

**Instruction No.1**

**No. F. 5/1/2006-EPZ**  
Government of India  
Ministry of Commerce and Industry  
Department of Commerce  
(EPZ Section)

...

Udyog Bhawan, New Delhi  
Dated the 24<sup>th</sup> March, 2006

To

The Development Commissioner,  
MSEZ, VSEZ, NSEZ, CSEZ,  
SEEPZ-SEZ, KSEZ, FSEZ

**Subject: Approval for setting up of trading units in Special Economic Zones -Reg.**

**Sir/Madam,**

Kindly recall the discussions in the Board of Approval meeting held on 17.3.2006 on the issue of setting up of trading unit in the Special Economic zones.

2. As decided in the meeting, you may kindly note that trading for the purposes of Rule 76 of the SEZ rules would be confined to import of goods for exports. Accordingly, in the case of proposals for setting up of trading units, the Approval Committee may consider incorporating a proviso to clauses (i) and (iv) (Form G). The proviso may read as under:-

“Provided that a Unit having letter of approval for trading shall not procure goods from the DTA for trading.”

3. These instructions shall apply to existing trading Units also and the letter of approval of such units may also be amended accordingly.

Yours faithfully,

(Rajgopal Sharma)  
Deputy Secretary

Copy to:

1. The EPC for EOU and SEZ Units.

2. SEZ Website.

Copy to PPS to SS(GKP)/JS(RK).