



# A walkthrough of our SEZ/STPI service offerings

**#GTBharat**  
SHAPING VIBRANT INDIA





# SEZ scheme- Overview



# About SEZ scheme

A Special Economic Zone (SEZ) is a designated geographical region governed by the SEZ Act 2006. SEZs are established as duty-free enclaves that operate as territories outside the customs territory of India. This unique status allows businesses within SEZs to undertake authorised operations with certain exemptions and benefits.

The Union Budget 2022 proposed revamping the existing law governing SEZs to align it with the objectives of 'Make in India' and facilitate the 'ease of doing business'. The Government has proposed to replace the existing law governing SEZs with a new legislation to enable states to become partners in the 'Development of Enterprise and Services Hubs'.

## Objectives of the SEZ regime



Generation of additional economic activity



Promotion of exports of goods and services



Promotion of investment from domestic and foreign sources



Creation of employment opportunities



Development of infrastructure facilities

# SEZ at a glance

India is predicted to become one of the leading economies of the world, with some of its initiatives, such as [Make in India](#), which aim to transform India into a global market. SEZs, across India, have expanded enormously; key data pertaining to the same is as follows\*:

**278**

operational  
SEZs

**5713**

units in  
operation

**2.98**

million+  
employees

**INR**

**6,699**

billion+  
investment

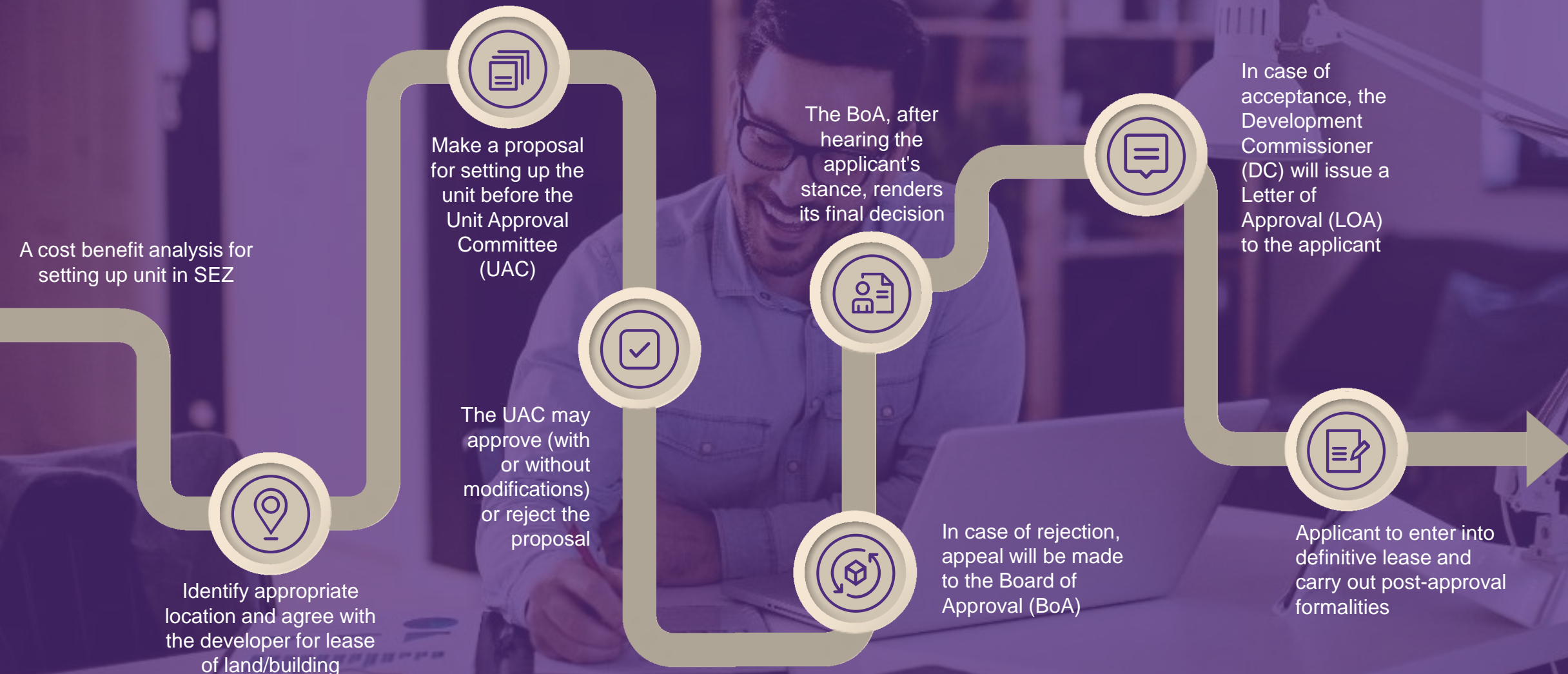
**INR**

**9,978**

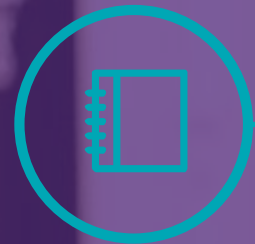
billion+  
exports per  
year

\*As per February 2024. Source: <http://sezindia.nic.in/>

# Key milestones for setting up SEZ/IFSC/FTWZ



# Key compliance requirements



Monthly Performance Report (MPR)



Service Export Reporting Form (SERF)



LOA renewal/ BLUT execution



Endorsement of goods and services/ DTA sale



Annual Performance Report (APR)



Work from home/job-work



Software Export Declaration (SOFTEX)

# Revamp of the SEZ policy in India- DESH Bill

Revamping of SEZ law was proposed in Union Budget 2022, with the objective of 'Make in India' and facilitating 'ease of doing business' and based on the following:

**Fully IT-driven customs administration**

**Risk-based approach for verification**

**Better infrastructure facilities**

**Industry Specific Zones and benefits**

The Government proposed to replace the existing law governing Special Economic Zones (SEZs) with new legislation to enable States to become partners in the **'Development of Enterprise and Service Hubs.'** This will cover all large existing and new industrial enclaves to optimally utilize the available infrastructure and enhance the competitiveness of exports.

