinar on "IGCR Compliance for EOUs and Supplies to DTA by SEZ Units at Concessional Rate of Duty" – 24th April 2026

SEZEPC, MEPZ SEZ, in collaboration with KPMG in India, organized a knowledge-sharing webinar focusing on IGCR compliance and concessional duty benefits on 24th April 2026 through online.

The programme began with a welcome address by Shri Sunil Rallan, Vice Chairman, SEZEPC, followed by a special address by Shri Alok V. Chaturvedi, Director General, SEEPC.




**Key Topics Covered**

- Overview of the IGCR Rules.
- Compliance requirements for EOUs.
- Duty concessions available for SEZ supplies to DTA.
- Documentation and procedural requirements.
- Risk areas and audit preparedness.
- Recent regulatory developments.

The webinar witnessed participation from over 135 members representing various sectors. The vote of thanks was delivered by Shri. Kota Rajasekar, Regional Vice Chairman, SEZEPC, MEPZ SEZ.

The session enhanced awareness among members regarding IGCR compliance requirements and helped participants understand the practical implications of the concessional duty framework.

## 43rd Foundation Day of MEPZ SEZ - Thursday, 30 April 2026


MEPZ Special Economic Zone, Chennai, proudly celebrated its 43rd Foundation Day on 30th April, 2026 at Hotel ITC Grand Chola, marking over four decades of excellence in promoting exports, industrial growth, and employment generation. As part of the celebrations, MEPZ launched the MEPZ Foundation Day Lecture Series, an annual knowledge-sharing initiative aimed at fostering dialogue among industry, government, and policy stakeholders. The inaugural lecture on "Future of SEZs: Enabling India's Next Export Growth Wave" was delivered by Shri B.V.R. Subrahmanyam, IAS (Retd.), former CEO of NITI Aayog and former Commerce Secretary, Government of India, in the presence of industry leaders, policymakers, and representatives from trade and industry.

## Knowledge Sharing Webinar on "Optimizing Trade Operations Through MOOWR, FTA, AEO & EMI" – 7th May 2026

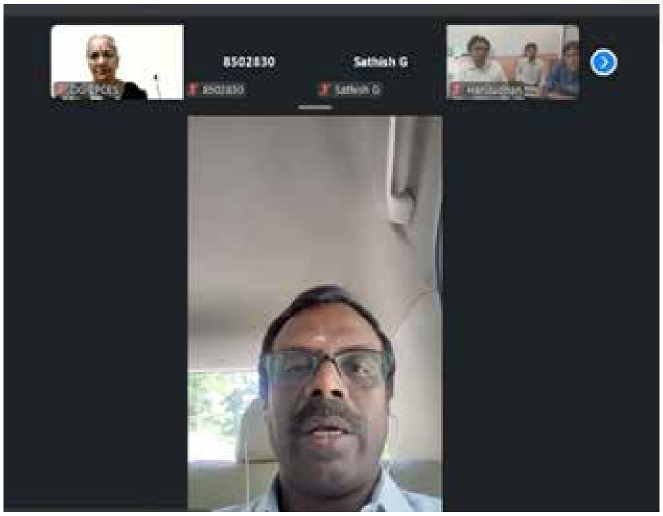
SEZEPC, MEPZ SEZ organized a webinar in association with PwC to educate members on optimizing trade operations through various trade facilitation mechanisms on 7th May, 2026 through online.

The programme commenced with a welcome address by Shri Kota Rajasekar, Regional Vice Chairman, SEZEPC, MEPZ SEZ.

**Key Discussion**

Experts from PwC explained:

- Manufacturing and Other Operations in Warehouse Regulations (MOOWR).
- Benefits available under Free Trade Agreements (FTAs).
- Authorized Economic Operator (AEO) Programme.
- End-to-End Manufacturing Integration (EMI).
- Strategies for reducing logistics costs and improving supply chain efficiency.




More than 85 industry representatives participated in the programme.

The webinar provided practical guidance for improving operational efficiency and maximizing benefits available under trade facilitation schemes.

The vote of thanks was delivered by the Regional Director Ms. S. Kalyani.

## Seminar on SEZ Courier Clearance Automation – 14th May 2026

S. Kalyani, Regional Director, SEZEPC, MEPZ participated in a hybrid seminar organized jointly by CBIC DG Systems and DGTS on automation of SEZ courier clearances on 14th May, 2026.

**Key Highlights**

The seminar covered:

- Introduction of automated courier clearance processes.
- Integration with ICEGATE.
- Electronic data filing procedures.
- Regulatory requirements and compliance obligations.
- Demonstration of system functionalities.
- Interactive question-and-answer session.

More than 300 members attended the seminar.

The programme enhanced members' understanding of the new digital procedures and helped prepare them for seamless adoption of automated courier clearance systems.

## Webinars on "HSN & ECCN in Global Trade" and "Simplifying SEZ Compliance" – 19th May 2026

S. Kalyani Regional Director SEZEPC, MEPZ attended two important technical webinars organized by CSEZ and SEZEPC Head Office respectively

**Key Topics**

- Classification of goods using HSN and ECCN codes.
- Importance of correct product classification in international trade.
- Export control regulations.
- Simplification of SEZ compliance procedures.
- Best practices for regulatory adherence.

The sessions provided valuable technical knowledge and practical insights into trade compliance and export control requirements.

## Virtual Webinar on "Recent Free Trade Agreements and Their Role in Strengthening Supply Chains" – 2nd June 2026

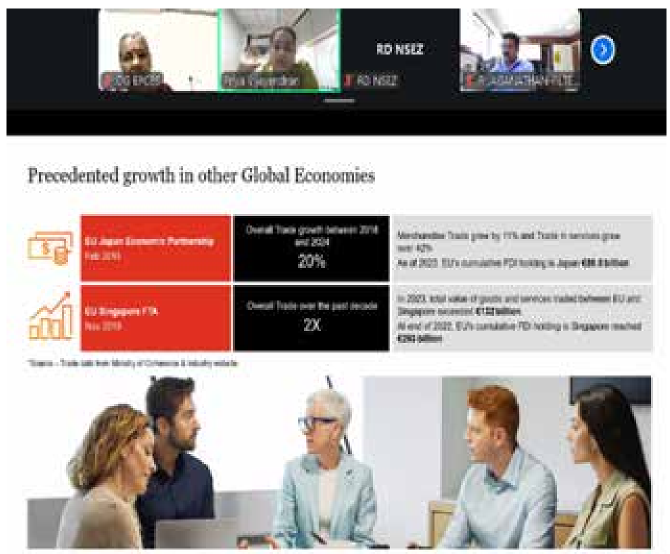
SEZEPC, MEPZ SEZ, in association with PwC, conducted a webinar focusing on recent FTAs and their impact on supply chain resilience on 2nd June 2026 through online.

The programme commenced with a welcome address by Shri Sivashanmugam Kumaresan, Regional Chairman, SEZEPC, MEPZ SEZ.

**Key Discussion**

The speakers covered:

- Recent FTAs signed by India.
- Rules of Origin requirements.
- Opportunities arising from FTAs.
- Compliance obligations.
- Strengthening supply chain resilience through strategic sourcing.




Around 60 members attended the programme. Vote of Thanks given Ms. S. Kalyani, Regional Director, SEZEPC.

The webinar provided members with practical insights into leveraging FTAs for business growth and supply chain optimization.

# PTFC Air Cargo Meeting – 11th June 2026

S. Kalyni, Regional Director, SEZEPC, MEPZ participated in the online PTFC Air Cargo Meeting on 11th June, 2026.

**Issues Raised**

- Delays arising from BWC-based examination procedures.
- CDSCO NOC delays for movement of semi-finished gloves.
- Operational issues faced by Customs House Agents.
- Cargo clearance challenges affecting exporters.

The concerns raised by the members of SEZEPC were discussed with the concerned authorities for resolution and follow-up action.

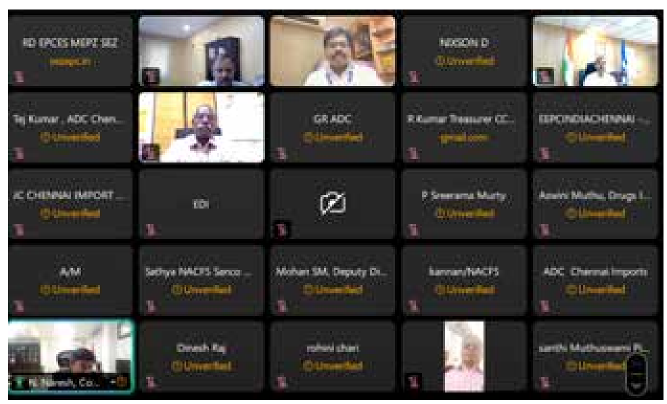
# PTFC Meeting with SEA Customs – 12th June 2026

S. Kalyani Regional Director, SEZEPC, MEPZ attended the Permanent Trade Facilitation Committee (PTFC) meeting with SEA Customs on 12th June, 2026 through online.

**Key Issues Discussed**

- Increase in scan mismatch remarks causing clearance delays.
- Review of scan data by Customs Systems Division.
- Unauthorized full-container examinations.
- Impact on refrigerated and sensitive cargo.
- Scanning of AEO Tier-III importers.

The Commissioner acknowledged the concerns and assured necessary review and corrective action.



# Open House Meet with MEPZ Officials – 25th June 2026

SEZEPC in association with World Trade Centre Chennai and Sri Chowdeshwari Logistics LLP, organized an Open House Meet with MEPZ officials on 25th June, 2026 at Hotel Holiday Inn, Chennai.

The programme featured Shri M. Aswin, IRTS, Deputy Development Commissioner, MEPZ SEZ.

**Key Discussions**

- Recent SEZ regulatory developments.
- DTA procurement challenges.
- Policy-related issues faced by SEZ units.
- Operational concerns and compliance matters.
- Interactive discussion with MEPZ officials.

More than 80 members attended the programme. Our Regional Chairman Shri. Sivashanmugam Kumaresan given the vote of thanks.

The event provided an effective platform for direct interaction between industry representatives and MEPZ officials, facilitating resolution of operational and policy concerns.


## Webinar on "Import & Export Factoring through M1 NXT" – 30th June 2026

SEZEPC, MEPZ SEZ, in association with M1 NXT, organized a webinar on import and export factoring solutions on 30th June, 2026 through online.

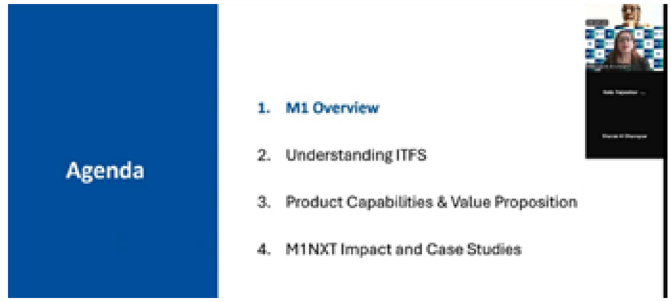
Welcome Address by Shri. Kota Rajasekar, Regional Vice Chairman, SEZEPC, MEPZ, who welcomed the speaker and participants and emphasized the importance of innovative trade finance solutions for SEZs, EOUs, MSMEs, and exporters.

The session was led by Ms. Meenakshi Krishnani, Vice President, M1 NXT.

**Key Topics Covered**

- Overview of M1 NXT platform.
- Trade Receivables Discounting and ITFS framework.
- Import and export factoring solutions.
- Product features and capabilities.
- Value proposition for exporters.
- Case studies and practical applications.

More than 50 members attended the webinar.




The webinar helped members understand innovative trade finance solutions and opportunities to improve working capital management through factoring services.

The webinar concluded with a Vote of Thanks delivered by Ms. S. Kalyani, Regional Director, SEZEPC MEPZ, who thanked the speaker, participants, Chairman, Vice Chairman, Council members, and the M1 NXT team for their valuable support and contribution towards the successful conduct of the webinar.

# Noida SEZ

## Review of NSEZ Operational Challenges: EPCES Noida Meeting.

On April 10, 2026, SEZEPC Noida hosted a meeting at Neokraft Global with NITI Aayog's knowledge partner, the Foundation for Economic Development (represented by Mr. Faisal Khan and Ms. Niyati Agarwal), and EPCES Regional Chairman Shri Sunil Puri. Seven NSEZ companies participated in a questionnaire-guided discussion led by Mr. Khan: Neokraft Global, Gripwel Fasteners, Medico Electrodes, Romsons, GPL Exports, Idemia Syscom, and Knitpro International.

During the review, members highlighted four major operational hurdles. First, they noted that forming joint ventures to utilize vacant space is currently prohibited. Second, they requested extending plot leases from 15 to 30 years to improve bank loan eligibility. Third, companies reported financial friction, including unreceived GST refunds on raw materials from small DTA vendors and excessive bank commissions on forex payments required for DTA sales. Finally, participants raised severe logistical concerns: the lack of customs officers after 6:00 PM disrupts late shipments, and export bonds for sea shipments via the Dadri dry port are not being credited post-shipment. This failure to credit bonds rapidly depletes bond limits, requires continuous renewals, and blocks RoDTEP benefits.

## SEZ Supplies to DTA: EPCES Head Office Webinar (April 13, 2026)

On April 13, 2026, SEZEPC Noida region hosted a specialized webinar focused on "SEZ Supplies to DTA, Analysis of New Concessions" in partnership with Lakshmikumaran & Sridharan (LKS) Attorneys. The session featured expert insights from LKS speakers Mr. Vishwanathan T, Mr. Ratan Jain, and Ms. Nupur Maheshwari.

## Webinar on SEZ to DTA Supplies at Concessional Duty

On April 30, 2026, EPCES Noida hosted a webinar on "SEZ to DTA Supplies at Concessional Duty" in collaboration with BDO India Services Pvt Ltd. Following a welcome address by Regional Vice Chairman Shri Puneet Kapoor, Shri Gyanendre Tripathi (Partner, Indirect Taxes at BDO) delivered the core presentation to 42 participants. NSDL representatives Mr. Shreerup and Mr. Abhishek also joined the session, featuring a practical demonstration by Mr. Shreerup on filing a Bill of Entry under the new DTA sale scheme. During the Q&A, members strongly advocated for higher Basic Customs Duty (BCD) benefits, pointing out that the current marginal 1% reduction (from 10% to 9%) across most HS Codes is insufficient. The webinar was highly appreciated by the participating units, and an updated copy of the BDO presentation was subsequently forwarded to the Head Office.



