



GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
OFFICE OF THE DEVELOPMENT COMMISSIONER
NOIDA SPECIAL ECONOMIC ZONE
NOIDA DADRI ROAD, PHASE-II, NOIDA - 201305
DISTT. GAUTAM BUDH NAGAR (UTTAR PRADESH)



F. No. 10/29/2015-SEZ/ 5277

Dated the 30th May, 2016

To,

All SEZ Units under the jurisdiction of
Development Commissioner, NSEZ

Subject: Sale of Services in DTA

Kind attention is invited to section 2(z) of the Special Economic Zone Act, 2005 wherein "Services" means such tradable services which:-

- (i) are covered under the General Agreement on Trade in Services annexed as IB to the Agreement establishing the World Trade Organization concluded at Marrakesh on the 15th day of April, 1994;
- (ii) may be prescribed by the Central Government for the purposes of this Act;
- (iii) earn foreign exchange.

2. In this regard, as per the instructions of the Department of Commerce, Ministry of Commerce & Industry, Govt. of India, contained in its letter No. D.12/50/2016-SEZ dated 04/04/2016, all SEZ units in IT/ITES SEZs have to comply with the definition of 'Service' under Section 2(z) of SEZ Act, 2005, mentioned above.

3. It is evident from the extract the SEZ Act, 2005 as reproduced hereinabove read with relevant SEZ Rules, 2006, and instructions of the Department of Commerce, an SEZ unit can export or sell in Domestic Tariff Area any services as authorised under the Letter of Approval granted to it under Rule 19 of the SEZ Rules, 2006, only against payment in foreign exchange.

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4. In view of above, it is hereby reiterated that all the SEZ units should strictly adhere to the above mentioned provisions of the SEZ Act, 2005 in letter and spirit. In cases where Letters of Approval (LOAs) for undertaking service activities falling under the definition of 'service' as defined in Section 2(z) of the SEZ Act, 2005, have already been issued prior to issuance of this circular, in all such LOAs the following additional condition shall be deemed to have been inserted:

"You have to comply with the definition of Service under Section 2(z) of the SEZ Act, 2005"

Copy to:

All Specified Officers / Authorized Officers


(Rakesh Kumar)
Dy. Development Commissioner
राकेश कुमार/RAKESH KUMAR
उप विकास आयुक्त/Dy. Development Commissioner
नोएडा विशेष आर्थिक क्षेत्र/Noida Special Economic Zone
वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार
Ministry of Commerce & Industry, Govt. of India
नोएडा दादरी रोड, फेज-11, नोएडा-201305 (उ.प्र.)
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