Recently, a draft version of SEZ law has been made available called the **DESH Bill with 11 chapters consisting of 86 sections**, and the same has been laid before the Parliament.

“ In a recent development, **proposed SEZ Amendment Bill is expected to be featured in 100-day Agenda of the Commerce Ministry**, with plans to table the changes in the upcoming Monsoon Session of Parliament.

With an aim to revive SEZs, the government is considering measures such as a flexible framework for the sale of products manufactured in SEZs in the domestic market, and streamlining approval processes for units.

”



# STPI scheme- overview





# About STPI scheme

The Software Technology Park (STP) Scheme is a 100 percent Export Oriented Scheme for the development and export of computer software, including export of professional services using communication links or physical media.

There are exclusive software parks developed under the scheme beside the fragmented units operating under the scheme. STPI scheme is unique in nature as it focuses on one product / sector, i.e. computer softwares

STPI has played a key developmental role in the promotion of software exports with a special focus on SMEs and startup units.

## Key Highlights of the STPI regime



Any person can set up an STP unit anywhere in India



No import duty on hardware/ software



Relaxed investment criteria



Simplified minimum export performance norms



100% depreciation on capital goods over a period of five years

# STPI at a glance

The STPI Scheme has played a vital role in the phenomenal success of the IT/ITES industry. It is a unique scheme, designed to promote the software industry and growth of startups and SMEs without any locational constraints. STPIs, across India, have expanded enormously; key data pertaining to the same is as follows\*:

**63**

**operational centers**

**5,168**

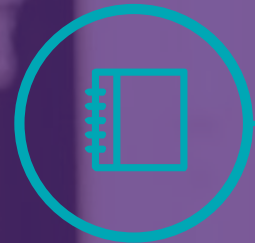
**units in operation**

**INR 8,483**

**billion+ IT exports  
in FY 22-23**

*\*As per STPI Annual report FY 2022-23 Source: <https://stpi.in/en/stpi-annual-reports>*

# Key compliance requirements



Monthly Performance Report (MPR)



Service Export Reporting Form (SERF)



LOA renewal/extension



Quarterly Performance Report (QPR)



Annual Performance Report (APR)



DTA sale or procurements



Software Export Declaration (SOFTEX)



# Grant Thornton - SEZ/STPI Focus



# Grant Thornton- A truly global organization

## The scale you need to meet your changing needs

With more than 68,000 people in over 145 markets, we are a truly global organisation. No matter how big your organisation is or how international the challenges are, we have the resources to match. We have member firms in over 130 countries worldwide. We are ranked one of the top five firms in 88 markets around the world and we're well established in all major business centers and emerging markets.