## IAS Officer Trainees' Delegation Visit to NSEZ (May 13, 2026)

On May 13, 2026, a delegation of six IAS officer trainees (2024 batch) visited the DC NSEZ office to study SEZ operations. The session was chaired by JDC Shri Parasmani Tripathi (IRS) and featured a presentation on NSEZ functioning by DDC Sh. Noman Hafiz. To facilitate an effective industry interaction, EPCES Noida coordinated the participation of seven prominent NSEZ units spanning the manufacturing, medical device, and IT/software sectors. EPCES CGC Member Shri Vilas Gupta and Regional Chairman Shri Sunil Puri also attended the session.

During the meeting, the delegation engaged with industry members to gather suggestions for boosting NSEZ exports. The trainees were briefed on the pivotal role of EPCES in supporting exporters and were provided with key resources, including EPCES brochures, the Acts and Rules book, Trade Bulletins, and magazines. The visit concluded with a field tour of medical equipment exporter M/s. Romsons International, the NSEZ Skill Development Centre, and the Jewellery Appraisement Centre.

## Decoding Automation of SEZ Clearances: Hybrid Seminar

On May 14, 2026, members attended a hybrid seminar and webinar titled "Decoding Automation of SEZ Clearances through Courier Module," jointly organized by the CBIC Western Zonal Unit of DG Systems and the CBIC Mumbai Zonal Unit of DGTS. The session detailed the new automated regulatory frameworks, using a presentation to explain the stage-by-stage process for uploading electronic data into ICEGATE for SEZ courier clearances. Following the technical walkthrough, organizers hosted a Q&A session to address member compliance queries. Approximately 300 participants attended the event, including several NSEZ units who joined via a specially shared link, and the presentation materials were subsequently distributed across member WhatsApp groups for broader reference.

## Hon'ble Minister of State for Commerce & Industry's Visit to NSEZ (May 27, 2026)


On May 27, 2026, Shri Jitin Prasada, Hon'ble Minister of State for Commerce & Industry, visited the NSEZ Development Commissioner's office. SEZEPC Noida region facilitated the interaction by coordinating the participation of top NSEZ units—including Idemia Syscom, Neokraft, Romsons, Taurus Englobe, Om Nanotech, and others. The Minister was formally welcomed by the DC NSEZ, EPCES CGC Member Shri Vilas Gupta, and Regional Chairman Shri Sunil Puri. The visit concluded with a successful delegation tour of the manufacturing facilities at Idemia Syscom, Romsons International, and Neokraft Global. During the session, industry members highlighted five major regulatory and financial hurdles. First, they argued the 1% Basic Customs Duty (BCD) concession on SEZ-to-DTA supplies is insufficient, which JS SEZ Shri Vimal Anand confirmed is currently under review. Second, members noted that Free Trade Agreements (FTAs) have eroded SEZ competitiveness by allowing DTA units to import duty-free raw materials more cheaply. Third, units requested a CBDT exemption under Rule 10(46) to resolve ongoing Income Tax notices regarding TDS on rent for FY 2019-20. Fourth, they advocated extending plot leases from 15 to 99 years to make units eligible for bank loans. Finally, Regional Chairman Shri Sunil Puri requested amending DGFT Notification 71/2023 to allow SEZs to supply QCO-exempt inputs (such as lighting goods) to small DTA exporters against an export undertaking—a proposal the Minister agreed to examine.

# Discussion on NSEZ Operational and Export Issues


On June 10, 2026, a meeting was held at the DC NSEZ office to discuss export challenges. It was co-chaired by DG SEZEPC Shri Alok Chaturvedi and DC NSEZ Shri Gopal Meena, and attended by key customs officials. EPCES Noida arranged the participation of 12 prominent units: Idemia Syscom, Aqua Plus, Arditi International, Taurus Englobe, APK Identification, Golden Peakock, Sara Trans International, Maharishi Ayurveda, Cenit Inc., Advance Valves, RFB Latex, and Neo Kraft Global. The meeting began with a 10-year performance and investment review of NSEZ presented by DDC Shri Noman Hafiz.

The discussion focused on eight major operational issues. Members raised concerns about mandatory Quality Control Orders (QCO) for lighting products, insufficient BCD benefits for SEZ-to-DTA supplies, and income tax notices regarding TDS on rent. They also highlighted how short lease periods restrict bank loans, infrastructure problems at the Moradabad SEZ, and the high rent for NSEZ plots and facilities. Finally, they addressed logistical problems, specifically high warehousing charges for secure air shipments to IGI airport, and the ongoing issue of export bonds not being credited and RoDTEP being delayed for sea shipments via Dadri port. DG SEZEPC and the DC NSEZ provided guidance on all these matters, leaving the units satisfied with the discussion.

# Members Query Log - ( April- June 2026)

| S. No. | Member's Query | Knowledge Partner (BDO) Response |
|---|---|---|
| 1 | The attached DTA Form for Quarter 1 of FY 2025–2026 has been rejected by the Customs Department.<br>We had submitted the required documents along with a reply letter in response to Intimation Letter No. CSEZ/DCOG/3/2026-SEZ Cochin/1080 issued by the Customs Department on 23-04-2026. Subsequently, all the related invoices were rejected by the Customs Department. | 1. As the matter is currently pending with the CSEZ Customs authorities and the approval of the Quarter 1 DTA Service Procurement Form is awaited from their end, the Company can follow up with the concerned Customs officials handling the case for an update on the status and expected timeline for disposal.<br>2. Since the approval is within the purview of the Customs Department, any clarification regarding the rejection of invoices and the pending approval can be obtained directly from the concerned officer.<br>3. The Company can request the concerned Customs officials to provide list of documents to be submitted for approval of Quarter 1 DTA Service Procurement Form. |
| 2 | We are writing to seek your expert guidance and assistance regarding a recurring financial loss we are facing during our quarterly GST Input Tax Credit (ITC) refund filings.<br>About Us: M/s Fabro is a prominent automotive seat cover manufacturing and export house based out of Jaipur. We have been regularly exporting high-quality car seat covers to global markets since 2024.<br>The Problem: We regularly file our export-related GST input refunds on a quarterly basis. However, during every single filing cycle, we end up losing 5% to 18% of our approved ITC refund amount.<br>This loss occurs primarily because our Bank Realization Certificates (BRC) / Electronic Bank Realization Certificates (eBRC) frequently spill over into the subsequent quarter. This timing gap is triggered by the Export General Manifest (EGM) date lagging behind our actual shipping bill and invoice dates. Consequently, our mapped Export Turnover for the quarter is severely affected, leading to a direct reduction in our eligible refund payout.<br>As a substantial amount of working capital is getting permanently blocked and lost each quarter due to this procedural timing difference, we request your advice on the following:<br>1. What is the standard operating procedure or reconciliation mechanism recommended by the Council to bridge this EGM/BRC timing gap between quarters?<br>2. Are there specific circulars, amendments, or custom lookup options within the GST portal that allow us to claim the deferred portion of the ITC in the subsequent quarter without losing the eligibility? | • In practice, export turnover gets validated through successful matching of Shipping Bill details, EGM filing and export realization data.<br>• Accordingly, delays in EGM filing or delayed generation/ mapping of eBRCs may result in certain export invoices not getting reflected in the relevant refund period, thereby reducing the admissible refund amount for that quarter. However, such amount is not permanently lost solely due to timing mismatch and may generally be claimed in subsequent refund applications once the relevant export documents and realization details are duly reflected in the system.<br>• In this regard, the following practical approach may be considered:<br>1. Reconciliation of Shipping Bills, EGM and eBRC status through ICEGATE/Bank records before filing refund applications;<br>2. Deferring refund filing for invoices where EGM/eBRC status is pending or mismatched;<br>3. Carrying forward the eligible ITC and corresponding export turnover in the subsequent refund period once the data is correctly reflected;<br>4. Maintaining invoice-wise reconciliation between GSTR-1, Shipping Bills, EGM status and eBRC realization for departmental verification, if required.<br>• As the issue appears to be largely procedural/system driven, alignment of refund filing timelines with actual EGM closure and eBRC reflection may help minimise such instances going forward |

| | | |
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| | 3. Can the Council intervene or guide us on how to align our filing timeline to ensure zero loss of approved ITC? | |
| **3** | We note that your advice refers to Rule 30(1) and Rule 30(3) of the SEZ Rules, 2006. However, we understand that these provisions primarily govern procurement/import of capital goods for authorized operations in SEZ units. We wish to declare here that in our case the printer is rented on a returnable basis as part of the service agreement between Kyndryl and the Supplier. PFA the service invoice justifying the case.<br>Further to the above, the SEZ AO has advised that Rule 27(4) should be referred for the BOE filing in this case of printers entering the SEZ.<br>To summarize the context:<br>• The current scenario pertains to temporary and returnable movement of goods from DTA to SEZ as part of a service agreement, wherein ownership remains with the DTA Supplier.<br>• In addition, we believe that Rule 27 clarifies sourcing/procurement of goods from a DTA or a foreign leasing company, whereas our transaction is a service as per the invoice.<br>Given the above, we believe that a Delivery Challan is sufficient and a necessary document to be relied upon for moving the printer into the SEZ on a temporary and returnable basis.<br>Given the absence of explicit provisions covering such returnable movements under a service agreement, your guidance will help ensure a fair and equitable compliance.<br>We request you to kindly provide clarification along with the relevant rule of reference and its interpretation note. | 1. Rule 27(4) of the SEZ Rules, 2006 specifically permits an SEZ Unit to source capital goods from a domestic or foreign leasing company under a valid lease agreement. The Rule further provides that, in such cases, the Unit and the leasing company shall jointly file the prescribed documents for import or domestic procurement, as the case may be.<br>2. If the domestic supplier is a leasing company providing printer on rent basis under a valid lease agreement, the transaction shall be covered under ambit of Rule 27(4) of the SEZ Rules, 2006. In such a case, the documents for domestic procurement shall be filed jointly in the name of the Company and foreign leasing Company.<br>3. Since Rule 27(4) of the SEZ Rules, 2006 does not prescribe a separate procedure or documentation requirement for domestic procurement of leased capital goods, the procedural requirements prescribed under Rule 30 of the SEZ Rules, 2006 for procurement of goods from the DTA may be regarded as applicable. Accordingly, the prescribed procurement documents may be jointly filed by the SEZ Unit and the leasing company in accordance with Rule 27(4), read with Rule 30 of the SEZ Rules, 2006.<br>4. There is no provision under SEZ Rules, 2006 which permit admission of printer only on the basis of delivery challan, even if the printer are procured on temporary and returnable basis from DTA. Accordingly, the Company would have to follow the documentation procedure as prescribed under Rule 30 of the SEZ Rules, 2006 for procurement of goods from DTA. |
| **4** | We have processed a partial redemption to our investors from the Trust/Fund. In this regard, it is required to raise an invoice from FME for the applicable penalty amount.<br>Kindly review and confirm the appropriate SAC code and service description to be used for reporting the same in SERF of FME, in line with GST and SEZ compliance requirements.<br>From an initial assessment, the original service classification appears to fall under SAC 997156. Considering the nature of the levy, the penalty arising from early redemption may be more appropriately classified under SAC 997159 (residual category for auxiliary financial services).<br>We request your confirmation on the correct SAC classification and service description to ensure accurate compliance under SEZ regulations. | 1. Service Code 997153 includes managing portfolio assets of others, on a fee or commission basis, except for pension funds. Service Code 997156 includes financial advisory services, market analysis and intelligence.<br>2. The Company offers services in relation to portfolio management services. Accordingly, the Company can use Service Code 997153 for all the services provided in relation to portfolio management services.<br>3. As amount is recovered from investors on account of premature/early redemption of units and is intrinsically linked to the fund management arrangement, it is advisable to classify the same as broad financial services category as the principal service, rather than under a separate penalty-specific classification. Accordingly, the Company can use Service Code 997153 for the early redemption charges, since the charge arises directly from and is incidental to the principal fund management activity. |

| | | |
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| | Please advise if any alternative classification sh ould be considered.<br>--------------------------------------------------------------------------------------------<br>Could you please provide your advice and confirmation regarding the appropriate SAC codes to be used?<br>Specifically, we are seeking clarification on whether SAC 997153 or SAC 997156 should be applied for Management, Performance, and Set-Up Fees, as well as the correct classification for early redemption and penalty charges. | |
| **5** | We (Maersk Global Service Centres (India) Pvt Ltd.) is a SEZ Unit (bearing LOA # KA:34:10:Milestone:2l/6231) located in Milestone Buildcon SEZ, Bangalore, wish to get your opinion on aforesaid subject :<br>We would like to take your opinion on ~ Disposal of Used AHU Filters (No Commercial Value).<br>Business case :<br>• We have procured AC AHU filters (consumables) and installed in our office premises in 2024 and have become obsolete and unserviceable after prolonged usage.<br>• These items originally procured with Zero rated IGST and used for Authorized Operations<br>• Currently, these items are obsolete and do not have any resale (No commercial value) or recoverable value and are proposed to be disposed of as waste/debris through an authorized vendor (already identified by Company).<br>**Action Planned to take :**<br>We are intended to send an intimation to AO (Authorized Officer) with details of the materials and remove the materials without payment of duty, considering the old AHU filters does not have any commercial value.<br>Please let me know the approach which we are intend to take is aligned with the SEZ rules and if there is anything else needs to be considering please do suggest.<br>Details of the materials are as below:<br>- Item Description : Used AHU Filters<br>- Usage : Office HVAC system (consumable item)<br>- Status : Unserviceable and non-repairable<br>- Commercial Value : NIL<br>Attached sample procurement invoice and snaps of the material for reference | 1. Under Section 30 of the SEZ Act, 2005, goods removed from a Special Economic Zone (SEZ) to the Domestic Tariff Area (DTA) are chargeable to customs duties as if such goods were imported into India.<br>2. In terms of Section 14 of the Customs Act, 1962, customs duty is generally levied on the assessable value of the goods, which may include freight, insurance, loading, unloading, and handling charges in accordance with the applicable Valuation Rules.<br>3. Further, SEZ Rules permit clearance of waste, scrap, remnants, or rejects into the DTA, subject to fulfillment of prescribed conditions and payment of applicable duties. Accordingly, where waste or scrap is sold or cleared into the DTA, customs duties shall be payable on the assessable value determined under the Customs Act and the applicable Valuation Rules.<br>4. However, Rule 39 of the SEZ Rules, 2006 permits destruction of goods, including capital goods, without payment of duty, subject to advance intimation of at least seven days to the Specified Officer. Where destruction within the SEZ is not feasible, the same may be carried out outside the SEZ with the permission of the Specified Officer and in the presence of the Authorized Officer.<br>5. In the present case, since the AHU filters have been fully utilized for authorized operations and have become obsolete and unserviceable with no commercial or recoverable value, the Unit may consider disposal/ destruction of AHU filters through an authorized waste-management vendor in accordance with Rule 39. Appropriate intimations to the SEZ authorities should be made in this regard. |

