



The Institute of Chartered Accountants of India

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

GST & INDIRECT TAXES COMMITTEE

Webinar on Navigating Export Incentive Schemes & Professional Opportunities for Chartered Accountants

Date: 15-09-2026

By FCA. Shravan Gehlot

Content Slide

1 **MOOWR Revamped**

- Overview of MOOWR Scheme
- Modus Operandi of MOOWR Scheme
- Use-Case & Feasibility Analysis
- Recent Developments in MOOWR Scheme
- Professional Opportunities for CA's in MOOWR Implementation

2 **SPECIAL ECONOMIC ZONE (SEZ)**

- Fact Sheet & Bird's Eye View of SEZ
- Summary of Benefits
- Key Compliances under SEZ

3 **EXPORT ORIENTED UNITS (EOU's)**

- Overview of EOU
- Benefits & Entitlements
- Key Obligations
- Professional Opportunities for CA's in SEZ & EOU

4 **COMPARISION OF SCHEMES**

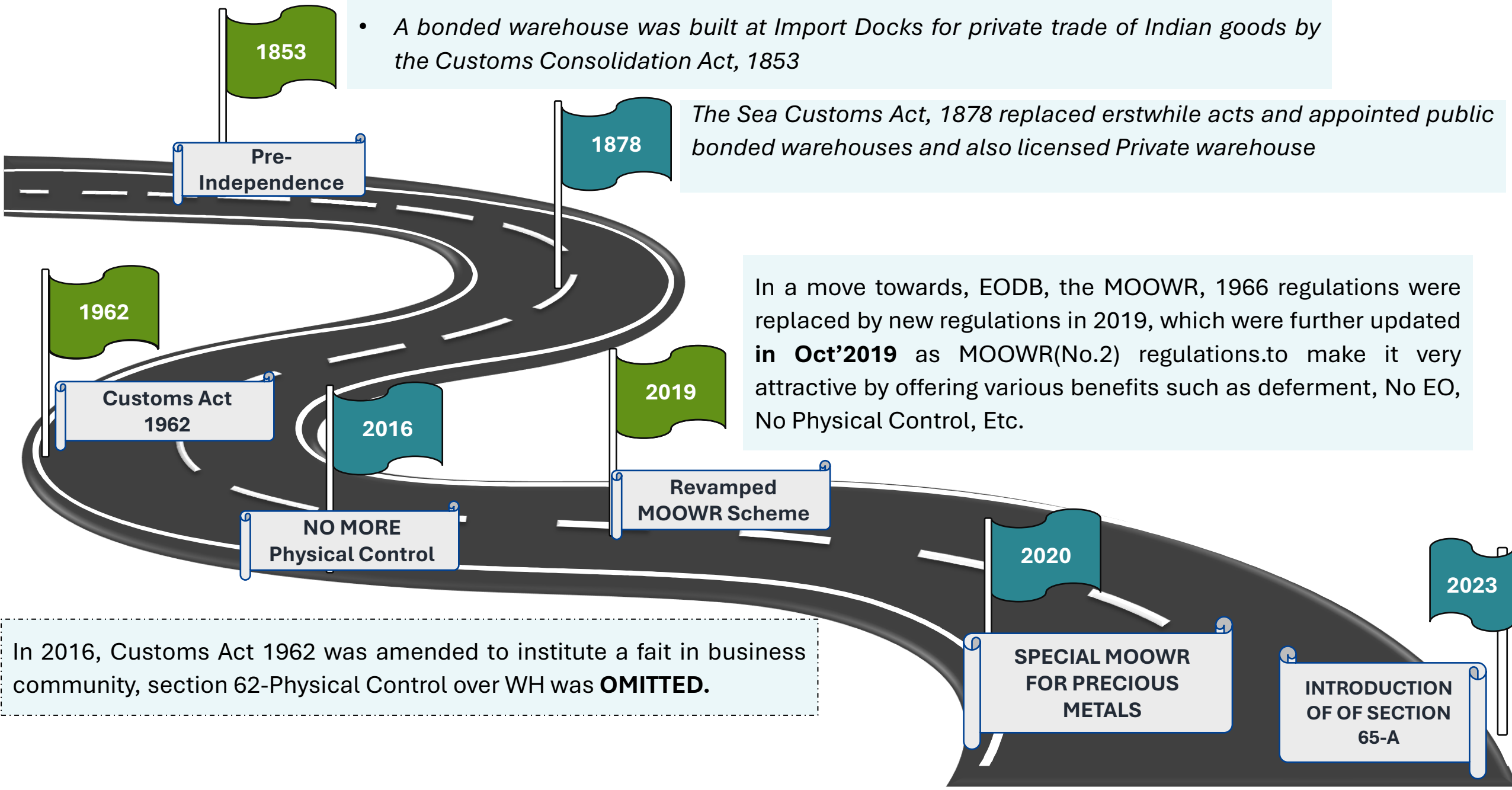
- Comparision with Other Schemes
- Use Case for Conversion to MOOWR?



