



TEXPROCIL

THE COTTON TEXTILES EXPORT PROMOTION COUNCIL
(Sponsored By Government of INDIA)

Engineering Centre, 5th Floor, 9, Mathew Road, Mumbai - 400 004.

Maharashtra State, INDIA.

Website: <http://www.texprocil.org> E-mail: info@texprocil.org Tel.: 91-22-2363
2910 to 12 Fax: 91-22-2363 2914

Call Send SMS Add to Skype You'll need Skype CreditFree via Skype

E Serve No. 137 of 2018

October 30, 2018

Circular No.EPS/50/2018-19

To: Members of the Council

Sub: Procedure to be followed in cases of manufacturing or other operations undertaken in bonded warehouses under section 65 of the Customs Act

Dear Member,

The Central Board of Indirect taxes and Customs (CBIC) has issued Circular No. 38/2018-Customs dated 18.10.2018 on the procedure to be followed in cases of manufacturing or other operations undertaken at bonded warehouses under Section 65 of the Customs Act.

Some of the salient features of the above circular are as follows;

- (1) The circular prescribes a combined application for licensing a private bonded warehouse under section 58 and permission for manufacturing and other operations under Section 65 of the Customs Act.
- (2) Units operating under section 65, read with Section 58 must declare such a warehouse as the principal or additional place of business under the GST Laws. They are entitled to import capital goods, inputs etc without payment of customs duty.
- (3) Clearance of goods manufactured at the bonded warehouse into the domestic market can be carried out under GST Invoice on payment of appropriate GST.

(4) Duties on the imported goods contained in the resultant products can be paid at the time of supply of the said product from the warehouse.

A copy of Circular No. 38/2018 - Customs is enclosed herewith ([click here](#)) for your information.

In case, you need any further clarification, please get in touch with us. You may also send us your queries by email on the email IDs ravikumar@texprocil.org.

Regards,

Dr.Siddhartha Rajagopal
Executive Director

TEXPROCIL