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| **6** | Please refer to the attached directive from RBI for reporting guidelines for Computer & IT enabled services (ITeS).<br>It says, for IT enabled Services (ITeS), purpose code of P0807 should not be used . But in that do not have idea, how to clear/ settle the softex against the inward remittances. As, bank is saying that IRM can be generated only against Purpose code P0807.<br>By this it will become very difficult.<br>Do you have any solution or any idea on this? Please advise.<br>-------------------------------------------------------------------<br>But, our SEZ officials are insisting for filing Softex forms in our cases. Our AD Bank is saying that IRM can be generated with the purpose code P0803, but same cannot be used to knock off against Softex forms.<br>Request you to please guide us on this. | • RBI has clarified that Softex forms are not required to be filed for the export of services using IT as a tool (i.e., ITeS). This aligns with Regulation 3 of the FEMA (Export of Goods & Services) Regulations, 2015, which exempts service exporters from declaration filing, while still requiring timely realization and repatriation of export proceeds.<br>• Due to past misinterpretations, many ITeS exporters were unnecessarily filing Softex forms with STPI/SEZ units and using purpose codes unrelated to their actual services, just to generate e-BRCs.<br>• Now, the RBI has clearly stated: "Softex is to be filed ONLY in case of export of Software not exported as goods and it does not include export of services using IT as a tool i.e., ITeS (IT-enabled Services)."<br>• In view of the above RBI clarification, the insistence by the SEZ authorities on Softex filing for ITeS exports does not appear to be aligned with the current regulatory position. The company may submit a representation to the SEZ authorities and the AD Bank enclosing the RBI clarification and request acceptance of IRM/FIRC-based realization instead of Softex reporting.<br>• However, since SEZ authorities may continue to follow legacy procedures in certain cases, a practical resolution may require a representation and specific confirmation from the concerned SEZ authority and AD Bank. |
| **7** | We are having two unit one is EOU and another SEZ. We are involved in ship building and ship repair activity. Our Major facilities are in Sez unit. Ship repair activity is done in EOU unit only.<br>While repair work, we require many activities like plate molding, blasting, cutting etc and for that facilities are available in Sez unit. Ship repair activity is for local DTA mainly.<br>Our query is as below:-<br>1. Can we send material for jobwork at our sez unit on returnable basis?. If yes under which rule?.<br>2. What rule will be applicable for sez ? Tell us with rule for the same.<br>3. Is there any permission is required from any authority.<br>How can we do the same please advise us with complete procedure and what documentation is required to be done. | • Based on FTP Para 6.13(b)(iii), sub-contracting of production and production processes may be undertaken through another EOU/EHTP/STP/BTP/SEZ unit without any limit, on the basis of records maintained by the unit.<br>• Accordingly, the EOU may send materials to its SEZ unit for activities such as plate cutting, bending, moulding, blasting, fabrication, etc., on a returnable basis and receive the processed goods back for use in ship repair activities.<br>• The movement should be supported by proper documentation, including delivery/job-work challans, receipt acknowledgements, return challans, and reconciliation records showing quantity sent, processed, returned, and any wastage/scrap generated.<br>• As the FTP specifically permits such sub-contracting through SEZ units, no separate permission appears to be required under the FTP. However, it is advisable to comply with any procedural requirements prescribed by the jurisdictional Customs authorities/Bond Officer and the SEZ authorities regarding movement and accounting of goods. |

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| **8** | Key Aspects in the revised Para 2.03A(iii):<br>1. Pursuant to the amendment vide the notification referred above, exemption from QCO/BIS requirements has been extended to all permissible goods imported by SEZ Units and SEZ Developers, including raw materials, components, consumables, spares, and capital goods, provided such imports are for authorised operations within the SEZ.<br>2. Further, as per the amended provisions, the exemption is applicable only for use of the imported goods within the SEZ. Any removal, transfer, or clearance of such goods, or products manufactured/processed therefrom, into the Domestic Tariff Area (DTA) shall be subject to compliance with the applicable QCOs, BIS requirements, and other applicable laws prevailing at the time of such clearance.<br>Key Aspects of Revised Para 2.03A(iii) and clarification sought:<br>1. All raw materials, components, consumables, spares, imported are undoubtedly used in our manufacturing operations within the SEZ and hence, we are eligible for exemption from QCO/BIS requirements for such imports which are for authorised operations within the SEZ. All operations are carried out by us pursuant to the "Letter of Approval" granted by the SEZ authorities and such items cannot be used for any other purposes.<br>2. Further, we wish to clarify that we are not engaged in removal, transfer, or clearance of such goods in the same condition to DTA<br>3. That brings us to the other condition "products manufactured/ processed therefrom, into the Domestic Tariff Area (DTA) shall be subject to compliance with the applicable QCOs, BIS requirements, and other applicable laws prevailing at the time of such clearance"<br>**Our View and Rationale:**<br>1. The term applicable QCOs, BIS requirements and other applicable laws prevailing at the time of clearance undoubtedly refers to the applicability of the requirements on the final product that is being cleared and not the inputs used in the manufacture<br>2. The term "manufacture" under Section 2(r) of the SEZ Act, 2005 means to make, produce, fabricate, assemble, process or bring into existence, by hand or by machine, a new product having a distinctive name, character | • As per the amended Para 2.03A(iii) of the FTP, imports undertaken by SEZ units for authorized operations continue to be exempt from QCO/BIS requirements. However, the amended provision specifically stipulates that any clearance into DTA of imported goods or goods manufactured/processed therefrom shall be subject to applicable QCOs and BIS requirements/<br>• Accordingly, a view may be taken that the reference to "applicable QCOs, BIS requirements and other applicable laws prevailing at the time of clearance" under Para 2.03A(iii) is required to be examined with reference to the finished goods being cleared into the DTA.<br>• That said, the amended provision does not expressly clarify whether compliance is to be assessed solely at the level of the finished product or also in respect of QCO-covered inputs incorporated therein. Consequently, the issue remains open to interpretation and may be susceptible to differing views by the authorities.<br>• In light of the above, it may be advisable to seek a clarification from the DGFT to obtain greater certainty on the scope and applicability of the amended provision and to mitigate potential litigation exposure. |

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| | or use and shall include processes such as refrigeration, cutting, polishing, blending, repair, remaking, re-engineering and includes agriculture, aquaculture, animal husbandry, floriculture, horticulture, pisciculture, poultry, sericulture, viticulture and mining;<br>3. Consequent to the above, the final product that is manufactured( gear boxes used in wind turbines) with the imported raw materials, components etc is outside the scope of QCOs, BIS requirements.<br>4. Further, it may kindly be noted that the rate of duty/ taxes( Customs/IGST) that would be paid would be determined based on the classification of the final product and not on the input material used and applying the same principle, the regulations that are relevant would be the " laws prevailing at the time of clearance" as clearly outlined in the revised FTP Notification<br>5. It may further be noted that the final product( Gear Boxes used in Wind Turbines) which contain many raw materials/ components which are subject to compliance with the applicable QCOs, BIS requirements is not covered under any import restriction and is freely importable into India( please see the copy of the order issued by MHI which is reproduced below)<br>6. Taking into consideration the factual position as per the relevant Laws/ Regulations and the legislative intent, we kindly request you to look into this and provide your feedback and also request DGFT to issue appropriate clarification on this matter which has caused (a ) uneven level playing field for SEZ units vis a vis Overseas Exporters who need not comply with any QCO/ BIS regulations and (b) significant adverse impact on DTA clearances by SEZ units. | |

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| **9** | | • As per the amended Para 2.03A(iii) of the FTP, imports undertaken by SEZ units for authorized operations continue to be exempt from QCO/BIS requirements. However, the amended provision specifically stipulates that any clearance into DTA of imported goods or goods manufactured/processed therefrom shall be subject to applicable QCOs and BIS requirements/<br>• Accordingly, a view may be taken that the reference to "applicable QCOs, BIS requirements and other applicable laws prevailing at the time of clearance" under Para 2.03A(iii) is required to be examined with reference to the finished goods being cleared into the DTA.<br>• That said, the amended provision does not expressly clarify whether compliance is to be assessed solely at the level of the finished product or also in respect of QCO-covered inputs incorporated therein. Consequently, the issue remains open to interpretation and may be susceptible to differing views by the authorities.<br>• In light of the above, it may be advisable to seek a clarification from the DGFT to obtain greater certainty on the scope and applicability of the amended provision and to mitigate potential litigation exposure. |
| **10** | As part of DSPF/SOFTEX filing, we have made some clerical error and the same has been approved<br>We seek your guidance and clarification regarding the procedure for amendment of DSPF / SOFTEX forms under SEZ regulations.<br>Specifically, we would like to understand the following:<br>• The detailed process to be followed for initiating amendments in DSPF / SOFTEX submissions.<br>• Documentation requirements to support the amendment request.<br>• Applicable timelines and any limitations for submitting amendment requests.<br>We foresee some financial impact for service provider from GST authorities.<br>Appreciate if you can advise us for appropriate solution. | • There is no specific provision governing the amendment of approved DSPF / SOFTEX forms.<br>• However, in practice, amendments to SOFTEX forms may be carried out through the EDPMS portal.<br>• With respect to DSPF forms, an amendment request may be submitted to the jurisdictional SEZ authority/ concerned department along with the relevant supporting documents explaining the clerical error and the proposed correction. The acceptance and processing of such amendments would be subject to the discretion and administrative procedures of the concerned authority.<br>• Accordingly, it is advisable to approach the concerned SEZ authority seeking clarification regarding amendment of the approved DSPF and/or SOFTEX forms. |

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| **11** | We would like to seek your clarification regarding the procurement of Copper Slag (HS Code: 26219000) from a Domestic Tariff Area (DTA) unit.<br>In this connection, we request you to kindly confirm whether there are any restrictions, conditions, or specific permissions required for an SEZ unit to procure the above-mentioned material from a DTA supplier for authorized operations.<br>We request your guidance on the applicable provisions, if any, under SEZ rules and procedures for such procurement. | 1. In terms of ITC (HS), Schedule I Import Policy to Foreign Trade Policy, 2023 for Tariff Item 2621 90 00, import of goods is "Restricted".<br>2. Rule 27 of the SEZ Rules, 2006 allows a SEZ unit to procure from a DTA unit all type of goods including capital goods (new or second hand), raw materials, semi-finished goods, (including semi-finished Jewellery) component, consumables, spares goods and materials for making capital goods required for authorized operations except prohibited items without paying duty for carrying out its authorized operations.<br>3. Since copper slag (Tariff Item 2621 90 00) is not a prohibited item, the Company can procure such goods from a DTA uni.<br>4. Accordingly, the Company can procure such goods against a valid import authorization in accordance with prescribed procedure. |
| **12** | Computer-aided machines, imported without Operating Software (OS), are proposed to be imported into an FTWZ unit in India. The Operating Software (OS) needs to be installed/configured either at our factory or sub-contractor located outside the FTWZ.<br>Whether the machines can be temporarily removed from the FTWZ to factory for installation/ loading of the Operating Software (OS), and thereafter returned to the FTWZ for subsequent export to another country, without payment of customs duty, under the provisions of the SEZ Act and Rules.<br>Kindly advise with reference to the relevant provisions of the Customs Act, 1962, SEZ Act, 2005, SEZ Rules, 2006, applicable notifications, regulations, circulars, and Foreign Trade Policy guidelines. | 1. As per Rule 50(1) of SEZ Rules, 2006, a SEZ Unit may temporarily remove goods to Domestic Tariff Area without payment of duty and IGST for certain specified purposes. There is no specific provision providing for temporary removal of Computer aided machinery for installation of software.<br>2. However, a temporary removal may be possible only if approval is obtained from the Authorized Officer/ Specified Officer under Rule 50(1)(e) of the SEZ Rules, 2006, subject to execution of prescribed documentation and re-entry into the FTWZ within the stipulated period.<br>3. Rule 51 of SEZ Rules, 2006 provides the procedure for temporary removal of goods. Accordingly, the Company can remove Computer aided machinery for installation of software into DTA under pre-authenticated challans and matching identification marks, model numbers and serial numbers on return. Further, the Company shall obtain a prior approval from the Authorized Officer/ Specified Officer. Also, the Company has to ensure that machines are returned within 120 days (or extended period approved by the Specified Officer) from the date of taking the goods. |
| **13** | The Ministry of Commerce issued Notification No. 56/2023 dated 01.01.2024 amending Para 2.31 of the Foreign Trade Policy, 2023. This amendment allows SEZ units to supply used IT Goods (Desktops, Laptops, Monitors, Printers) into DTA without an import license for their DTA operations, provided the goods have been used for two years in the SEZ and are not more than 5 years from the date of manufacture. We would like to know if this notification allows SEZ units to supply these used assets to all DTA units or only to their own units in the DTA. In our case, foreign clients sometimes provide us with laptops on an FOC basis for completing IT projects. After project completion (and after their use for more than two years), these clients insist on supplying these used laptops to their group entities or clients with DTA units in India. Therefore we need your clarification on this matter. The copy of the said notification is attached for your ready reference. | 1. As per Para 2.31(I)(e) of Foreign Trade Policy, SEZ unit can transfer used IT Assets (laptops, desktops, monitors, printer) to DTA unit without a restricted import license for the purpose of further use in DTA operations provided there is a minimum usage of IT Assets for 2 years in the SEZ units and that the IT Assets are not older than 5 years from the date of manufacturing.<br>2. The exemption from restricted import license shall be available only when no exemption from any regulatory requirements (i.e., CRO, WPC, RoHS) was availed at the time of import of the Used IT Assets into the SEZ.<br>3. Further, used IT Assets can be supplied to any DTA unit for further use in their operations and not necessarily to DTA unit of the same entity. |