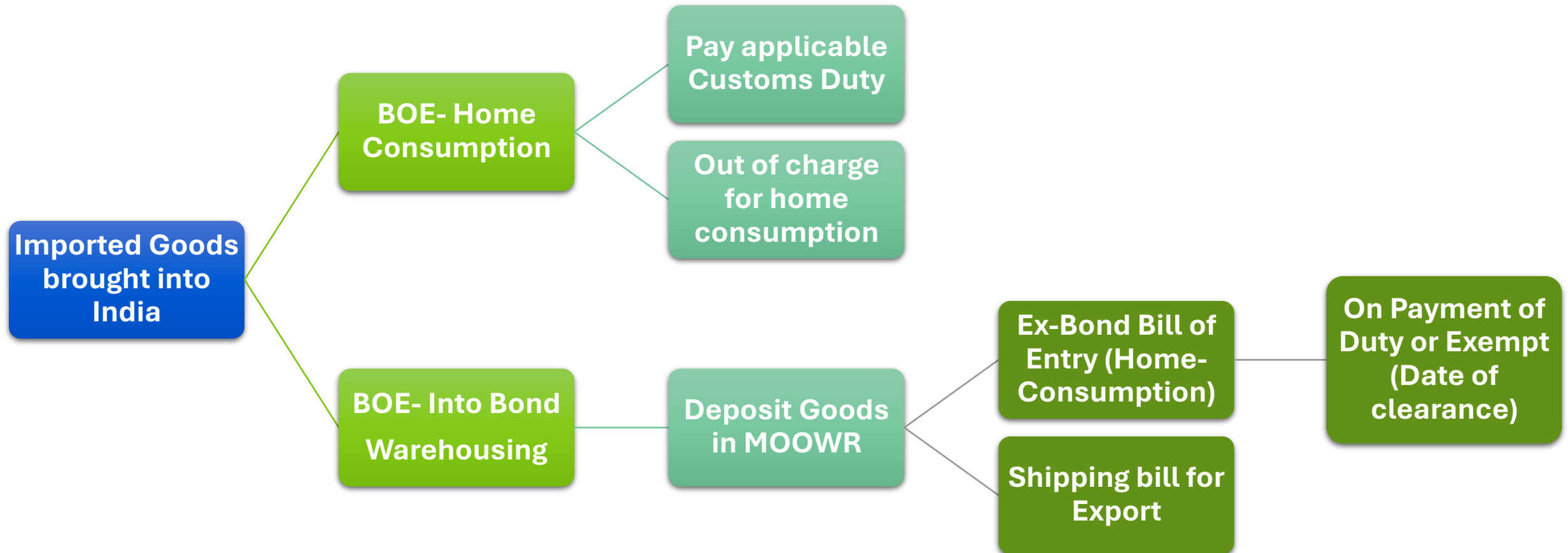
MOOWR- Revamped

1

History of Warehousing in India



Flow of events- Import for warehousing separated at the states of BOE



Who can apply for this scheme

Following Unit is eligible to apply for this Scheme:

- ✓ The Unit that operates under **Section 65** or
- ✓ The Unit applying for the permission to operate under Section 65 of the act,

*in warehouse licensed under Section 58 of the Act. (amended by notification 76/2020 Customs) **