More than **68,000** people

Total global revenues  
**\$7.2 bn** (2022)

Over **750** offices

Based over  
**145 markets**

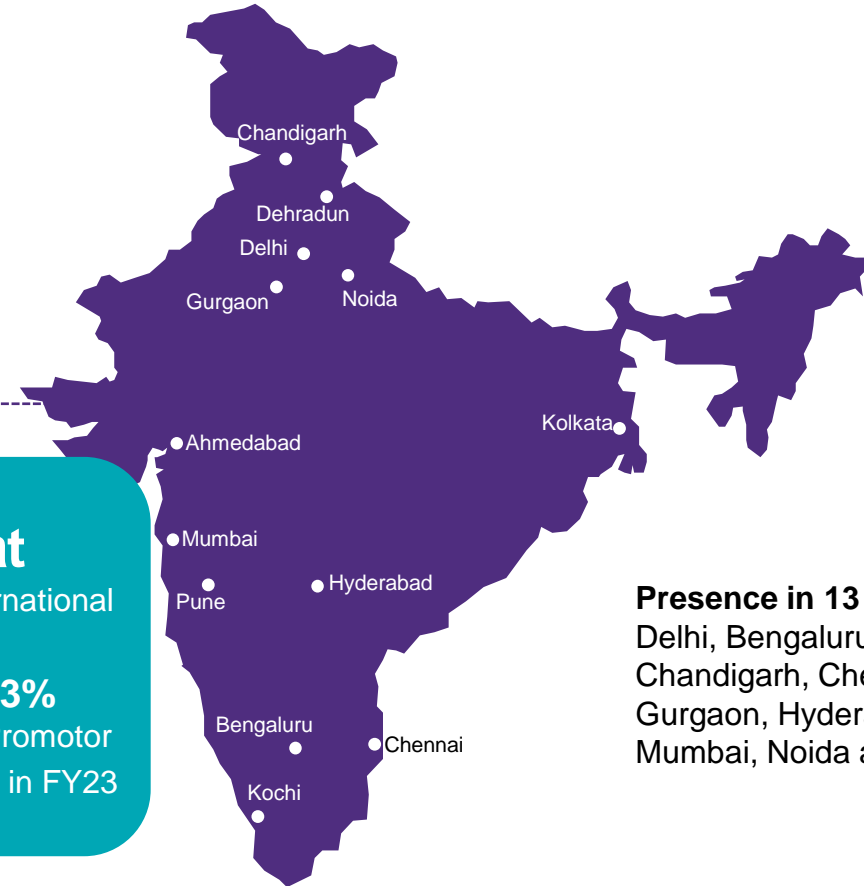
## Grant Thornton Bharat

Member firm within Grant Thornton International

**6,500+**  
people

**15**  
offices

**83%**  
Net Promotor  
Score in FY23



Ranked  
among  
**Top 5** in  
all major  
markets  
including  
India

**Presence in 13 major cities of India**  
Delhi, Bengaluru, Ahmedabad,  
Chandigarh, Chennai, Dehradun,  
Gurgaon, Hyderabad, Kochi, Kolkata,  
Mumbai, Noida and Pune

**Disclaimer:** Maps are for graphical purposes only. They do not represent a legal survey.

# Our commitment to be the best

## We help dynamic organizations to unlock their potential by delivering forward-looking advice

We do that by delivering real insight through a combination of technical rigor, commercial experience and intuitive judgment. Our commitment to servicing you will be reflected in our service delivery, team and the level of our responsiveness. Our distinctive client service approach guarantees:



With 68,000 people in over 145 countries, we have true global scale, deep technical capabilities and extensive industry expertise, but this does not make us different. It's how we work with you...

# SEZ/STPI footprints - Commitment to Excellence (1/2)

## Our Value relationship with EPCES

Established as EPCES\* knowledge partner since 2020, providing expertise and support to its 4000+ members.