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| **14** | We have received job work permissions for our vendors for the validity period of one year. In between, vendors are changing their address and also getting amended GST certificate with new address. We then submit it to Customs authority as an intimation and continue sending material for job work purpose. But an authority is saying that, without proper permission from an authority material cannot be send to new address. Therefore, we hold the material in the factory and waiting for the permission. Due to this obstacle, our production has been stopped. We also ask to authortiy that, in the notification 52/2003 does not say anything either permission/ intimation. | 1. As per Para 6.23 of Foreign Trade Policy, 2023, EOU units shall on the basis of annual permission from Customs authorities, subcontract production processes to DTA through job work. The said annual permission may be granted for carrying out job-work activity at the specified address of the job-worker<br>2. Foreign Trade Policy, 2023 and Notification No. 52/2003-Cus does not specifically require fresh permission for movement of goods to the amended address of an existing approved job worker. However, if the original permission is address-specific, the jurisdictional Customs authority may insist on amendment of the approval before dispatch of goods.<br>3. Customs authorities may take the view that the original permission was granted for a specific job-work location and, therefore, movement of goods to the new address should commence only after the approved records or permission are amended.<br>4. To avoid disruption of production, a specific request may be made to the Assistant/Deputy Commissioner to permit continuation of material movement pending formal amendment of the permission or to issue an expedited endorsement to the existing approval for the new address. |
| **15** | We are maintaining Bond B-17, but Bond B-17 is started online on IGCR portal since September 2024. BOE's Generated after 1st October 2024 are reflect on IGCR while filing Form3 / 3A, but the prior period BOE's are not available at the time of filing of Form3 / 3A, then how can we claim Credit in the Bond after consumption of Material from those Prior period BOE's. | 1. Form IGCR-3A is specifically meant to obtain re-credit in the IGCR Bond.<br>2. With the implementation of the IGCR online module for EOUs from September 2024, only Bills of Entry filed under the IGCR system are automatically reflected in the portal. Accordingly, BOEs filed prior to the migration period may not be available while filing Form IGCR-3A.<br>3. The credit/re-credit relating to consumption of materials imported under pre-migration BOEs may be claimed by submitting the details of such BOEs and consumption records to the jurisdictional Customs authority manually for appropriate credit in the B-17 Bond.<br>4. Accordingly, it is advisable that the Company to file a manual application for re-credit of bond for pre-October 2024 BOEs on the basis of actual consumption of imported goods supported by statutory records and returns filed under the IGCR framework |
| **16** | SEZ Rule 27 & 29, allows to import second had capital goods to SEZ units on Loan basis and even DGFT Chapter 2 also allows.<br>Can we import the goods for SEZ without any issue ? or is there any restriction for this ? please clarify. | 1. Rule 27(1) permits SEZ units to import all types of goods, including capital goods (new or second-hand) required for authorized operations.<br>2. Rule 27(4) specifically permits a Unit or Developer to source capital goods from a domestic or foreign leasing company under a valid lease agreement, with joint filing of import documents.<br>3. Rule 27(6) of SEZ Rules, 2006 specifically permits only gem & jewellery SEZ units to source on loan basis gold, silver and platinum through nominated agencies.<br>4. There is no blanket prohibition on importing second-hand capital goods into an SEZ on a loan basis. If the second-hand capital goods are required for authorized operations, are not in a restricted category, and the loan arrangement is properly documented and declared, |

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| | | the import should be generally permissible. Accordingly, the Company can seek a specific permission from the development Commissioner/ specified officer for import of second-hand capital goods on loan basis subject to fulfilment of other conditions as applicable with respect to import of second-hand capital good. |
| **17** | We, GEA Westfalia Separator India Pvt. Ltd. (100% EOU), have received an order from a customer in Bangladesh to supply two products under an L/C payment mode.<br>One product will be manufactured by the EOU and exported under L/C terms along with a COO certificate.<br>The other product will be supplied directly from our related party in Belgium to Bangladesh, without the goods entering India. Export invoice will be produced by us.<br>This qualifies as a Merchandise Trade Transaction (MTT).<br>Could you please clarify whether an EOU is permitted to undertake such a transaction? | 1. The supply of goods manufactured by the EOU from India to Bangladesh can be exported under the normal EOU export procedure.<br>2. In case, good is supplied directly from Belgium to Bangladesh without entering India, the transaction would qualify as a Merchandise Trade Transaction (MTT) under FEMA/RBI regulations. There is no specific prohibition under Foreign Trade Policy. 2023 on an EOU undertaking an MTT, subject to compliance with RBI guidelines and approval/acceptance by the Authorized Dealer (AD) Bank.<br>3. However, the Belgium-to-Bangladesh supply should be treated as an MTT transaction and not as an EOU export from India. Accordingly, it should not be considered as physical export performance of the EOU.<br>4. Further, it is advised that Company takes a specific permission from the Development Commissioner before undertaking such a transaction. |
| **18** | We have been receiving multiple queries regarding supplies from DTA (Domestic Tariff Area) Indian clients to overseas clients holding inventory in FTWZ.<br>In this context, customers intend to claim Drawback and RoDTEP benefits. While Duty Drawback can be claimed at their respective jurisdictional GST offices based on a disclaimer issued by the FTWZ unit (as per CBIC Circular 24/2017), there is uncertainty regarding RoDTEP eligibility.<br>DTA Indian clients are keen to avail RoDTEP benefits for exports made to overseas clients in FTWZ. However, since FTWZ units themselves are not eligible to claim RoDTEP benefits, there is ambiguity on whether the DTA supplier can claim the same. | 1. The RoDTEP scheme is intended to refund/remit embedded Central, State and local duties, taxes and levies borne on exported products, which are otherwise not refunded, remitted or credited.<br>2. However, the RoDTEP framework specifically excludes supplies of products manufactured by DTA units to SEZ/ FTWZ units from the eligible categories. Accordingly, where a transaction is treated, either in substance or based on documentation, as a supply by a DTA unit to an SEZ/FTWZ unit, the eligibility of RoDTEP benefit may be questioned by the authorities.<br>3. In the present case, however, a distinction may be drawn if the DTA supplier is not supplying goods to the FTWZ unit as the buyer or recipient, but is instead supplying goods to an overseas customer, with the FTWZ merely functioning as a warehousing, logistics, or gateway facility. |
| | Our view is that the DTA Indian supplier is not an FTWZ unit but is supplying goods to an overseas client, with FTWZ functioning similarly to a gateway port. Additionally, the relevant customs documentation is filed through the ICEGATE portal. Based on this, it is our understanding that the DTA supplier should be eligible for RoDTEP benefits. | 4. Further, where the DTA supplier is reflected as the exporter on record, the export documentation is generated through ICEGATE, export proceeds are realised from the overseas customer, and the shipping/export documents substantiate the overseas sale, a position may be taken that the transaction is in the nature of an export by the DTA supplier and not merely a DTA-to-FTWZ supply.<br>5. Accordingly, in our view, the DTA supplier may explore claiming RoDTEP benefit only in cases where the documentation clearly establishes that the supply is made to the overseas customer and that the FTWZ is acting solely as a facilitation/gateway location. However, given the express exclusion applicable to DTA supplies to SEZ/FTWZ units, the matter is not free from ambiguity and may be subject to scrutiny by the authorities. |

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| **19** | 1. Why double standard by ICEGATE by taking time about 8 to 10 hrs when the Bill of Entry filed using Child DSC and Master DSC ?<br>2. When a Group companies have all licences from CDSCO as prescribed for the Medical Devise manufacturers, why while importing semi processed surgical gloves under tariff heading 40151200 from SEZ by its DTA as well as EOU insisting ADC clearance, sample, Bond on each Bill ? It incur huge money, time and burden to the SEZ unit. | 1. ICEGATE is the national customs e-filing platform. However, in certain cases, processing may take additional time due to system validations, DSC mapping, IEC/GSTIN validation, document verification, SWIFT/PGA routing, risk management parameters, temporary system load, or technical issues.<br>2. If specific Bills of Entry are getting delayed only when filed through a Child DSC, the relevant details may be shared with the ICEGATE Helpdesk for examination and resolution.<br>3. Surgical gloves and medical examination gloves are treated as medical devices under the Medical Devices Rules, 2017. Further, Customs Public Notice has clarified that Bills of Entry covering medical devices, including surgical and medical examination gloves, are required to be referred to the concerned Assistant Drug Controller (ADC) at the port of import for compliance verification before clearance.<br>4. Accordingly, even where the SEZ unit or group companies hold valid CDSCO licences, Customs/ADC may still insist on consignment-wise verification at the time of import/clearance to ensure compliance with the applicable Medical Devices Rules, licence conditions, labelling requirements, intended use, and quality standards.<br>5. However, we request that the Companies may file representation with the concerned Authorities to kindly examine the matter and provide suitable clarification/relaxation for repeated clearances of semi-processed surgical gloves from SEZ to DTA/EOU, especially where all units hold valid CDSCO licences and there is no change in product, process, source or end-use |
| **20** | All SEZs are paying Cost Recovery charges on account of posting of Customs officers (Authorised officers and Specified officers). These officers implement the provisions of SEZ Act and SEZ Rules and superwise day to day activities related to authorised operations.<br>State GST Audit has raised a demand to pay GST on this payment. Please advise whether cost recovery charges paid to Govt of India are taxable. | 1. Cost Recovery Charges are paid to the Government of India towards the posting of Customs/SEZ officers, namely Authorised Officers and Specified Officers, who discharge statutory functions under the SEZ Act and SEZ Rules. These officers are deployed for monitoring, regulating, and supervising the authorised operations of the SEZ.<br>2. The GST Government Services FAQ clarifies that services provided by the Government to business entities are generally not covered under the general exemption and may be liable to GST, with tax payable by the recipient under the Reverse Charge Mechanism (RCM), wherever applicable.<br>3. Without prejudice, even if the said payment is regarded as consideration for a service supplied by the Government, the recipient is an SEZ Developer/Unit, and the service is used in relation to authorised operations.<br>4. A list of services has been notified by Ministry of Commerce (MOC) which is commonly known as uniform list of authorised services. Uniform list of services generally covers the services procured directly in relation to business of unit. However, service under consideration is not specifically mentioned in the uniform list of authorised services. |

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| | | 5. If the service under consideration is related to authorized operations of the Company, such services can be treated as a zero-rated supply (and received without payment of duty.<br>6. In view of the above, it is advisable to file a detailed representation before the State GST Audit emphasizing that the payment is in the nature of a statutory cost recovery mechanism for deployment of officers to supervise and administer the authorised operations of the SEZ, and therefore the demand of GST, particularly State GST, is not sustainable. |
| **21** | Please be informed that the attached Import policy condition for HSN code 60019200 is submitted for your reference. We a FTWZ Unit, kindly request confirmation that our DTA Client shall be permitted to import the consignment valued above MIP of USD3.5 per Kg through the FTWZ unit for storage purposes and subsequently clear the same into DTA with full compliance to the Import Policy.<br>Details of the Item:<br>Item : Synthetic Knitted Fabric<br>HSN Code: 60019200<br>Value : More than MIP value of USD3.5 per Kg<br>We kindly seek your expert opinion and confirmation that the above cargo can be brought into FTE for storage and clearance, subject to adherence with the import policy conditions. We also request guidance on the necessary supporting documents required for this transaction to ensure smooth compliance. | 1. As per Notification No. 49/2024-25 dated 04.01.2025 read with Notification No. 05/2025-26 dated 23.04.2025, import policy for ITC (HS) Code 6001 92 00 is 'Restricted'. However, the import Policy is 'Free' if CIF value is 3.5$ or above per kg. Further, the restriction of Minimum Import Price (MIP) is not applicable for imports by AA holder, EOU units, SEZ units provided imported inputs are not sold in DTA.<br>2. In the present case, goods shall be imported first in FTWZ and subsequently to be cleared into DTA. Accordingly, the restriction of Minimum Import Price (MIP) shall be applicable.<br>3. Accordingly, the goods falling under ITC (HS) Code 6001 92 00 can be imported freely without any restriction subject to the condition that CIF value is 3.5$ or above per kg. In this regard, supplier invoice should clearly indicate that CIF value is 3.5$ or above per kg. Also, in Bill of Entry (BOE), it has to be ensured that import value is correctly declared based on the supplier invoice indicating that CIF value is 3.5$ or above per kg |
| **22** | Pl let know FTA agreement with India our major HSN code is 9405 , 9403 & 8302 | For your major product categories under HSN 9405 (lighting fittings), HSN 9403 (furniture) and HSN 8302 (mountings, fittings and hardware), following FTA may be considered:<br>1. Australia-India Economic Cooperation and Trade Agreement (ECTA)<br>2. India-UAE Comprehensive Economic Partnership Agreement (CEPA)<br>3. ASEAN- India FTA (AIFTA)<br>4. India-Korea Comprehensive Economic Partnership Agreement (CEPA)<br>5. India-Japan Comprehensive Economic Partnership Agreement (CEPA)<br>In case of any other country of import, we can review the relevant FTA provisions, tariff concessions and Rules of Origin requirements and advise accordingly. |