Bonded Warehousing

For Manufacturing

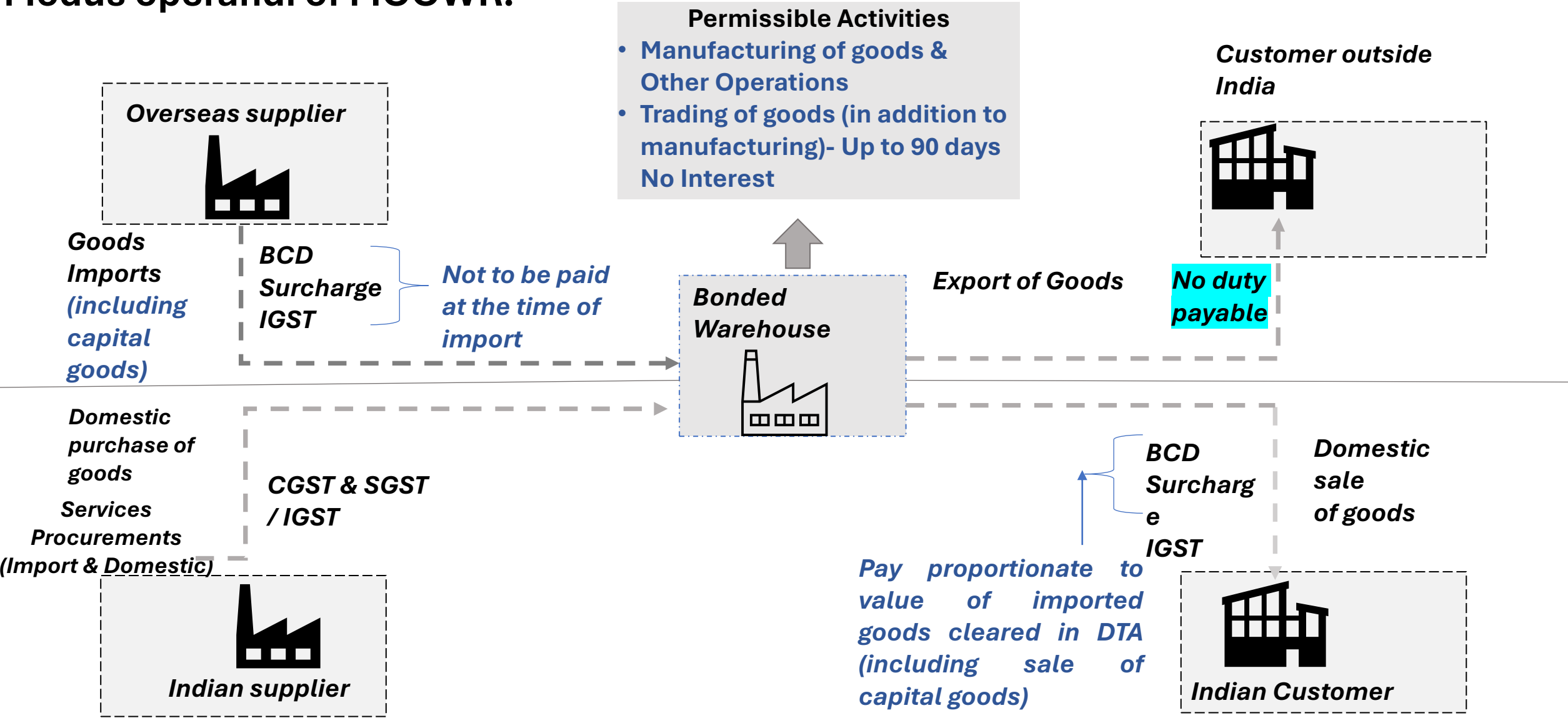
For Other Operations

The Term Manufacture is defined under section 2(f) of Central Excise Act, 1944 & 9.31 of FTP as follows:

- **incidental or ancillary** to the completion of a manufactured product;
- which, in relation to the goods specified in the Third Schedule, involves **packing or repacking** of such goods in a unit container or **labelling** or **re-labelling** of containers including the declaration or alteration of retail sale price on it or adoption of any other treatment on the goods to render the product marketable to the consumer;

FTP 9.31: Manufacture means to **make**, produce, fabricate, **assemble**, **process** or **bring into existence**, by hand or **by machine**, a **new product** having a **distinctive name, character** or use and shall include processes such as refrigeration, **re-packing**, **polishing**, **labelling**, **Re-conditioning repair**, remaking, refurbishing, testing, calibration, re-engineering.

Modus operandi of MOOWR!



Procurement in a Warehouse



BILL OF ENTRY FOR WAREHOUSING

- The Importer is required to file **INTO-BOND BOE** for the Purpose of warehousing
- The Exchange rate for calculating assessable value of goods warehoused shall be the rate prevailing at the time of presentation of BOE u/s 46 (Into-Bond) of Customs Act and not BOE u/s 68 (Clearance from WH)- Confirmed in **Sri Maharaja Industries vs CC(2007) 207 ELT 270 (CESTAT)**

WAREHOUSING BOND

- The importer is required to execute bond with Customs which is equal to **3 times of DUTY PROPOSED TO BE SAVED**.
- In addition to bond, the importer is required to mandatory obtain comprehensive Risk insurance policy to cover the Transit in favour of President of India.

PROCEDURE TO BE FOLLOWED BY IMPORTER FOR WAREHOUSED GOODS

- Verify the OTL affixed at Customs station with details of BOE's, If OTL intact, allow unloading and verify the quantity with Into-BOE
- OTL-Not found intact- Refuse unloading of goods in warehouse
- Record the above entries in Statutory records.

