


Guiding you through*

Services for Special Economic Zones



*connectedthinking

PRICEWATERHOUSECOOPERS 

PricewaterhouseCoopers has worked closely with the Government of India during the evolution of SEZ Policy and continues to work with the Government and private sector to enable flow of resources to achieve the policy objectives.

PricewaterhouseCoopers specialists provide industry focused tax & regulatory and advisory services to help clients evolve a tax efficient, regulatory compliant business model while managing risk and maximizing shareholder value.

Our team of professionals with diverse background and experience have worked in the SEZ sector since the emergence of the omnibus regime in the form of SEZ Act. This group is integrated across all our lines of services and is one-stop shop to clients for all their needs. The sharing of best practices and the transfer of knowledge is one of the greatest strengths of our firm.

In order to provide best possible level of service, we invest the time of our consultants and partners in the development of our industry expertise. Our team maintains

strong relationship with the Central and State Governments and have been instrumental in bringing about several significant policy initiative and changes in SEZ regime.

We constantly share knowledge with players in the SEZ sector and the Government. We also conduct research, arrange work-shops and conferences to deliberate upon important issues for the development of the industry.

Our Services

Tax & Regulatory Services

- Structuring
- Approvals
- Operationalization
- Compliance

Advisory services

- Strategy and strategic modelling
- Feasibility studies
- Location & State profiling
- Transaction support
- Fund raising
- Business restructuring



Value propositions

Your requirements

Our service offerings

Conceptualization

- Undertaking pre-feasibility study, location analysis, state profiling, costing, etc.
- Assessment of project viability and developing a business plan

Tax & Regulatory Structuring

- Advice on evolving a tax efficient and regulatory compliant business structure
- Structuring of Foreign Direct Investment – Analysis of holding company jurisdictions and effective funding, repatriation and exit strategy
- Advice for selection of most suitable entity option
- Comparative evaluation of SEZ, STP, EOU, DTA schemes

Regulatory Approvals

- Advice on approach strategy for necessary regulatory approvals
- Assistance in preparation, filing and obtaining approval for setting up of SEZ from the Board of Approval (BoA), Government of India
- Assisting in obtaining State Government recommendations to BoA and negotiations for State level fiscal and other benefits
- Obtaining of Notification of SEZ from Ministry of Commerce, Government of India
- Assistance in obtaining approval for Co-Developer status including structuring the relationship with Developer and drafting/review of Co-Developer and lease agreements

Operationalization

- Approval of authorised operations from BoA (All benefits under the regime are available only on approved authorised operations)
- Representation to State Government for issuance of relevant notifications to operationalise the benefits
- Execution of Bond-cum-Legal Undertaking and assistance in approval of goods & services to be imported or procured duty free
- Review of contracts / transactions for construction and procurement of goods and services to ensure that the underlying transactions are indirect-tax efficient
- Advice on documentation requirements to ensure availability of all indirect-tax benefits
- Structuring of operations & management model for the SEZ such as – cost sharing, usage charges, society framework, co-developer etc.
- Obtaining of various state and central level registrations / licenses
- Structuring of relationship with captive / third party SEZ unit
- Drafting of various agreements including lease of land / infrastructure to Units and in the Non-Processing Area
- Transfer pricing study for transactions between related parties

Transactions

- Investor, Co-Developer or Collaborator search and structuring of transaction
- Identification of suitable SEZ for investment / collaboration
- Assistance in Joint Venture negotiations and structuring of transaction
- Due diligence from tax, regulatory, commercial, market, corporate secretarial perspective
- Drafting and review of all types of agreements
- Fund raising – equity, debt, hybrid, mezzanine etc.

Setting up of Unit

- Identification and analysis of suitable SEZ for setting up of unit
- Advice on devising a suitable business model to optimize the tax benefits
- Advice on implications of restrictive provisions u/s. 10AA of the Income-tax Act, 1961 and providing a roadmap to ensure availability of corporate tax deduction
- Assistance in obtaining approval for setting up of Unit from the Unit Approval Committee including execution of Bond-cum-Legal Undertaking with Development Commissioner
- Drafting and review of lease and other agreements
- Structuring and review of contracts / transactions to ensure that the underlying transactions are indirect-tax efficient
- Advice and assistance on ongoing compliances

Select clients

Telecom

- Nokia
- Perlos
- Solectron

IT / ITES

- Andhra Pradesh Industrial Infrastructure Corp (APIIC)
- Ansals
- Ascendas
- Beary's Group
- Bilcare
- DLF
- Fidelity
- GENPACT
- HCL
- Juniper Networks
- Larsen & Toubro
- NIIT
- Patni Computers
- Quinn Group
- Shobha Developers
- Sierra Atlantic
- Sony Ericsson
- ST Micro
- Tishman - ICICI
- UBS
- Unitech
- Uppals
- WNS
- Xansa

Aviation / MRO

- Boeing

Multi Product

- APIIC
- DLF
- GMR Group
- IFFCO
- Omaxe
- Salim Group
- SRI City
- Unitech

Multi Services

- EMPI
- Claridges
- Uppals

Shoes

- Apache (Adidas)
- Growth Link (Nike)
- Moja (New Balance)

Biotech & Pharma

- APIIC
- Medicity
- Ramky Pharma City

Central Government

- Ministry of Commerce

State Government

- Andhra Pradesh
- Chhattisgarh
- Goa
- Gujarat
- Haryana
- Karnataka
- Kerala
- Maharashtra
- Orissa
- Rajasthan
- Tamil Nadu
- Uttar Pradesh

Others

- Ansals
- Brandix
- Ennore SEZ
- JBIC
- MIDC
- Mundra SEZ



Special Economic Zone is a serious business...



It is globally accepted by companies that their future growth plans have to include India - the most promising economy of the world.

Today, India is the youngest nation in the world with 500 million people below 25 years of age and we need to give huge impetus to the building of both, world class work places and living spaces if we are to reap the demographic dividend.

This puts a huge responsibility on the shoulders of our policy makers. The Special Economic Zones Policy is clearly a step in the right direction – it incentivises the creation of both work places and living spaces in SEZs by giving tax incentives.

The SEZ legislation in India has not only spurred positive competition between Indian states to attract investment in development of Zones but, through SEZs, the globalisation of various districts (unknown on the world map until now) within states has also been achieved.

However the main challenge to SEZs and consequent achievement of high growth rate in India is to bring the various arms of the government to work together to make the implementation of this policy a success. It has become imperative that the government conveys to the global investing community its intent to make India a 'global manufacturing and service hub' providing a stable regulatory environment.

India stands to gain much from pursuing an actively pro-SEZ policy. We at PwC are committed to use our experience and capabilities to smoothly guide you through your entire SEZ journey.....



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