

Salient features of the Circular-38/2018 dated 18.10.2018

1. A single and decentralized authority (Jurisdictional Commissioner of Customs) for granting requisite approvals.
2. No geographical limitations on where units can be set up.
3. Import of capital goods and inputs without payment of duty.
4. Resultant goods can be exported or cleared for domestic consumption. In case of exports no duties payable on the imported inputs or on the exported goods (zero rated).
5. Duty payment required only when the imported goods or the resultant goods are cleared to domestic tariff area (DTA).
6. No limit on export or domestic clearance.
7. No mandatory minimum NFE threshold or export obligation.
8. A single digitalized account has been prescribed for encouraging compliance and regulatory consistency.
9. A Nodal Officer in each Commissionerate has been appointed as a single point of contact for entities applying to operate in this regard.