WAREHOUSING PERIOD UNDER CUSTOMS

- Normally the WH period is 1 Year as per section 60(1) of Customs Act.
- The extension can be granted by Commissioner.
- If Period not extended, the warehoused goods can be re-exported as per FTP.
- There is NO Period of warehousing prescribed in MOOWR regulations, the deferment is indefinite.
- **Deferment- AEO vs Private Warehouse (Key Difference)**

Clearance from Warehouse

Scenarios	Steps involved
Clearance for Export of Goods	• Warehoused goods exported, Bill of export (or) Shipping bill is required to be filled. • The Customs duties deferred at the time of filing into-bond BOE stands REMITTED. • Warehoused goods being non-duty paid during warehousing, if exported are not covered under Drawback scheme – 74(1) of Customs Act. • RODTEP benefit is not available for exports from Private Warehouse.
Clearance for Home Consumption	• Home Consumption denotes clearance of warehoused goods in domestic market. • Rate of duty applicable--- The rate of duty shall be the rate prevailing on the date and time of filing EX-Bond BOE for Home consumption. (Section 15(1)(b) of the Customs Act and not actual removal. • New levies effective on Ex-Bond BOE: Whether the same shall be levied? • Payment of duty can be made by utilizing Credit Scrips etc.
Duty payable only on quantity cleared from WH	In Mangalore refinery vs CCE (2002(141)ELT 247(CEGAT), it was held that the Taxable event in when goods are cleared from WH. Hence Customs duty is payable only on the QUANTITY which is CLEARED from WH and not on QTY which was earlier entered into Territorial water (i.e., At the time of filing Into-bond- BOE)
Bond to bond Transfer	• Section 67 of CA-1962 permits removal of Warehoused goods to another warehouse under bond. Transit bond for customs duty involved backed by BG/Security should be furnished. • Transfer from WH to SEZ is also considered to be bond to bond transfer for the purpose of removal of goods.
Interest on clearance of goods (NOT APPLICABLE FOR MOOWR)	• Interest @ 15% is payable if warehoused beyond 90 Days (61(2)-CA,1962 • Interest should be payable up to and including the date of payment of duty- Circular 48/2002 • Warehousing period is till 1 Yr, however interest is payable for storing goods beyond 90 Days on the basis of duty payable. • Interest waiver- CBIC can waive full or part interest based on specific order or by notification.

Key benefits

DEFERRED DUTY ON IMPORT OF RAW MATERIAL & CAPITAL GOODS

Until the clearance of finished Goods, duty on import of raw material used in manufacturing or other operations is deferred. It will be waived in case finished goods are exported. **No Interest liability on above deferred duty.**

NO GEOGRAPHICAL RESTRICTIONS

The Warehouse can be registered wherever it is situated irrespective of any locational barrier

EASE OF COMPLIANCE

All records of manufacturing and other operations to be maintained digitally in a single format as specified in **Annexure B** of MOOWR,2019 in ICEGATE Portal

NO EXPORT OBLIGATION

No Export obligation to be met by the unit unlike in the current existing schemes like Advance Authorization, EOU, EPCG etc

NO BAR ON PERIOD OF WAREHOUSING GOODS

Capital and non-capital goods (raw materials, components, etc..) can **remain warehoused until clearance or consumption**

NO INTEREST LIABILITY UP TO 90 DAYS ON GOODS SOLD AS SUCH

No liability to pay interest up to 90 days if imported goods are sold as such by unit (i.e., Trading of goods is permitted with payment of duty and no interest up to 90 days)

SEAMLESS WAREHOUSE TRANSFER

Goods can be transferred from the bonded facility to another facility without payment of duty

VALIDITY OF LICENSE

There is **NO** validity of license obtained by the unit unlike other schemes like SEZ, AA, EPCG, EOU.