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| **23** | Please be informed that the attached Import policy condition for HSN code 60019200 is submitted for your reference. We a FTWZ Unit, kindly request confirmation that our DTA Client shall be permitted to import the consignment valued above MIP of USD3.5 per Kg through the FTWZ unit for storage purposes and subsequently clear the same into DTA with full compliance to the Import Policy.<br>Details of the Item:<br>Item : Synthetic Knitted Fabric<br>HSN Code: 60019200<br>Value : More than MIP value of USD3.5 per Kg<br>We kindly seek your expert opinion and confirmation that the above cargo can be brought into FTE for storage and clearance, subject to adherence with the import policy conditions. We also request guidance on the necessary supporting documents required for this transaction to ensure smooth compliance.<br>------------------------------------------------------------<br>Kindly confirm shall we proceed the consignment with fulfilment of as per MIP through FTWZ on behalf of DTA Client. | 1. The Company can proceed with the consignment subject to fulfilment of Minimum Import Price (MIP) i.e., 3.5$ or above per kg.<br>2. The Company should ensure that supplier invoice should clearly indicates CIF value is 3.5$ or above per kg which shall be the basis for filing of Bill of Entry (BOE). |
| **24** | Please be informed that the attached Import policy condition for HSN code 60019200 is submitted for your reference. We a FTWZ Unit, kindly request confirmation that our DTA Client shall be permitted to import the consignment valued above MIP of USD3.5 per Kg through the FTWZ unit for storage purposes and subsequently clear the same into DTA with full compliance to the Import Policy.<br>Details of the Item:<br>Item : Synthetic Knitted Fabric<br>HSN Code: 60019200<br>Value : More than MIP value of USD3.5 per Kg<br>We kindly seek your expert opinion and confirmation that the above cargo can be brought into FTE for storage and clearance, subject to adherence with the import policy conditions. We also request guidance on the necessary supporting documents required for this transaction to ensure smooth compliance.<br>------------------------------------------------------------<br>Kindly confirm shall we proceed the consignment with fulfilment of as per MIP through FTWZ on behalf of DTA Client.<br>-----------------------------------------------------------<br>Please clarify the below query.<br>"pl check whether the consignment can be sent to DTA after fixing the MIP above Rs 3.55 per kg." | The consignment may be imported and later on cleared to DTA subject to fulfilment of Minimum Import Price (MIP) requirement i.e., 3.5$ or above per kg. |

<table>
<tr><td>25</td><td>We have the unutilized ITC in our SEZ unit. Can we claim the refund under without payment of tax? We are an IT comapny and do only IT export."</td><td>Under the GST regime, supplies to SEZ are considered as zero-rated supplies. The supplier is given two options to undertake zero-rated supplies - either pay IGST and take refund of said IGST paid or obtain LUT and supply without payment of tax. Under both the options, the tax burden would not go to the recipient of supply. However, in case the supplier charges tax to recipient SEZ, then said SEZ may claim ITC subject to fulfillment of prescribed conditions.<br><br>There is no provision under the GST law which restricts a SEZ unit /developer to claim refund of ITC on GST paid to the vendors with respect to supplies received. There is only a procedural provision which specifies that the supplier is required to file a claim of refund in case of supplies made to the SEZ unit or developer. Please note that in our view, said procedure would not deny the benefit or opportunity of refund claim to SEZ unit or developer.</td></tr>
<tr><td>26</td><td>Pl let me know FTA agreement with India our major HSN code is 9405 , 9403 & 8302<br>------------------------------------------------------------------------------------------------------------<br>1. Kindly also update how many countries are covered in ASEAN- India FTA (AIFTA)?<br>2. Also provide the FTA information about the below countries.<br>INDONESIA<br>MALAYSIA<br>NORWAY<br>PHILIPPINSE<br>EUROPEAN COMMUNITY<br>SWITZERLAND<br>CHILE<br>UNITED KINGDOM.</td><td>1. The ASEAN - India Free Trade Agreement (officially the ASEAN India Trade in Goods Agreement) covers 10 ASEAN member countries: Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.<br>2. Indonesia, Philippines and Malaysia is covered under ASEAN India FTA (AIFTA).<br>3. Norway and Switzerland is covered under India - EFTA Trade and Economic Partnership Agreement (TEPA)<br>4. European Community / European Union (EU) is covered under India - EU FTA (under negotiation)<br>5. Chile - India and Chile have a Preferential Trade Agreement (PTA), not a Free Trade Agreement.<br>6. United Kingdom – India - UK FTA (under negotiation)</td></tr>
<tr><td>27</td><td>We are Yusen Logistics (India) Private Limited, holding FTWZ Unit in NDR FTWZ Chennai.<br><br>We would like to enquire about the IOR for declaration in case of DTA Sale.<br><br>Query:<br>1. If we holding the goods in our unit on behalf of the foreign client, if there is sale to happen in DTA to buyer in DTA, in that case can Unit Holder become IOR on behalf of the buyer in DTA?<br>2. If above one is possible, how the transaction for sale will be settled?<br>3. Who will remit the payment to foreign entity FTWZ Unit or buyer from DTA?<br>4. Is there will be any compliance challenges if FTWZ Unit become IOR for DTA sale?<br>5. Is there will be any PE risk to customer?<br>6. Who will bear the compliance obligation in case of DTA sale while FTWZ unit become IOR, (for example BIS, LMPC, etc)?</td><td>Query 1 - Can the FTWZ Unit become IOR on behalf of the DTA buyer for DTA sale?<br>It is understood that the foreign supplier retains ownership of the goods while they are stored in the FTWZ, and the sale to the DTA customer takes place only at a later stage. Accordingly, the FTWZ Unit functions primarily as a warehousing/service provider unless otherwise agreed.<br>There does not appear to be any express prohibition under the SEZ Act, SEZ Rules, or Customs law preventing an FTWZ Unit from acting as the Importer on Record. If the FTWZ Unit is proposed to act as the IOR, the arrangement should be appropriately supported through contractual documentation.<br>Query 2 - How will the transaction for sale be settled?<br>The commercial sale between the foreign supplier and the DTA buyer may continue independently of the identity of the importer, provided the contractual arrangements clearly define the role of the FTWZ Unit as the IOR and appropriately allocate the rights and obligations among the parties. The documentation should clearly establish the ownership of goods, payment mechanism, and transfer of title.</td></tr>
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Above queries are raised according to the provision made under the SEZ Rule, 2006,

48. Procedure for Sale in Domestic Tariff Area.-

*(1) Domestic Tariff Area buyer shall file Bill of Entry for home consumption giving therein complete description of the goods and/or services namely, make and model number and serial number and specification along with invoice and packing list with the Authorised*

*Officers:*

*Provided that the Bill of Entry for home consumption may also be filed by a Unit on the basis of authorization from a Domestic Tariff Area buyer.*

**Query 3 - Who will remit the payment to the foreign entity — the FTWZ Unit or the DTA buyer?**

Where ownership of the goods continues to remain with the foreign supplier until the sale to the DTA customer, the consideration for the goods would ordinarily be remitted by the DTA buyer to the foreign supplier, subject to compliance with the applicable FEMA and RBI regulations. The FTWZ Unit would separately recover its warehousing, handling and other agreed service charges.

**Query 4 - Will there be compliance challenges if the FTWZ Unit becomes IOR?**

If the FTWZ Unit assumes the role of the importer, it may also assume the corresponding obligations under the applicable Customs and allied laws. These may include import declarations, product-specific compliances (such as BIS, LMPC, etc., where applicable), maintenance of import records, and other regulatory obligations. Accordingly, the FTWZ Unit should ensure that it is adequately equipped to discharge such responsibilities before adopting this model.

**Query 5 - Will there be any PE risk to the foreign entity (customer)?**

We would like to inform that determination of Permanent Establishment (PE) constitution for a foreign entity is inherently fact-intensive and is decided on the provisions of the applicable DTAA and nuances of the transactions.

Based on our preliminary understanding of the facts as represented, and without prejudice to a detailed treaty-specific analysis, in our view, chances/arguments of PE constitution in the instant case bears a low risk. However, this view is contingent upon the following conditions being satisfied in substance:

- The FTWZ Unit acts strictly as a warehousing and logistics service provider with no commercial agency relationship with the foreign entity;
- The FTWZ Unit does not solicit orders, negotiate sale terms, or communicate pricing or product availability to prospective DTA buyers on behalf of the foreign entity and is only executing logistical functions;
- The FTWZ Unit serves multiple clients and is not exclusively or almost wholly devoted to this one foreign entity, and the service arrangement is on arm's length commercial terms with the remuneration model not being linked to the sales made by the foreign entity through the FTWZ;
- The FTWZ Unit does not enter into any arrangement with the foreign entity that extends its role beyond warehousing and logistics;
- The foreign entity does not have any right of access, entry, or visit to the FTWZ Unit's premises, whether for inspection, supervision, or any other purpose, and the facility is not placed at the disposal of the foreign entity in any manner. There is no designated place in FTWZ for foreign entity's products; and

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| | | • The import documents demonstrate the name of the DTA buyer and do not record the FTWZ Unit as the buyer.<br>In case any of the above facts are not satisfied, the risk exposure needs to be evaluated separately on perusal of agreements in place and exact nature of transaction mechanics.<br>**Query 6 - Who bears the compliance obligations (BIS, LMPC, etc.) in case of DTA sale where the FTWZ Unit is IOR?**<br>The responsibility for complying with BIS, LMPC and other applicable regulatory requirements would generally rest with the entity recognised as the importer under the applicable law and the relevant product-specific regulations. |
| **28** | We M/s Privi Speciality Chemicals Limited an EOU are one of the leading manufacture and exporter of Aroma and Speciality Chemicals.<br>We have exported goods one year ago and due to some quality issue Buyer has rejected our goods and further due to operational issues we have re-imported back the same goods manufactured by us after 1 year. Since we have imported goods after 1 year JNCH Customs have rejected duty exemption benifits for re-import vide cir no. 53/2003-Cus and issued us letter for the same.<br>Now, we have again submitted letter to re-call BOE and amendment for paying Basic custom Duty by using our own Rodtep escripts.<br>Now we came to know from our Custom Brokers that Customs Officer said that we cannot use Rodtep e-scripts for re-importing the goods since these goods are of Indian origin.<br>We request you to kindly advise on the same, can we use Rodtep escript for payment of Basic Custom Duty for Re-imports | 1. RoDTEP e-scrips issued under the Foreign Trade Policy are freely transferable duty credit instruments and are permitted for utilisation towards payment of Basic Customs Duty on import of goods, as per the applicable FTP provisions and Customs notifications governing duty credit scrips.<br>2. There is no restriction under the Foreign Trade Policy, 2023 or Customs Law on utilisation of RoDTEP e-scrips merely on the basis that the re-imported goods are of Indian origin, as the eligibility of the scrip is linked to its utilisation for discharge of duty liability and not the origin of the goods being imported.<br>3. Accordingly, the Company can file a detailed letter with the concerned Customs officer highlighting that there is no restriction for utilization of RoDTEP e-scrips for payment of duty at time of re-import of goods and requesting to allow BCD payment through RoDTEP e-scrips. |
| **29** | have made a manual refund application (which is attached) to the Specified Officer. However, the specified officer has reply to file the refund claim before the Jurisdictional<br>Commissioner of Customs, Central Excise, Service Tax or GST. The copy of the Circular is also attached.<br>Please advise whether we need to file the refund claim. Whether we can apply in the GST Portal for the refund claim (including Customs Duty)? Whether the supplier can claim the refund as the Customs Duty and IGST was borne by the SEZ unit? | • Circular No. 11/2017-Cus dated 31.03.2017 clarifies that the refund application in respect of SEZ units/developers is required to be filed before the Deputy Commissioner/ Assistant Commissioner of policy or technical, as it may be called, in the Office of Jurisdictional Commissioner of Customs, Central Excise, Service Tax or GST as the case may be and not before the Specified Officer.<br>• Accordingly, the response received from the Specified Officer directing filing before the jurisdictional authority is in line with the prescribed procedure, and a fresh refund application would need to be submitted before the appropriate jurisdictional officer of Customs.<br>• Further, as per Section 26A of the Customs Act, 1962, duty shall be refunded to the person by whom or on whose behalf such duty has been paid. Accordingly, in the present case, since the incidence of customs duty (and IGST, where applicable) has been borne by the SEZ unit, the SEZ unit would be the rightful claimant of the refund, and the supplier would not be eligible to claim the same. |

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| **30** | We would like to clarify that we operate as a Fund Management Entity (FME) and currently issue separate invoices for the following services:<br>1. Management Fees<br>2. Performance Fees<br>3. Set-Up Expenses<br>Since these services are different in nature, we raise separate invoices for each of them as distinct services.<br>In this regard, we seek your guidance on whether the same SAC code can be applied for all three types of invoices, or if different SAC codes should be used for each service category then please suggests.<br>------------------------------------------------------------------------------------------------------------------<br>We would like to confirm that we will be using SAC Code 997153 for all applicable services as trail per trail email going forward, effective from March 2026.<br>Further, please note that we will not be amending any previously raised invoices, as the same have already been reported in our GST returns and duly uploaded in the SEZ SERF forms.<br>Kindly confirm that the above approach is in order. | If the nature of services provided by the Company involves portfolio management services (except pension funds), and includes:-<br>• managing portfolio assets of others, on a fee or commission basis, except for pension funds<br>Note: Managers make decisions on which investments to purchase or sell. Examples of the portfolios managed are the portfolios of mutual and other investment funds or trusts<br>This service code does not include:<br>• management of pension funds, cf.997164<br>• personal financial planning advisory services not involving decision-making on behalf of clients, cf.997159<br>• buying and selling of securities on a transaction fee basis, cf.997152<br>Accordingly, if Company's services align with the above inclusions and do not fall within the exclusions, the adoption of SAC 997153 for all such services going forward appears to be in order. Also, there is no requirement to amend SAC codes in previously issued invoices. |
| **31** | We are in receipt of Notification No: 02/2026-27 dated 01.04.2026.<br>Considering last para, Now being 100% EOU can we allowed to import Gold / Silver findings and mountings for our routine operation. | • Notification No. 02/2026-27 dated 01.04.2026 amends the import policy for items covered under CTH 7113 of Chapter 71 of ITC (HS) 2022, Schedule I (Import Policy), whereby articles of jewellery and parts thereof, of precious metal or metal clad with precious metal, have been placed under the "Restricted" category.<br>• However, para 4 of the said Notification provides a specific relaxation for EOU and SEZ units, allowing them to import goods falling under CTH 7113 without being subject to such restriction, provided that the imported goods are not sold into the Domestic Tariff Area (DTA).<br>Accordingly, EOUs are permitted to import items under CTH 7113 without restriction, subject to the condition that such goods are not cleared into the DTA. |
| **32** | We are having. Two unit one is Sez and another Eou. We are engage in shipbuilding activity.<br>We received shipbuilding order in the name of sez unit which is landlock. We are having permission for jobwork which is given by development commissioner kasez to carry out jobwork at our EOU unit and direct export from the sub-contracting unit.<br>We tranfer block and other items to jobwork unit on sub-contracting challan generated in sez online system.<br>Our query is that once we finally export final product from our jobwork unit. How can we close the challan generated and under which rule closer of challan are required? What is the procedure of challan closing challan. | Rule 42(2) of the SEZ Rules 2006, states that the Specified Officer may permit the Unit to export the finished goods directly from the sub-contractor's premises subject to the condition that samples of the exported goods are sent by the sub-contractor in sealed condition to the Specified Officer for the purpose of establishing the identity of the goods with the samples drawn at the time of removal to the sub-contractor. Further, the Shipping Bill for such duty-free goods is required to be processed at the port of export in the same manner as a normal export and must be filed in the name of both the Unit and the sub-contractor. Accordingly, the sub-contracting challan may be appropriately closed on the basis of the Shipping Bill filed in the name of the Unit and the sub-contractor, evidencing export of the goods. |