Conducted multiple operational scheme studies, facilitating communication between industry and policy makers.

Conducted numerous knowledge sharing sessions in partnership with EPCES

## Team of experts

GT's dedicated SEZ/STPI team, led by an experienced SEZ/STPI professionals, offers tailored solutions and personalized services for optimal results.

With exclusive focus on SEZ/STPI consultancy, our specialized desk ensures comprehensive support, delivering successful outcomes for our clients.

\* Export Promotion Council for EOU & SEZ formed under Ministry of Commerce & Industry, GOI

## Full spectrum SEZ/STPI assistance

Cost-Benefit Analysis for an informed decision-making and efficient implementation strategies.

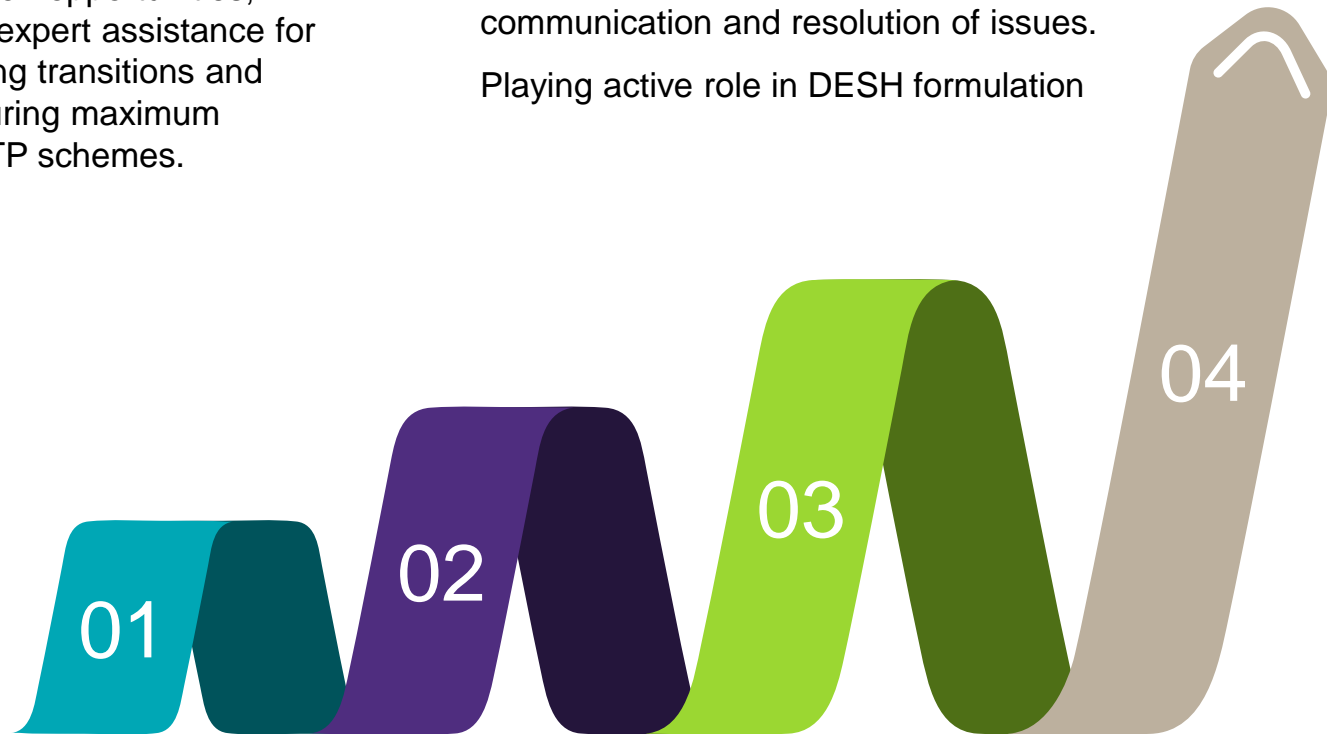
Thorough compliance and tax review to identify optimization opportunities, accompanied by expert assistance for SEZs/STPIs during transitions and expansions, ensuring maximum benefits under FTP schemes.

## Strategic Vision for SEZ/STPI

Effectively represented the industry before relevant authorities for multiple resolutions and obtaining necessary clarifications.