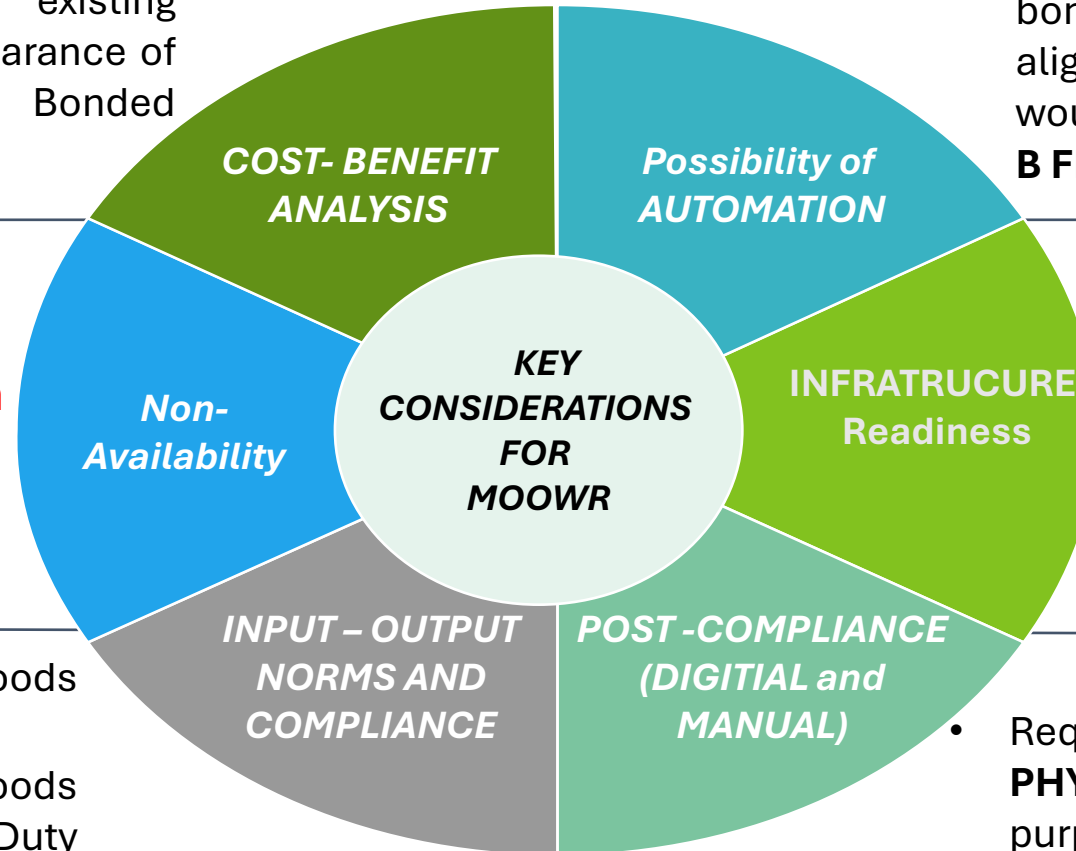
Key Considerations for opting MOOWR Scheme

- **COST-BENEFIT ANALYSIS** with Existing Business Model functioning currently. (*Budgeted vs Forecast*)

- Comparison with availability of existing exemptions under Customs on clearance of imported raw material from Bonded warehouse.

- Non availability of **Draw-back**
- Non availability of **Depreciation** on clearance of **CG**
- Non availability of **RODTEP**

- Fixing of I/O Norms for the goods manufactured in MOOWR.
- Tracking of Import Content on Goods cleared in Domestic Market for Duty payment.
- Informing change in I/O Norms.



- **AUTOMATION** of the Inventory management system to capture all the details required to fill Annexure-B for monthly compliance.
- The ERP system of a Company moving into bonded zones needs to be mapped to align with this format as any error here would lead to serious issues (**ANNEXURE-B FILING**)

INFRASTRUCTURE changes in the current factory to be in line with MOOWR regulations: For Ex: CCTV, Fire Audit, Access-controls, Need for all Insurance risk to the extent of Duty saved

- Requirement of record-keeping in **PHYSICAL** and **DIGIAL** format for the purpose of **AUDIT**
- **ANNUAL RENEWAL** of Solvency certificate, Triple duty General bond, All-Risk Insurance, Various Undertakings/Declarations

Application Procedure

Step 1

Fill **Online Application** in **ICEGATE** as per Annexure A of MOOWR, 2019 with the required details and documents in **Annexure A**

Step 2

- Execute a **triple duty bond** as per Annexure C of MOOWR, 2019 and submit a physical copy to the respective Jurisdictional Commissioner of Customs*

