

# SEZ units, EOUs seek extension of RoDTEP scheme

**Amiti Sen**  
New Delhi

SEZ units and export-oriented units (EOUs), excluded from the popular Remission of Duties and Taxes on Exported Products (RoDTEP) scheme from January 1, 2025, have asked the government to extend to them the benefit till September 30, at par with export units in the country operating from outside the zones (domestic tariff area). In case of budget constraints, differentiation could be done on the basis of products, per their submission.

"There is no justification for treating exports from EOUs and SEZs differently from the exports from DTA. The RoDTEP Committee has already fixed different

RoDTEP rates for exports from SEZs and EOUs as compared to exports from DTA. If there is a budget constraint, RoDTEP may be limited to certain sectors/products and exports of those products from all, whether DTA, SEZs or EOUs, should be allowed till a particular period," Alok Chaturvedi, DG, Export Promotion Council for EOUs and SEZs (EPCES), told *businessline*.

The RoDTEP scheme, announced in January 2021, refunds embedded duties and taxes, such as VAT on fuel used in transportation, mandi tax and duty on electricity used during the manufacture of the exported items. The RoDTEP rates for various products are calculated by a RoDTEP committee that meticulously exam-

**The RoDTEP scheme refunds embedded duties and taxes, such as VAT on fuel used in transportation, mandi tax and duty on electricity used during the manufacture of exported items**

ines submissions on embedded taxes made by the industry.

Units in SEZs and EOUs and Advance Authorisation (AA) holders got included in the scheme in March 2024 but have been excluded from January 1, 2025, per a notification issued by the DGFT in

September 2024. The DGFT notification extended the RoDTEP scheme, which was to lapse on September 30, 2024, only till December 31, 2024 for SEZs, EOUs and AA holders while for exporters in the DTA, the scheme was extended till September 30, 2025.

"There appears to be no justification for denying the benefits to one set of exporters (SEZ/EOU/AA holders) vis-a-vis another set of exporters (DTA exporters)," according to a letter by the EPCES to Expenditure Secretary Manoj Govil last week.

## **BUDGET CONSTRAINTS**

If there are budget constraints, product categories/sectors may be reduced rather than one small set of exporters exporting the same product being put to

disadvantage vis-a-vis another larger set of exporters of the same product, it said.

"...it may be appreciated there is only a limited requirement of budget for exports from SEZs/EOUs (15 per cent of total) and hence it is requested that the RoDTEP scheme may kindly be extended till September 30, 2025, for exports from AA/EOU/SEZ units as well on the pattern of exports from DTA units," the letter pointed out.

Alternatively, in case of budget constraints, all exporters, whether from DTA or from SEZ/EOU/AA holders be covered only till March 31, 2025 and then a separate decision may be taken for all categories of exporters for a further period, depending upon the availability of budget allocation.