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| **33** | Mentor Printing and Logistics Pvt Ltd (SEZ Unit), are procuring indigenous materials for our authorised operations in USD currency; however, the supplier is not availing any exemption benefits for their raw materials ( i.e., advance licenses, etc.).<br>Under these circumstances, whether we should file the DTA Procurement Form or the DTA Procurement Form with export benefit (i.e. Shipping Bill) in the Icegate Module. | 1. DTA Procurement form is required to be filed in case of procurement of goods by SEZ unit from DTA unit.<br>2. DTA Procurement form is required to be filed on ICEGATE portal for each DTA procurements |
| **34** | We are having. Two unit one is Sez and another Eou. We are engage in shipbuilding activity.<br>We received shipbuilding order in the name of sez unit which is landlock. We are having permission for jobwork which is given by development commissioner kasez to carry out jobwork at our EOU unit and direct export from the sub-contracting unit.<br>We tranfer block and other items to jobwork unit on sub-contracting challan generated in sez online system.<br>Our query is that once we finally export final product from our jobwork unit. How can we close the challan generated and under which rule closer of challan are required. What is the procedure of challan closing challan.<br>------------------------------------------------------------------------------------------------------------------------------<br>We have sold 5 numbers of vessel from Sub Contracting unit in DTA with appropriate permission from Specified Officer. For that we had filed DTA sale Bill of Entry. How we can close that challan which are more than 2000 . | 1. The sub-contracting challan may be closed on the basis of the Shipping Bill filed in the name of the Unit and the sub-contractor, filed at the time of export of the goods from the DTA Unit.<br>2. Accordingly, the Company will have to map sub-contracting challans against respective Shipping Bills and get the sub-contracting challans closed. |
| **35** | We have received Circular Notification No. 09/2026 – Customs dated 31.03.2026, and we seek clarification regarding the applicable tax rate for HSN 40151200 (Non sterile Bulk Surgical Gloves). We are manufacturing Surgical Gloves from our new unit at AMRL SEZ & transferring the intermediate stage gloves to our own DTA unit at Nagercoil for conversion of Non sterile Gloves to Sterile Gloves and this include inspection, walletting, Pouching and sterilization etc.<br>As per the announcement dated April 30, 2022, the Basic Customs Duty (BCD) for this HSN is indicated as 10%. However, we would like to understand whether any exemption continues to be applicable for this product.<br>Specifically, we request confirmation on whether SEZ units can continue to supply these goods to DTA units with Basic Customs Duty exemption, provided the transactions are aligned with authorized operations. | We have examined the applicability of Basic Customs Duty (BCD) on goods falling under HSN 4015 12 00 (Non-sterile surgical gloves) in light of the prevailing customs tariff and relevant notifications and there does not appear to be any general or specific exemption currently available from BCD for the above-mentioned product. Accordingly, the standard rate of BCD of 10%, as prescribed under the Customs Tariff, would be applicable.<br>Further, as per the provisions of the Special Economic Zones (SEZ) Act, 2005, any goods removed from a Special Economic Zone (SEZ) to the Domestic Tariff Area (DTA) are treated as imports into India and shall be chargeable to applicable duties of customs. Accordingly, the transfer of non-sterile surgical gloves from the SEZ unit to the DTA unit would attract applicable customs duties, including BCD, in the absence of any specific exemption.<br>However, the SEZ Rules provide for temporary removal of goods to the Domestic Tariff Area without payment of duty for purposes such as job work, testing, or processing, such provisions are subject to the condition that the goods are returned to the SEZ within the prescribed time period. In the present case, since the goods are not returned to the SEZ after processing but are retained in the DTA, the transaction would not qualify as temporary removal and would instead be treated as a clearance to DTA, attracting applicable customs duties. |

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| **36** | We seek your guidance on the requirement of SOFTEX reporting for certain export transactions undertaken by Kyndryl Solutions Private Limited, an exporter primarily engaged in IT/ITES services.<br><br>Kyndryl Solutions Private Limited (KSPL) exports services to other Kyndryl group entities and receives foreign inward remittances through Authorized Dealer (AD) banks. In addition to core IT/ITES services, the Company has observed very minimal management consulting and management related advisory services provided to these entities. These services may or may not involve software development, software delivery, licensing, or IT system implementation.<br><br>In this context, we request clarification on the following for the purpose of export reporting and realization under RBI regulations:<br><br>1. Whether export proceeds relating to management consulting and management related advisory services are required to be reported through SOFTEX, or<br><br>2. Whether SOFTEX reporting is applicable only to exports of software and IT enabled services, and not to pure consulting / advisory services which do not result in delivery of software or IT products.<br><br>The clarification is sought to ensure correct reporting under EDPMS, proper invoice–remittance linkage through e-BRC, and to address queries raised by AD banks during export realization and reconciliation.<br><br>We would appreciate your guidance on the above, including reference to any RBI directions, clarifications, or established regulatory practice that may be relied upon. | 1. As per RBI guidance, SOFTEX reporting is specifically applicable to export of software, particularly in cases where software is exported not as goods. RBI has clarified that SOFTEX is not applicable to export of services using IT as a tool i.e., IT enabled services (ITeS).<br><br>2. In view of the above, it is evident that the applicability of SOFTEX is restricted to software exports, and does not extend to services which merely use IT as an enabling tool.<br><br>3. Accordingly, management consulting and advisory services, which do not involve development, licensing and export of software, the same shall not be within the scope of SOFTEX reporting.<br><br>4. Further, even though the Company is primarily engaged in ITES exports, the requirement of SOFTEX needs to be evaluated on the nature of each individual transaction. Only those invoices involving software-related exports would require SOFTEX filing, whereas pure consulting/ advisory services would fall outside its ambit. |
| **37** | I seek your clarification on the procedural requirement for movement of goods between Special Economic Zones.<br><br>Whether filing of Bill of Entry is required for transfer of goods from one SEZ unit/developer to another SEZ unit/developer (in same or different SEZ), considering the provisions of the SEZ Act and SEZ Rules.<br><br>Kindly clarify the applicable rule/procedure governing such inter-SEZ transfers. | 1. As per Rule 30(15) of the SEZ Rules, 2006, a Unit or Developer is permitted to procure goods and services from another Unit or Developer located in the same or any other Special Economic Zone, subject to prescribed conditions.<br><br>2. In cases where goods are procured from a Unit or Developer located in a different SEZ, the receiving Unit/Developer is required to file a Bill of Entry for home consumption with the Authorized Officer in quintuplicate, along with necessary documents such as invoice and packing list for assessment. Upon assessment, the goods are allowed to be transferred under a transshipment permit, and no separate bond or additional documentation is required, as the transshipment permission is endorsed on the Bill of Entry itself.<br><br>3. Further, the supplying Unit is required to submit a re-warehousing certificate within 45 days to its jurisdictional Specified Officer. In case of non-submission, the authorities may initiate action for recovery of applicable duty from the receiving Unit/Developer. |

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| | | 4. However, where the supplying and receiving Units/ Developers are located within the same SEZ, the above procedural requirements are not applicable. In such cases, the movement of goods shall be recorded in the regular books of accounts of the receiving Unit or Developer and the supplying Unit and no Bill of Entry shall be required to be filed. |
| **38** | My Port Code is INFMA6. We are an SEZ unit license holder currently manufacturing aircraft parts for export to the USA and European markets.<br>One of our potential foreign customers is prepared to place an order but has requested to make payments in INR for all exports. Given this scenario, I would like to clarify the following:<br>1. As an SEZ unit, are we permitted to raise export invoices in INR?<br>2. If so, is this value considered in the Net Foreign Exchange (NFE) calculation?<br>Could you please provide guidance on this arrangement's feasibility and any potential consequences or regulatory issues we should be aware of | 1. In terms of Para 2.52 of Foreign Trade Policy, 2023, an SEZ Unit can receive export proceeds for goods and services in INR provided it is through Special Rupee Vostro Accounts opened by AD Banks. Further, as per RBI Circular RBI/2022-2023/90 dated July 2022, export contracts and invoices can be denominated in Indian Rupees (INR). However, the export proceeds must be realized through a Special Rupee Vostro Account (SRVA) maintained by an Authorized Dealer (AD) bank in India for the foreign correspondent bank of the buyer.<br>2. Rule 53 of the SEZ Rules, 2006 provides that a SEZ unit must achieve positive Net Foreign Exchange (NFE), where export earnings are considered based on the FOB value of exports realized in freely convertible foreign exchange.<br>3. Accordingly, export proceeds realized in INR through Special Rupee Vostro Accounts opened by AD Banks can be considered for NFE computation. |
| **39** | We are the authorised representatives of Centific Global Technologies India Private Limited.<br>We seek your guidance on a procedural matter under SEZ provisions.<br>In a scenario where one SEZ unit/developer procures goods from another SEZ unit/developer (both located in same or different SEZs), we would like to understand whether there is a requirement to generate a Bill of Entry (BOE) for such transactions.<br>Specifically, we request your clarification on the following:<br>1. Whether BOE/BOA is mandatory for movement of goods between two SEZ units.<br>2. If not required, what is the prescribed documentation/process to be followed for such inter-SEZ supplies.<br>3. Whether any approval or endorsement from the Specified Officer is required in such cases.<br>We would appreciate your guidance along with relevant provisions or circulars, if any. | 1. A SEZ Unit is permitted to procure goods and services from another Unit located in the same or any other Special Economic Zone, subject to prescribed conditions.<br>2. In cases where goods are procured from a SEZ Unit located in a different SEZ, the receiving Unit is required to file a Bill of Entry for home consumption with the Authorized Officer in quintuplicate, along with necessary documents such as invoice and packing list for assessment. Upon assessment, the goods are allowed to be transferred under a transshipment permit, and no separate bond or additional documentation is required, as the transshipment permission is endorsed on the Bill of Entry itself.<br>3. Further, the supplying Unit is required to submit a re-warehousing certificate within 45 days to its jurisdictional Specified Officer. In case of non-submission, the authorities may initiate action for recovery of applicable duty from the receiving Unit.<br>4. However, where the supplying and receiving Units are located within the same SEZ, the above procedural requirements are not applicable. In such cases, the movement of goods shall be recorded in the regular books of accounts of the receiving Unit and the supplying Unit and no Bill of Entry shall be required to be filed. |

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| **40** | writing to seek clarification regarding DTA sales approval for our 100% EOU unit.<br>Based on our performance last year, our export figures are as follows:<br>1. Physical exports to foreign countries: 100 Cr.<br>2. Deemed exports within India (to EOU and SEZ units in USD value): 250 Cr.<br>Total exports: 350 Cr. (NFE positive achieved)<br>Given that DTA sales are generally restricted to 50% of the previous year's exports, I would like to clarify which value should be used as the basis for our DTA sales application. Should the 50% entitlement be calculated on the total export value of 350 Cr., or is it limited only to the physical foreign export value of 100 Cr.?<br>Could you please clarify the current EOU rule position regarding this scenario | 1. As per Para 6.07(a)(i) of Foreign Trade Policy, 2023, an EOU unit subject to fulfilment of positive NFE 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 on the inputs utilized for the purpose of manufacturing of such finished goods.<br>2. Accordingly, there is no cap/limit on DTA sale computed basis previous year exports. The only condition for DTA sale is that EOU unit shall be NFE positive.<br>3. As per Para 6.07(b), in case of EOU units engaged in export of services (including software units), DTA sale is restricted to 50% of the FOB value of exports and/ or foreign exchange earned, where payment of such services is received in foreign exchange. |
| **41** | Mentor Printing and Logistics Pvt Ltd (SEZ Unit), are procuring indigenous materials for our authorised operations in USD currency; however, the supplier is not availing any exemption benefits for their raw materials ( i.e., advance licenses, etc.).<br>Under these circumstances, whether we should file the DTA Procurement Form or the DTA Procurement Form with export benefit (i.e. Shipping Bill) in the Icegate Module.<br>-----------------------------------------------------------------------------------------------------------------------------------<br>Can you please clarify on the attached FAQ at No.22, whether we need to file a Shipping Bill if drawback claims by the supplier, as we are paying in USD for local procurement (within an Indian supplier)<br>Or even though we are paying in USD, the DTA procurement Form to be filed in ICEGATE instead of the Shipping Bill. | 1. As per FAQ No. 22 of the Frequently Asked Questions on SEZ Filing (Part-I), a Bill of Export is required to be filed by the SEZ Unit where supplies are made from DTA to SEZ under a drawback claim. There is no specific requirement prescribed for filing a DTA Procurement Form for such supplies.<br>2. However, since the DTA Procurement Form is a prior approval mechanism to be obtained from the SEZ authorities for DTA procurement, it is advisable to file the DTA Procurement Form. |
| **42** | We are FTWZ unit holder at NDR, Chennai, Tamil Nadu, our Unit Name : Yusen Logistics (India) Private Limited.<br>We need clarification on duty applicability when the foreign client is registered under FTWZ, purchases the goods from DTA & supply back the same to DTA?<br>Please refer the below two scenario and confirm whether duty will be applicable or not?<br>**Parties:**<br>A: DTA Supplier, B: Foreign Client registered in FTWZ Unit and C: DTA Buyer<br>**Scenario One:**<br>1. A Export the goods to B in FTWZ with claiming Export Incentive and LUT (GST)<br>B Sale the goods into DTA to C | As per Section 30 of the SEZ Act, 2005 read with Rule 48 of the SEZ Rules, 2006, any supply of goods from an FTWZ unit to DTA is treated as an import into India, and accordingly applicable customs duty and IGST are payable.<br>However, as per Rule 48(3) of the SEZ Rules, 2006, where goods procured from DTA by an FTWZ/SEZ Unit are supplied back to DTA as such or without substantial processing, such supplies shall be treated as re-import of goods and shall be subject to the procedure and conditions applicable to normal re-imports.<br>Accordingly, in Scenario 1, since export benefits/LUT have been claimed, the transaction would be subject to applicable customs duty and IGST.<br>In Scenario 2, where no export benefits were availed and the goods are supplied back as such, the proviso to Rule 48(3) becomes relevant, pursuant to which if import duty is Nil and no export benefits were claimed, the goods may be allowed to be cleared to DTA on invoice basis without filing of Bill of Entry. |