Step 3

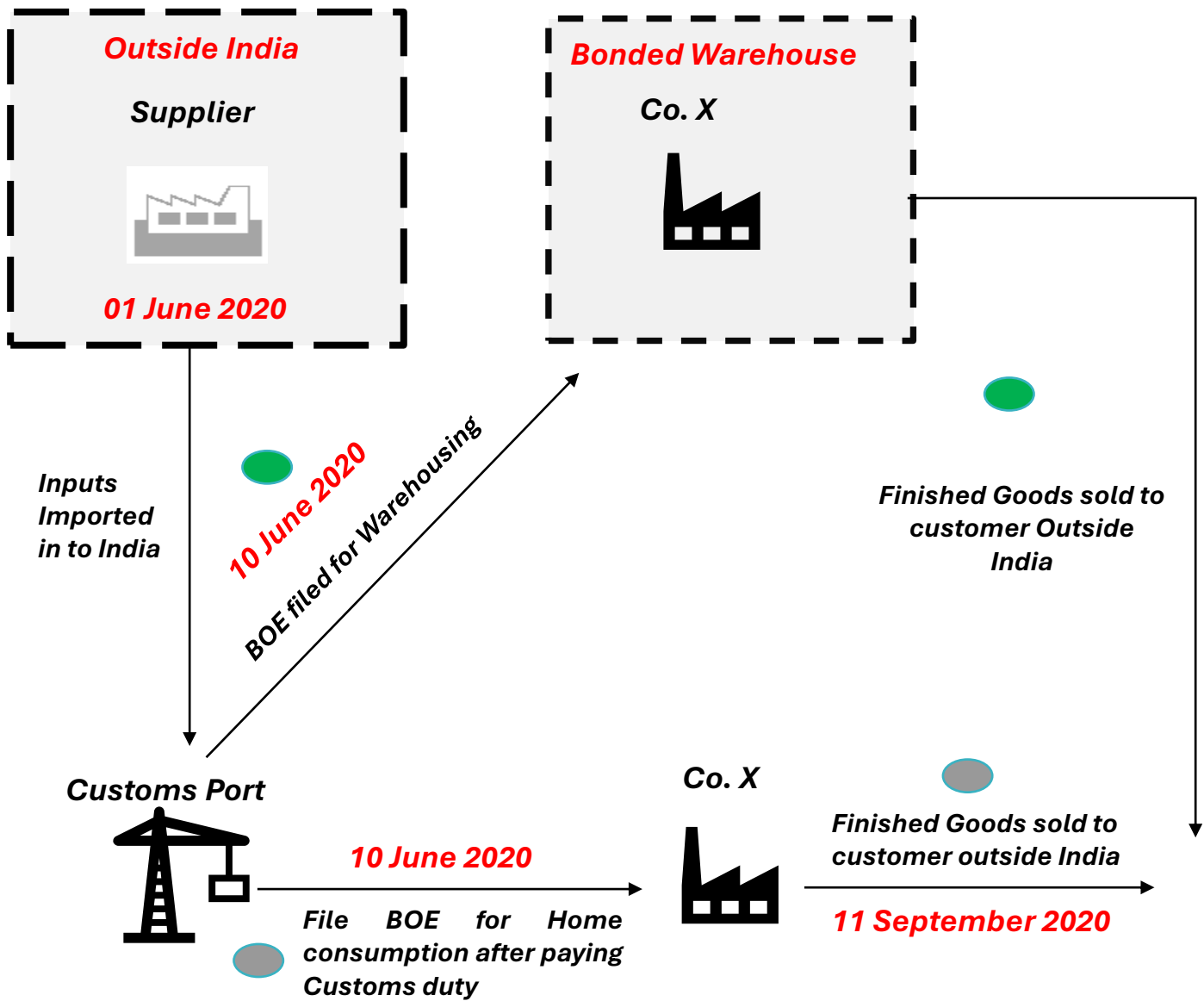
- **Commissioner of Customs grants the permission** for manufacturing or other operations in the bonded facility

MANDATORY DOCUMENTS

- **SOLVENCY CERTIFICATE** from Bankers to the extent of **DUTY SAVED** value for importation of Goods to be provided at the time of application.
- **ALL-RISK INSURANCE** to be obtained for the same value of triple duty bond value executed in general bond
- **STANDARD OPERATING PROCEDURE** in respect of movement of goods, processing, dispatch is required to be submitted at the time of application
- All other documents which are **MANDATORY** for a company to file the application online is required to be arranged,