Acted as a bridge between the industry and regulatory bodies, facilitating smooth communication and resolution of issues.

Playing active role in DESH formulation



# SEZ/STPI footprints - Commitment to Excellence (2/2)

## Our Additional Value Propositions

**Regular interaction and  
Face value with  
authorities**



**Tailored Solutions**



**Pro-active advisory**



**Effective review  
mechanism including  
two level review and  
built-in checkpoints**



**Solution driven approach**



**Quick Turn around time**



**Adequate staffing  
including sector  
experts and trained  
resources**



**Dedicated team**



**Regular  
monthly meetings**





# Key SEZ/STPI Credentials





**How Grant Thornton can help?**



# How Grant Thornton can help (1/3)

At Grant Thornton, we provide a range of services that enable a client to successfully implement his/her SEZ/STPI plans. Here is a summary of our offerings:

## Setting up of SEZ/ STPI unit

### Phase I

#### High level study on setting up of SEZ/STPI unit

Assistance in making an informed decision on setting up or transitioning to a SEZ/STPI unit

### Phase II

#### Assistance in setting up SEZ/STPI unit

Assistance in preparation and finalisation of proposal, along with projected financials  
Representation before the SEZ/STPI authorities and obtaining LOA

### Phase III

#### Transitional Support

Assistance in phase-wise shifting of goods to SEZ/STPI unit  
Mapping tax implications and compliances for proposed/ planned transactions to be undertaken by the SEZ/STPI unit

### Phase IV

#### Hyper-Care Support

Assistance in the operationalization of the SEZ/STPI units through trainings, preparation of process manuals and FAQs.  
Assistance in obtaining registration under different laws.  
Assistance in ensuring legal compliance for movement of goods, individuals, etc.

# How Grant Thornton can help (2/3)

## SEZ/STPI Operational Support services

### Compliances and advisory

Filing periodic returns such as MPR, QPR, SERF, SOFTEX, and APR

Advisory for routine functioning of the unit in view of regular legislative amendments and interplay between multiple statutes

On-call advisory

### SEZ/STPI health check

Identifying risk areas and possible mitigation strategies by undertaking diagnostic reviews from an SEZ/STPI perspective

Review of key documentation and tax positions adopted

Review to ascertain and mitigate issues, if any, prone to litigation

### Litigation support

Support during audit, investigation, search and seizure, including representation and response to initial queries

Draft replies to the show cause notices, appeals and cross-objections for filing before various appellate authorities

Drafting writs/Special Leave Petitions (including settling by the counsel)

End to end support for handling all the litigations pending at various levels

### Representational support

Specialised SEZ/STPI representational support services to SEZ/STPI units with the objective of minimizing future legal and financial risk.

Planning and coalition of the requisite information along with supporting case facts

Drafting a detailed representation covering all factual and legal aspects of the matter



# Client Service Team Structure



# Client Service Team Structure

One of the most critical parts of the decision to appoint your advisors is choosing the people who will work with you. A team that can become true trusted advisors to you and to the business – supportive but never afraid to tell you what they really think, delivering advice which is technically correct and most importantly, approachable and within a close reach.

## THE OVERALL PROPOSED TEAM STRUCTURE

### Practice Leader and Escalation point

**Krishan Arora**  
Partner & IDT leader

### National Coordinator, Quality reviewer & Spocs

**Praveen Kashyap**  
Executive Director, SEZ/STPI expert

**Manoj Mishra**  
Partner & NTO head

### Regional Team Leaders

**P.S. Krishnan**  
Partner, Tax

**Karan Kakkar**  
Partner, Tax

**Narendra Burad**  
Executive Director, Tax

**Sachhin Shinde**  
Partner, Tax

**Biren Vyas**  
Partner, Tax

**Sohrab Bararia**  
Partner, Tax

**Chennai/ Hyd/ Kochi**

**Delhi/NCR**

**Bengaluru**

**Pune**

**Mumbai**

**Kolkata**

# Contact us

To know more, please visit [www.grantthornton.in](http://www.grantthornton.in) or contact any of our offices as mentioned below:

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For more information or for any queries, write to us at [contact@in.gt.com](mailto:contact@in.gt.com)

# Thank you!