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| | **Question:**<br>- Whether it will be treated as Re-import?<br>- Whether duty will be exempted?<br>**Scenario Two:**<br>2. A Export the goods to B in FTWZ without claiming Export Incentive and LUT (GST)<br>B Sale the goods into DTA to C<br>**Question:**<br>- Whether it will be treated as Re-import?<br>- Whether duty will be exempted?<br>Please quote the Rule/Guideline/instruction no. associated with the clarification. | |
| **43** | With reference to the Instruction No. 66 below is the extract that SEZ Developers should appoint local vendors, can you clarify the role of the Developer in managing the Solid waste generated from the Units. So that we will plan accordingly. | 1. In terms of Para (d) of Instruction No. 66 dated 27.10.2010, SEZ Developer shall provide a centralized site within SEZ area for collection and storage of recyclable waste like paper, glass, metal, cardboard, plastics, e-waste, etc. However, such recyclable waste shall be segregated by individual SEZ units themselves .<br>2. Further, developer shall appoint local waste handlers/ vendors to collect and divert waste from both individual units & centralised collection area to reuse and/or recycle.<br>3. Accordingly, local waste handlers/ vendors shall be appointed by SEZ Developer. |
| **44** | Pls see the notification(Notification : 41/2017/ IGST) regarding the levy of IGST on DTA/export @ IGST 0.1%.<br>We have an overseas customer in Netherland and he told us to deliver the goods in Gurugram, India on his behalf.<br>We will raise the Invoice in foreign currency and the payment will be made by our overseas customer to us.<br>In the invoice buyer will be the overseas customer and consignee will be the party in Gurugram, India.<br>The consignee in Gurugram will further process the goods and then will export after making the final product to our customer in Netherland.<br>Pls let us know that whether this supply will be treated as export and what document/ certificate required from the consignee or from our customer in Netherland so that this supply be treated/established as expot for the purpose of Income tax/GST and Income Tax should not be levied. | 1. As per Section 2(5) of the IGST Act, 2017, "export of goods" requires that goods should be taken out of India, which is not the case here since delivery is made in Gurugram (DTA). Accordingly, the transaction does not qualify as export and will be treated as a domestic supply, notwithstanding that the invoice is raised on an overseas customer and payment is also realized from overseas customer.<br>2. In terms of Section 10(1)(b) of the IGST Act, though the place of supply is deemed to be the location of the overseas buyer in a bill-to–ship-to model, the supply does not meet the conditions of export, and hence zero-rating benefit is not available.<br>3. Consequently, GST is applicable on such supply. The Gurugram (DTA) unit, being the recipient, shall account for the inward supply in accordance with Rule 48(1) of the SEZ Rules 2006 and would be required to file a Bill of Entry under the Customs Act, 1962 and discharge applicable Customs duties including IGST.<br>4. Further, at the time of export of the final goods by the DTA unit, they may avail export benefits, in accordance with Customs Act, 1962 and Foreign Trade Policy, 2023. |
| **45** | If developer must divert waste from both individual units & centralised collection area to reuse and/or recycle.<br>In this context duty amount should be paid by whom it is developer or else Unit, as the waste is being generated by the Individual unit not by the developer. | Although the SEZ Developer may facilitate the collection, segregation, and routing of waste (including through centralized mechanisms), such waste is generated by the individual Units. Accordingly, the responsibility for payment of duty on disposal/clearance of waste lies with the respective Units. |

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| **46** | It is learnt that while opting out of EOU, NFEE would be calculated based on amortized value of CG with that of exports made<br>there-in right from LOP to exit period. In such case, if a Unit has achieved positive NFEE for all the previous couple of block<br>period of 5 years (with no amortization i.e. taking the actual CG value by every year ) and applied for exit EOU in the current<br>block period with no import of CG or RM, but exports alone, whether the amortization norms will be applied for arriving NFEE.<br>Our understanding is that amortization would not be applied for arriving NFEE since the unit has already taken the entire CG<br>value by every year without amortization and achieved positive in the previous block period. But, the NFEE calculation<br>would be applied only for the current block period to which exit EOU was given with import of CG/RM and exports made, if<br>any, in the same period. Request your valuable guidance on this to clarify our understanding in a broader aspect. | • At the time of exit from the EOU scheme, NFE is required to be assessed by Customs authorities taking into account the depreciation (amortized value) of capital goods, as prescribed under the exit provisions.<br>• As per para 6.10(d) of Handbook of Procedures 2023, for annual calculation of NFE, value of imported capital goods and lump sum payment of foreign technical know-how fee shall be amortized as under: 1st – 10th year : 10%. Provided that above amortization rates would be applicable only if an undertaking is given by a unit that it will not exit to DTA in the first 10 years. For existing units, proportionate Customs and GST must be paid where NFE is less than depreciation already claimed, before exit.<br>• Hence, NFE compliance would need to be examined with reference to the depreciated value of capital goods along with exports for the relevant period up to exit. |
| **47** | 1. M/s. A DTA Manufacturer (Seller/ Consigner) received Purchase Order from M/s. B US Buyer (consignee), Hence the M/s. A DTA manufacturer raised invoice to M/s. B US buyer in USD and the goods kept ready for dispatch to USA.<br>2. But M/s. B is received a Purchase Order from an Indian EOU Buyer M/s. C for the same material. Hence M/s. B is insisting to M/s. A to directly deliver the goods to EOU Buyer M/s. C warehouse in India.<br>3. As per M/s. A concern, the transaction should be export to US and the payment to be received from M/s. A from US in foreign currency. But the goods should be delivered in India to M/s. C EOU customer.<br>4. In the entire process, M/s. A receive payment from M/s. B. è M/s. B receive payment from M/s. C (there will be no relation between A & C)<br>Now, what kind of transaction is this and how justify this?<br>• Whether shipping bill / BL is involved for this transaction?<br>• How does the M/s. A receive payment from M/s. B from US?<br>• Whether GST is involved in this activity? | 1. As per Section 2(5) of the IGST Act, 2017, “export of goods” requires that goods be taken out of India, which is not the case here since the delivery is made to an Indian EOU. Accordingly, the transaction does not qualify as an export and would be treated as a deemed export, being a supply to an EOU.<br>2. Since the transaction is not considered an export, a shipping bill is not required.<br>3. The invoice should be raised on the overseas (US) entity, with the EOU reflected as the “ship-to” party.<br>4. GST shall be charged on such supplies. However, a refund of GST paid on deemed export supplies may be claimed either by the supplier or the recipient, subject to the condition that the recipient does not avail input tax credit and furnishes an undertaking permitting the supplier to claim the refund. |

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| **48** | Shipper is in Indian SEZ and the buyer is in US and the buyer's customer is in India EOU.<br>Now, the shipper has to deliver the goods directly to the Indian end customer on behalf of overseas buyers. | As per Section 2(5) of the IGST Act, 2017, export of goods requires movement of goods outside India, which is not met in this case since delivery is made to an Indian EOU. Accordingly, the transaction qualifies as a deemed export and not an export, and hence no shipping bill is required. The invoice should be raised on the overseas (US) entity with the EOU as the ship-to party |
| **49** | We seek your clarification on the permissibility and treatment of supplying goods from an SEZ/ FTWZ unit to a vessel calling at an Indian port.<br>Specifically, we would like to understand:<br>1. Whether raw materials and machinery parts can be exported/supplied from an SEZ/FTWZ unit directly to a vessel that is arriving at or berthed at an Indian port.<br>2. In such a scenario, whether the said supply would qualify as an "export" under the applicable SEZ/Customs regulations.<br>3. The documentation and procedural requirements to be followed for such transactions, including any approvals or filings required with Customs or SEZ authorities.<br>We request you to kindly provide your guidance and relevant regulatory references to ensure compliance with applicable laws. | Supplies to a vessel may be treated as exports under Section 2(m) of the SEZ Act, 2005, provided the vessel qualifies as a foreign-going vessel and the conditions for export are satisfied, i.e., the goods are meant for a destination outside India. However, supplies in the nature of ship stores consumed on board may not automatically qualify as exports unless they are clearly linked to a destination outside India.<br>From a procedural standpoint, such transactions would typically require filing of a Shipping Bill, along with necessary approvals from the Customs authorities. Supporting documentation, including proof of delivery to the vessel and compliance with SEZ procedures before the Specified Officer, would also be required. |
| **50** | **PREVIOUS QUERY -**<br>It is learnt that while opting out of EOU, NFEE would be calculated based on amortized value of CG with that of exports made<br>there-in right from LOP to exit period. In such case, if a Unit has achieved positive NFEE for all the previous couple of block<br>period of 5 years (with no amortization i.e. taking the actual CG value by every year ) and applied for exit EOU in the current<br>block period with no import of CG or RM, but exports alone, whether the amortization norms will be applied for arriving NFEE.<br>Our understanding is that amortization would not be applied for arriving NFEE since the unit has already taken the entire CG<br>value by every year without amortization and achieved positive in the previous block period. But, the NFEE calculation<br>would be applied only for the current block period to which exit EOU was given with import of CG/RM and exports made, if<br>any, in the same period. Request your valuable guidance on this to clarify our understanding in a broader aspect.<br>------------------------------------------------------------------<br>------------------------------------------------------------------<br>-------- | 1. As per Para 6.04 of the FTP, Net Foreign Exchange Earnings (NFE) is required to be calculated on a cumulative basis for a block period of 5 years. Further, Para 6.10(d) of the HBP prescribes amortization of capital goods for the purpose of annual NFE computation.<br>2. At the time of exit from the EOU scheme, the authorities typically recompute NFE up to the date of exit, taking into account the depreciated (amortized) value of capital goods, to ensure that the unit has fulfilled its overall NFE obligation.<br>3. In this context, the position generally adopted by the department is that amortization principles are applied for the entire relevant period of NFE computation, and not restricted only to the current block period.<br>4. Accordingly, even if the unit has achieved positive NFE in earlier block periods (without applying amortization), the authorities may still revisit the computation by applying amortized value of capital goods across the entire period from LOP till exit, for the purpose of final verification. |

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| | **NEW QUERY**<br>We are unclear on our understanding whether such amortization would be made applicable only for the current block period in which the unit is desirous to exit from the scheme or the entire previous block periods (where the NFEE was on the positive side) also i.e. right from the day of LOP issued.<br>Here, the unit has already completed 3 block period with positive NFEE and obtained renewal for the 4th block period. During the middle of 4th block period, unit has applied for exit with no GC or RM import took place in the existing block period, but only exports, showing the NFE was on the positive<br>side. But, the dept., is taking the CG value on amortized basis from the previous block periods which was already closed with positive NFE and only then renewal for 4th block was issued. As per para 6.04 of FTP, NFE should be calculated for a cumulative period of 5 years. Our understanding is that for annual calculation of NFE purpose alone, the amortized value will be made applicable as per para (d) 6.10 of HBP,<br>Request your valuable clarification whether amortized formula will be made applicable only for the existing block period or the entire block periods where<br>the Unit had already achieved positive NFE for the unit applying for exit. | |
| **51** | We are a Private Limited Company in DTA specializing in the manufacture of Rigid Boxes and Mono Cartons. Our products are classified under HSN 48192020 and currently attract a GST rate of 5%.<br>**New Transaction Details:**<br>We have new international client. The specific terms of this business of Order supply & Payment. Orders will be placed from overseas client in USD, and the full payment will be received in USD. Invoice will be raised to the overseas client in USD.<br>Delivery: Physical delivery of the goods will be made to a location within India, as directed by the client and specifically at Duty Free Area of Indian Airports or any other DTA location. Raw material used will be on payment local taxes applicable.<br>Request for Advice: we seek advise since client oversees payment how to charge GST since this is domestic supply and how this transaction will be closed in EDPMS and what documentation require by the bank for closure of these transaction. | 1. As per Section 2(5) of the IGST Act, 2017, "export of goods" requires that goods be taken out of India, which is not the case here since the delivery is made to a DTA unit. Accordingly, the transaction does not qualify as an export.<br>2. Since the transaction is not considered as export, a shipping bill is not required. A separate tax invoice with applicable GST shall be raised with the DTA unit reflected as the "ship-to" party.<br>3. Further, the movement of the goods to DTA unit shall be done on the basis of E-way bill.<br>4. It is pertinent to note that in the present case, since the goods are not physically exported out of India, the transaction does not qualify as an "export of goods" under the applicable legal framework. Consequently, the inward remittance received cannot be treated as export proceeds. In line with this position, such transactions are not required to be reported or monitored under the Export Data Processing and Monitoring System (EDPMS), which is specifically designed for tracking realization of export proceeds against shipping bills filed with Customs authorities. |