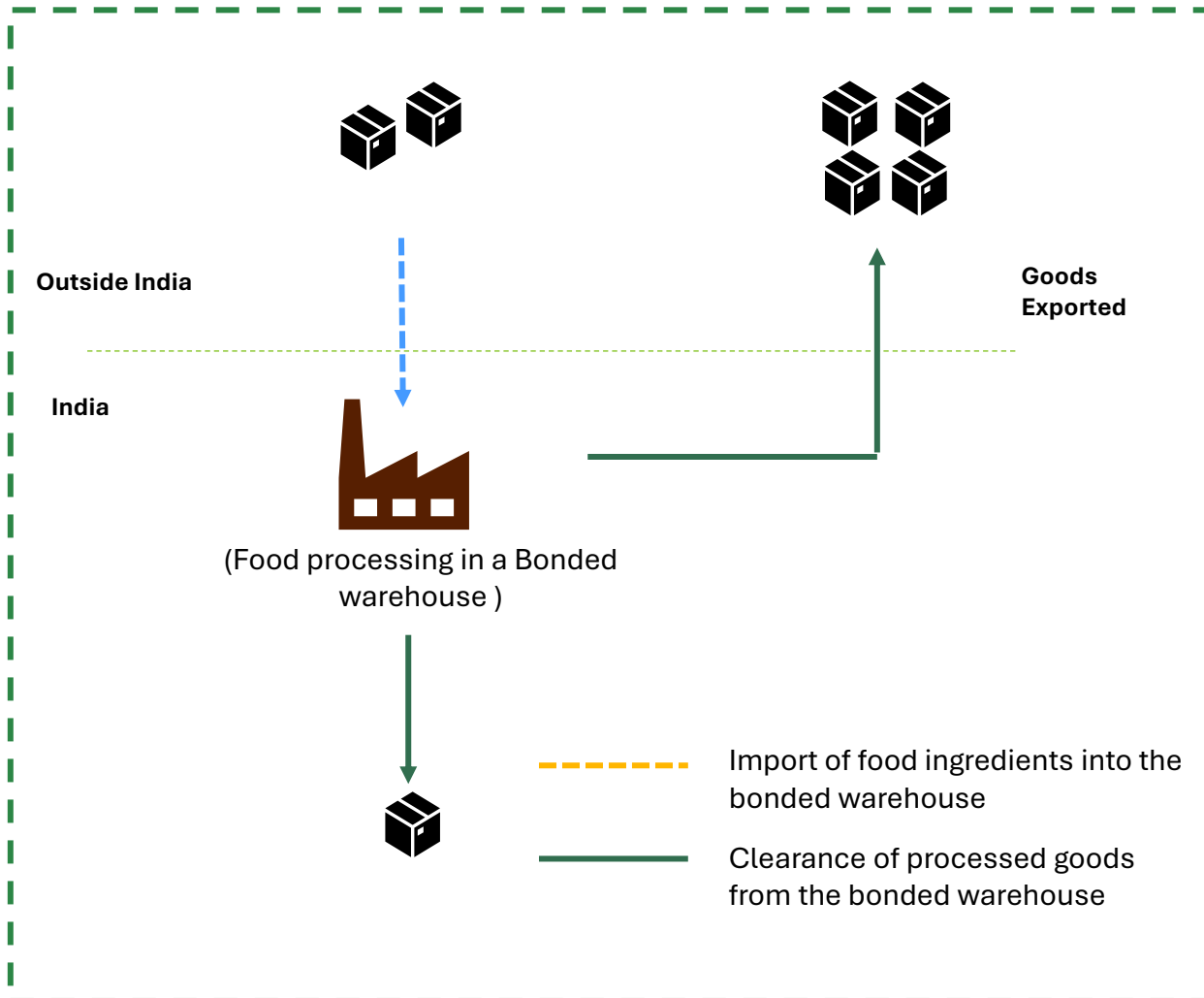
****Before execution of a Bond, a Customs Officer visits the facility to evaluate the compliances in order to issue the license***

Case Study 1– Cost Optimization (Low value-added Exports)



Description	Reference	Normal Route	Bonded Warehouse
Import Price	A	100	100
BCD @ 7.5%	B	7.5	-
SWS @ 10% on B	C	0.75	-
IGST @ 18% Creditable	D	19.50	-
Export Price	E	150	150
Duty Drawback @ 1.8% on D	F	2.7	-
RODTEP @ 2% (E*2%)	G	3	-
Interest Savings @ 1% on B, C & D	H	-	0.28
Net Savings	I = (F+G+H)-(B+C)	(2.55)	0.28

Use case: Processing in a MOOWR for export



Facts

- A Company imports raw material such as such as roasted peanuts, emulsifier, castor sugar, skimmed milk powder for manufacturing high quality foods with optimized nutritional values
- No local procurement of raw material
- **99% of the processed food** made in the bonded warehouse is exported while 1% is supplied within India
- Waste generated during the manufacturing process is destroyed

