



PUNE CUSTOMS

MANUFACTURING IN CUSTOMS BONDED FACILITY



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

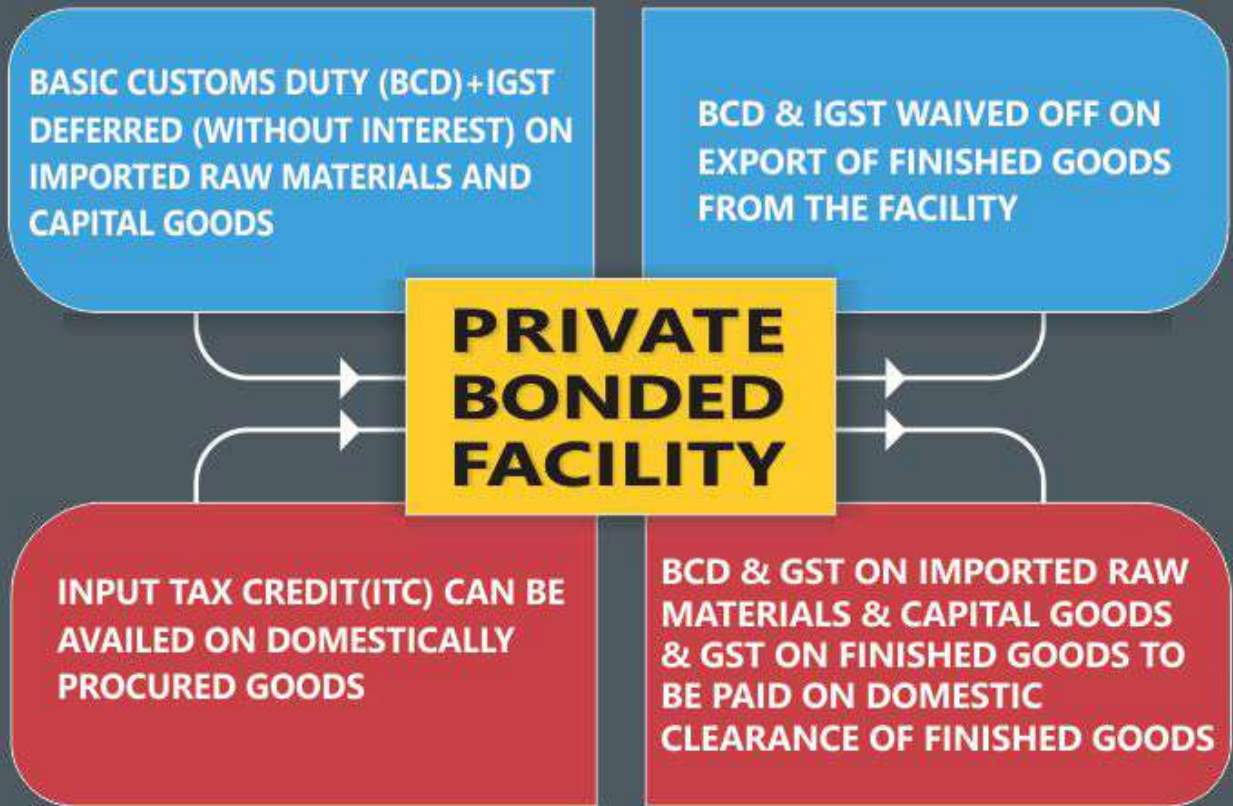
OVERVIEW

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



PUNE CUSTOMS



- 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

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

HOW TO APPLY

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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:

Pune Customs Commissionerate, GST Bhawan, 41-A, Sasoon Road,
'E' Wing, 4th Floor, Pune 411001
Phone No. 020 – 26051851