

Fiscal Incentives

On capital goods, consumables, components, spares, raw material and services

Development and Operation Stage

- No Excise Duty on goods procured from India
- No Custom Duty on import
- No Service Tax on services availed
- No Value added Tax (VAT)
- No Central Sales Tax (CST)
- No Purchase Tax
- No Electricity Duty
- All export incentives pertaining to physical export
- No Stamp Duty & registration fees

Other Fiscal Benefits at Profit Stage:

- Exemption from Income Tax
 - i. 100% for the first 5 years
 - ii. 50% for the next 5 years
 - iii. 50% of the profits ploughed back for the next 5 years
- Transfer of ownership of SEZ units (including sale) permitted subject to fulfillment of prescribed conditions (Rule 74 A)

SEZ Operational Benefits

The operational ease of the SEZ Units include:

- Certification from single SEZ authority
- No routine examination for Imports, Exports
- 100% FDI through automatic approval
- Off-shore Banking Units (OBUs) for Finance
- Can import any items (except prohibited items)
- External commercial borrowing by units up to US \$500 Million a year allowed without any maturity restrictions
- Freedom to bring in export proceeds without any time limits
- Exemption from requirement of being domicile in India for 12 months, prior to appointment as director
- Relaxed Labour laws
- SEZ units function on Self Certificate basis
- 100% DTA sale is allowed on payment of applicable duty subject to complying the NFE norm
- No cap on foreign investments on items reserved for SSI