



**PUNE CUSTOMS**

# MANUFACTURING IN CUSTOMS BONDED FACILITY

A 3D rendering of a globe with a white grid pattern, set against a blue background. A white orbital ring encircles the globe. The globe is positioned in the center of the page, with the text 'MANUFACTURING IN CUSTOMS BONDED FACILITY' arched over it.

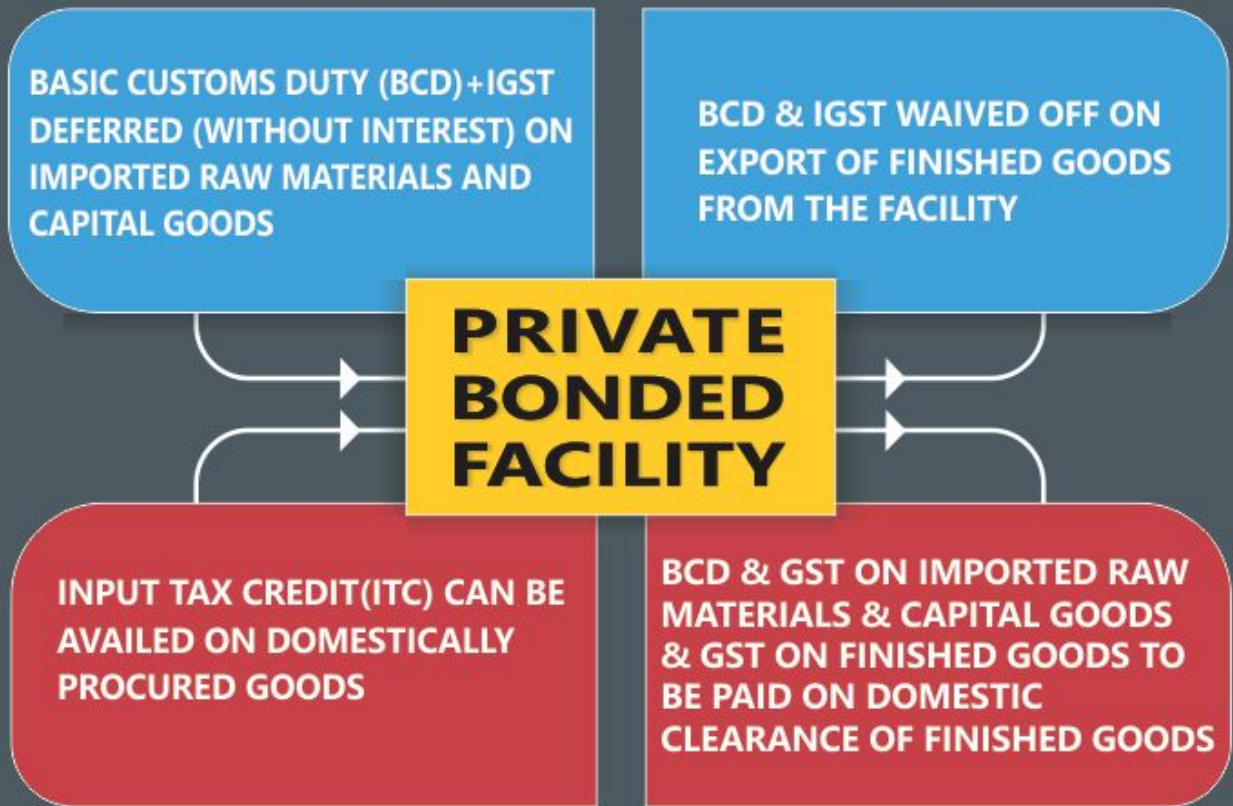
"A Scheme for manufacturing and other operations in a Customs Bonded Facility to Promote India as a Global Manufacturing Hub".

## OVERVIEW

India allows duty-free import of raw materials and capital goods for manufacturing and other operations in a bonded manufacturing facility.



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- Deferment of import duty on imported capital goods and raw materials .
- Exemption of the deferred duty If these imported inputs are utilized for exports purpose.
- Duty payable only when the finished / capital goods are cleared to the domestic market.
- When finished goods are exported, in addition to the waiver of BCD + IGST on the imported (and duty deferred) goods used, the GST on the finished goods can be zero-rated. Any input GST can be taken as a credit against output GST.



# ADVANTAGES



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<b>Deferment of duty on imported raw material and capital goods</b>	<b>Seamless warehouse to warehouse transfers</b>	<b>No fixed export obligations</b>
		
<b>No physical control</b>	<b>Commissioner of Customs as the Single point of approval</b>	<b>Single, unified application form</b>
		
<b>Unlimited warehousing period</b>	<b>No Geographical restrictions</b>	<b>Exemption of deferred duty on export</b>
		
<b>Simplified digital records keeping</b>	<b>Simplified format of monthly return</b>	<b>No time limit for export/home consumption</b>
		

# HOW TO APPLY



## **APPLICATION:** (online / offline)

- Nature of operation
- Particulars of imported items
- Anticipated trade volume

## **APPLICATION FORM:**

<http://www.investindia.gov.in/bonded-manufacturing/application-form>



## **EXECUTE A BOND**

- Submit a physical copy of bond as per standard format.

## **FORMAT FOR BOND:**

<https://static.investindia.gov.in/2019-08/Annexure%20C.pdf>



## **GRANT OF SANCTION**

- Avail sanction from the Commissioner of Customs
- Sanction may include conditions regarding operations



## **START OPERATIONS**

- Begin manufacturing/other operations

## **KEEPING RECORDS**

- Simplified formats for digital record keeping

<https://static.investindia.gov.in/2019-08/Annexure%20B.pdf>



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## **FOR FURTHER DETAILS REFER:**

Notification Nos. 71/2016 Cus dtd 14.05.2016 & 69/2019 dtd. 01.10.2019  
CBIC Circular Nos. 34/2019 dtd 01.10.2019 & 38/2018 dtd 18.10.2018

## **CONTACT INFORMATION:**

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