

Procedure for shifting of Capital Goods

STP units are permitted to shift Capital Goods as per clause 6.13 of the Foreign Trade Policy 2015-2020. The shifting may be within the same jurisdiction or the different jurisdiction. Shifting of CG may be on Temporary or Permanent basis.

As Per Para 6.13 of FTP:-

- (a) “Transfer of manufactured goods from one EOU /EHTP / STP / BTP unit to another EOU / EHTP /STP / BTP Unit is allowed with **prior intimation** to concerned DC and Customs authorities, following Procedure of in-bond Movement of goods. Transfer of manufactured goods shall also be allowed from EOU / EHTP / STP / BTP unit to a SEZ developer or unit following procedure prescribed in SEZ Rules,2006.”
- (b) Capital goods may be transferred or given on loan to other EOU /EHTP/ STP / BTP / SEZ units, with **prior intimation** to concerned DC and Customs authorities.
- (c) Goods supplied by one unit of EOU / EHTP / STP / BTP to another unit shall be treated as imported goods for second unit for payment of duty, on DTA sale by second unit.

For free moments of CG within the same LOP, units are permitted to do the same and required to submit the report quarterly as per annexure XVIII-C.

Checklist of documents to be submitted for Shifting Intimation:

1. Covering letter.
2. shifting Invoice as per annexure XVIII and annexure XVIII-A(In case of Imported CG) / annexure XVIII- B (In case of CT3 CG)

Note:

In case of temporary shifting, CG balance is not affected. However, in case of permanent shifting, CG value will be deducted from the existing CG balance of the unit (which is receiving the CG) and the CG value will be added to the existing CG balance of the unit from where the CG is being shifted / transferred.

In case of permanent shifting / IUT of CG, the receiving unit will meet the stipulated export obligation on the CG imported for the balance period of operations. Once the temporary shifted item is brought back to the bonded area after completion of the job the same is required to be intimated to STPI and customs authorities and accordingly endorsement in the bond register.

For any comments or suggestions, mail us to blr.exim@stpi.in