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| | | 5. Accordingly, the receipt of foreign currency in this arrangement would be treated as a permissible inward remittance linked to a domestic supply transaction, subject to compliance with FEMA and RBI requirements. It is, however, advisable to engage with the concerned AD bank in advance and obtain their concurrence on the proposed structure, as banks may prescribe specific documentation or procedural requirements to ensure regulatory compliance and proper classification of the remittance. |
| **52** | We, M/s Guidehouse India Private Limited, operating multiple STPI and SEZ units across Chennai and Trivandrum, seek your guidance under the SEZ Act, 2005 and SEZ Rules, 2006 on the legal permissibility and compliance requirements for temporary movement of employees between our SEZ and STPI units. | 1. There is no specific provision under SEZ Act, 2005 and SEZ Rules, 2006 for temporary movement of employees between SEZ units and STPI units.<br>2. Rule 43A of SEZ Rules, 2006 provides for hybrid working/ remote working (from any place outside SEZ) to certain categories of SEZ employees with due intimation to Development Commissioner. However, such permission is specifically granted only in relation to services or a project approved for the SEZ Unit. Further, such approval granted is valid only upto 31.12.2027.<br>3. Accordingly, in absence of any specific law, the Company can make a representation to the concerned Development Commissioner for obtaining a specific permission for temporary movement of employees between SEZ units and STPI units for execution of certain projects. The Company can also specifically highlight that such temporary movement of employees shall be without any movement of laptops, capital goods or any other duty free procured goods. |
| **53** | We here would like to emphasize on Rule 49 for abatement of duty under Sub-Rule 3 of SEZ Rule 2006.<br>"(3) Goods on which any export entitlements were availed at the time of procurement of<br>goods may be supplied back to the Domestic Tariff Area on payment of duty equivalent<br>to the export entitlements availed subject to the condition that the identity of goods<br>being supplied back to the Domestic Tariff Area is established to the satisfaction of the<br>Specified Officer:<br>Provided that where no export entitlements are availed, such goods may be supplied<br>back to the Domestic Tariff Area without payment of duty."<br>In view of the above, since provision is made to remove goods without payment of customs duty, which was originally procured from DTA without availing any export benefit/incentive.<br>Please confirm how to apply such provision in the bill of entry to claim and exemption while re-import of the as is goods from FTWZ to DTA which was originally supplied from DTA on Bill of Export declaration. | 1. The exemption is generally claimed in the Bill of Entry by selecting appropriate exemption notification code in the exemption remarks field, or by using the appropriate non-tariff exemption flag, depending upon the system configuration.<br>2. Suitable narration shall also be included stating that the goods are being returned as such from FTWZ to DTA, originally supplied under a Bill of Export without availing any export incentives, and that exemption is being claimed under Rule 49(3) of the SEZ Rules, 2006.<br>3. Further, for successful availment of the said benefit, it is critical to substantiate that no export entitlements were availed and that the identity of the goods is clearly established to the satisfaction of the Specified Officer.<br>4. Additionally, care should be taken to ensure consistency in description, quantity (or properly reconciled variations), and a complete traceable documentation trail to avoid any disputes at the time of assessment. |

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| **54** | We are in SEZ Unit our authorised operation are, Warehousing, Trading, Cutting processing and Business Support service as per LOA.<br>Please note that we have rendered warehousing service to DTA unit under Moowr scheme. We have raised the invoice against there purchase order which given to us in USD currency, we have also raised our service invoice USD currency.<br>But our DTA-Moowr scheme customer not making an payment USD currency instead they are making in INR.<br>We have informed our customer that as per Section 2(z) of SEZ Act, 2005, "Service " means such tradable services which .-<br>i. Are covered under the General Agreement on trade in services annexed as IB to the Agreement establishing the World Trade Organisation concluded at Marrkaes on the 15th day of April 1994:<br>ii. May be prescribed by the Central Government for the purposes of this Act; and<br>iii. Earn foreign exchange;<br>We have explained them we cannot invoice in INR as it is our revenue and we have to raised in foreign currency only, but still there was an argument that, the customer are not willing to pay in foreign currency, there auditor are not issuing them 15CA & 15CB certificate to process the foreign payment. There are insisting that we SEZ unit are Indian party hence we cannot make the payment in foreign currency.<br>According to the above section as an SEZ unit we much raise and correct the proceeds in foreign currency only as per the definition of Service.<br>I request you to kindly let us know is our ground are correct and In case if we have any reference to make the payment in foreign current to SEZ unit please share it. | 1. In terms of Para 2.52 of Foreign Trade Policy, 2023, an SEZ Unit can receive export proceeds for goods and services in INR provided it is through Special Rupee Vostro Accounts opened by AD Banks. Further, as per RBI Circular RBI/2022-2023/90 dated July 2022, export contracts and invoices can be denominated in Indian Rupees (INR). However, the export proceeds must be realized through a Special Rupee Vostro Account (SRVA) maintained by an Authorized Dealer (AD) bank in India for the foreign correspondent bank of the buyer.<br>2. Rule 53 of the SEZ Rules, 2006 provides that a SEZ unit must achieve positive Net Foreign Exchange (NFE), where export earnings are considered based on the FOB value of exports realized in freely convertible foreign exchange. As per Rule 53(h) of SEZ Rules, 2006, service SEZ unit can render services in DTA provided the payment is in free foreign exchange or such services rendered in Indian Rupees which are otherwise considered as having been paid for in free foreign exchange by the Reserve Bank of India.<br>3. Accordingly, payment for services rendered to DTA which is realized in INR through Special Rupee Vostro Accounts opened by AD Banks can be considered for NFE computation. |
| **55** | writing to you on behalf of Expedite Software Services Pvt Ltd, an SEZ unit located in Artha SEZ. We currently export services, specifically "Consultancy Services (Staffing & Hr)".<br>We have duly filed the Service Export Reporting Form (SERF). However, to ensure we would like to seek your official clarification on the following:<br>1. Does the mandatory monthly filing of the SERF satisfy all export reporting requirements for our service exports, or is the filing of the SOFTEX form still a statutory prerequisite for our specific services (HSN 998311)?<br>2. Our export services bill is attached herewith. | 1. As per RBI guidance, SOFTEX reporting is specifically applicable to export of software, particularly in cases where software is exported not as goods. RBI has clarified that SOFTEX is not applicable to export of services using IT as a tool i.e., IT enabled services (ITeS).<br>2. In view of the above, it is evident that the applicability of SOFTEX is restricted to software exports, and does not extend to services which merely use IT as an enabling tool.<br>3. Accordingly, consulting services i.e. staffing and HR services, which do not involve development, delivery, or licensing of software, would not fall within the scope of SOFTEX reporting. |

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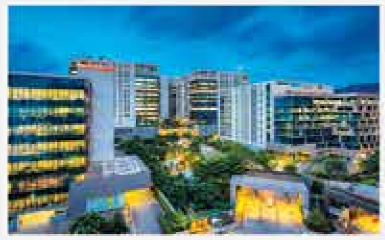

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## SEZ Sector Wise Goods Exports April -June

| Rank | Zones | TOTAL FY-2026-27 | | TOTAL FY-2025-26 | | Actual Change | Percentage Change | Actual Change | Percentage Change |
|---|---|---|---|---|---|---|---|---|---|
| | | INR (Rs. In Cr.) | USD (USD In Million.) | INR (Rs. In Cr.) | USD (USD In Million.) | Change In Inr | Inr terms | Change In USD | USD Million terms |
| 1 | Petroleum Products | ₹ 79,205 | $8,467 | ₹ 53,771 | $6,335 | ₹ 25,434 | +47% | $2,132 | +34% |
| 2 | Engineering Goods | ₹ 26,483 | $2,825 | ₹ 16,198 | $1,908 | ₹ 10,285 | +63% | $917 | +48% |
| 3 | Gems And Jewellery | ₹ 22,764 | $2,432 | ₹ 14,126 | $1,665 | ₹ 8,638 | +61% | $767 | +46% |
| 4 | Drugs And Pharmaceuticals | ₹ 16,986 | $1,812 | ₹ 14,825 | $1,744 | ₹ 2,160 | +15% | $68 | +4% |
| 5 | Organic And Inorganic Chemicals | ₹ 8,848 | $943 | ₹ 11,179 | $1,314 | -₹ 2,331 | -21% | -$372 | -28% |
| 6 | Electronic Goods | ₹ 6,070 | $648 | ₹ 3,297 | $388 | ₹ 2,773 | +84% | $259 | +67% |
| 7 | Plastic And Linoleum | ₹ 1,637 | $175 | ₹ 1,548 | $182 | ₹ 89 | +6% | -$8 | -4% |
| 8 | Leather And Leather Manufactures | ₹ 1,134 | $121 | ₹ 1,094 | $129 | ₹ 41 | +4% | -$8 | -6% |
| 9 | Tobacco | ₹ 916 | $98 | ₹ 631 | $74 | ₹ 284 | +45% | $23 | +31% |
| 10 | Mica, Coal And Other Ores, Minerals Including Process | ₹ 807 | $87 | ₹ 2,135 | $252 | -₹ 1,327 | -62% | -$165 | -66% |
| 11 | Rmg Of All Textiles | ₹ 667 | $71 | ₹ 706 | $83 | -₹ 39 | -5% | -$12 | -14% |
| 12 | Cotton Yarn/Fabs./Madeups, Handloom Products Etc. | ₹ 538 | $57 | ₹ 587 | $69 | -₹ 49 | -8% | -$12 | -17% |
| 13 | Man-Made Yarn/Fabs./Madeups Etc. | ₹ 502 | $54 | ₹ 371 | $44 | ₹ 132 | +36% | $10 | +23% |
| 14 | Handicrafts Excl. Hand Made Carpet | ₹ 351 | $38 | ₹ 224 | $26 | ₹ 128 | +57% | $11 | +42% |
| 15 | Marine Products | ₹ 283 | $30 | ₹ 153 | $18 | ₹ 130 | +85% | $12 | +68% |
| 16 | Coffee | ₹ 183 | $20 | ₹ 157 | $18 | ₹ 27 | +17% | $1 | +6% |
| 17 | Cereal Preparations And Miscellaneous Processed Item | ₹ 178 | $19 | ₹ 150 | $18 | ₹ 28 | +19% | $1 | +8% |
| 18 | Ceramic Products And Glassware | ₹ 154 | $16 | ₹ 203 | $24 | -₹ 49 | -24% | -$7 | -31% |
| 19 | Tea | ₹ 102 | $11 | ₹ 76 | $9 | ₹ 26 | +34% | $2 | +22% |
| 20 | Fruits And Vegetables | ₹ 87 | $9 | ₹ 101 | $12 | -₹ 15 | -14% | -$3 | -23% |
| 21 | Spices | ₹ 85 | $9 | ₹ 92 | $11 | -₹ 7 | -8% | -$2 | -16% |
| 22 | Jute Mfg. Including Floor Covering | ₹ 63 | $7 | ₹ 128 | $15 | -₹ 64 | -50% | -$8 | -55% |
| 23 | Others | ₹ 5,506 | $587 | ₹ 5,018 | $590 | ₹ 488 | +10% | -$3 | -0% |
| | **Total** | **₹ 168,044** | **$17,948** | **₹ 121,751** | **$14,340** | **₹ 46,293** | **+38%** | **$3,608** | **+25%** |

# About Us

Export Promotion Council for EOUS & SEZs (SEZEPC) 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 6500 members with more than 5100 SEZ units, 400 SEZ developers and 1000 EOUs. In F.Y. 2025-26, total exports of goods and services from SEZs were recorded at **US$ 183.1 billion**. Exports of goods from SEZs were at **US$ 70.8 billion** constituting 16% of India's total exports of goods at **US$ 441.8 billion** and export of services were at **US$ 112.3 billion** constituting 27% of India's total exports of services at **US$ 418.3 billion**. There are about **6695 units** approved in **276 operational SEZs** providing employment to **31.77 lakh persons** with a total investment of about **Rs 7.82 lakh crore**.

***Key Achievements***

- ***Concessional Duty Framework:*** *Granted conditional customs duty concessions (reduced BCD and AIDC) for eligible SEZ manufacturing units clearing goods into the DTA, vide CBIC Notification No. 11/2026-Customs (dated 31.3.2026).*
- ***RoDTEP Scheme Extended & Restored:*** *Extended to SEZs and EOUs (vide Notification No. 70/2023 dated 8.3.2024) and successfully restored w.e.f. 1.6.2025 after a brief suspension.*
- ***Exemption from QCOs:*** *Mandatory Quality Control Orders (QCOs) exempted for SEZ and EOU imports used for export purposes, vide DGFT Notification No. 71/2023-24 (dated 11.3.2024).*
- ***DTA Operations for IT/ITES SEZs:*** *Permitted to serve the DTA by demarcating non-processing areas under SEZ Rule 11B (vide Notification GSR 881(E) dated 6.12.2023 & Instruction No. 115).*
- ***Relief from Quantitative Restrictions:*** *SEZs exempted from Safeguard Quantitative Restrictions on Isopropyl Alcohol imports, vide DGFT Policy Circular No. 4 (dated 31.8.2023).*
- ***Zero-Rating Benefits Continued:*** *Clarification issued maintaining zero-rating benefits for lease rentals and employee welfare charges in SEZs (vide Dept. of Commerce letter dated 3.10.2023).*
- ***Exemption on IT Hardware Imports:*** *SEZs and EOUs exempted from "restricted import authorization" for captive-use IT hardware imports, vide Notification 23/2023 & Policy Circular No. 6 (dated 19.10.2023).*
- ***Clearance of Used IT Assets:*** *Special exemption granted allowing the movement of used IT assets (laptops, monitors, etc.) from SEZs to the DTA, vide DGFT Notification No. 56/2023 (dated November 2024).*
- ***SIMS Portal Resolution:*** *Promptly resolved operational disruptions caused by the sudden deactivation of Steel Import Monitoring System (SIMS) accounts.*

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