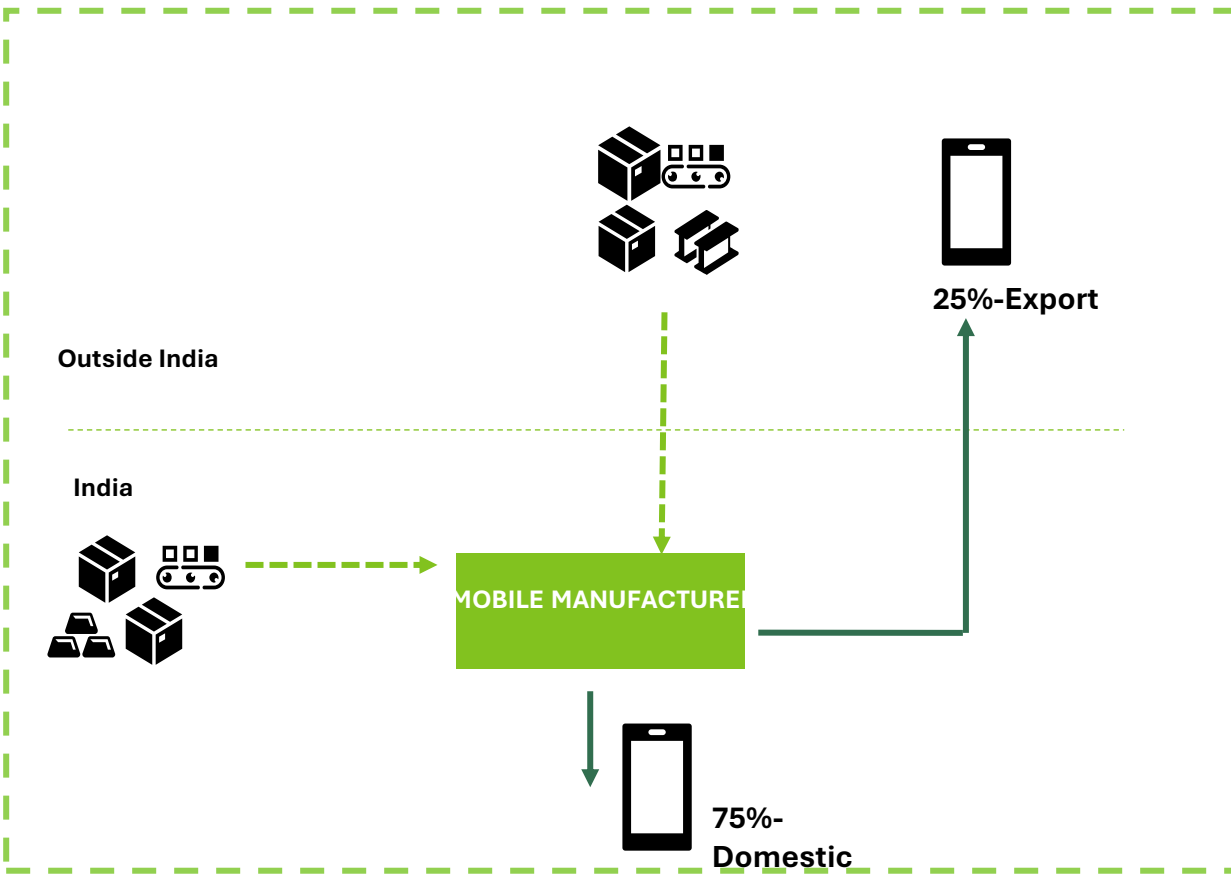
Points of consideration – CBW v. DTA

- **No duty payment** on import – since most of the processed goods will be exported out
- **Reduced cost** of manufacturing
- **Deferred customs** duty and IGST is paid only on 1% domestic sales

Entity may opt for CBW



Use case: A manufacturer of mobile phones



Procurement of parts, components, raw material, inputs and capital goods for use in manufacture of mobile phones



Clearance of mobile phones from bonded warehouse

Facts

- A mobile phone manufacturer in India imports **80%** of raw material, components, etc. for making handsets while it locally purchases the balance **20% inputs**
- Customs duty exemption popularly known as **IGCR benefit** is available to manufacturers of mobile phone:
 - on import of **specified raw material** to manufacture parts, sub-parts, etc.
 - on import of **specified capital goods** used to manufacture mobile phones
- The manufacturer **sells 75%** of the handsets it produces in the domestic market and exports balance 25%

Use case: A manufacturer of mobile phones

Components to manufacture one mobile handset	Sourcing	Duty paid/ IGCR exemption?	Qty
Inputs/ parts for manufacture of camera module	Imported	Exempt**	1
Parts for manufacture of connectors	Imported	Exempt**	8
PCBA	Imported	Duty paid	10
Charger/Adapter	Imported	Duty paid	1
Battery pack	Imported	Duty paid	1
Wired Headset	Imported	Duty paid	1
Microphone and Receiver	Local	Duty paid	1
USB Cable	Local	Duty paid	2
Inputs/parts for manufacture of Wired Headset	Imported	Exempt**	20
Keypad	Local	Duty paid	1

**CBW requires that exempted goods or goods chargeable to nil rate of duty to be imported basis a bill of entry filed for home consumption

Points of consideration – CBW v. DTA

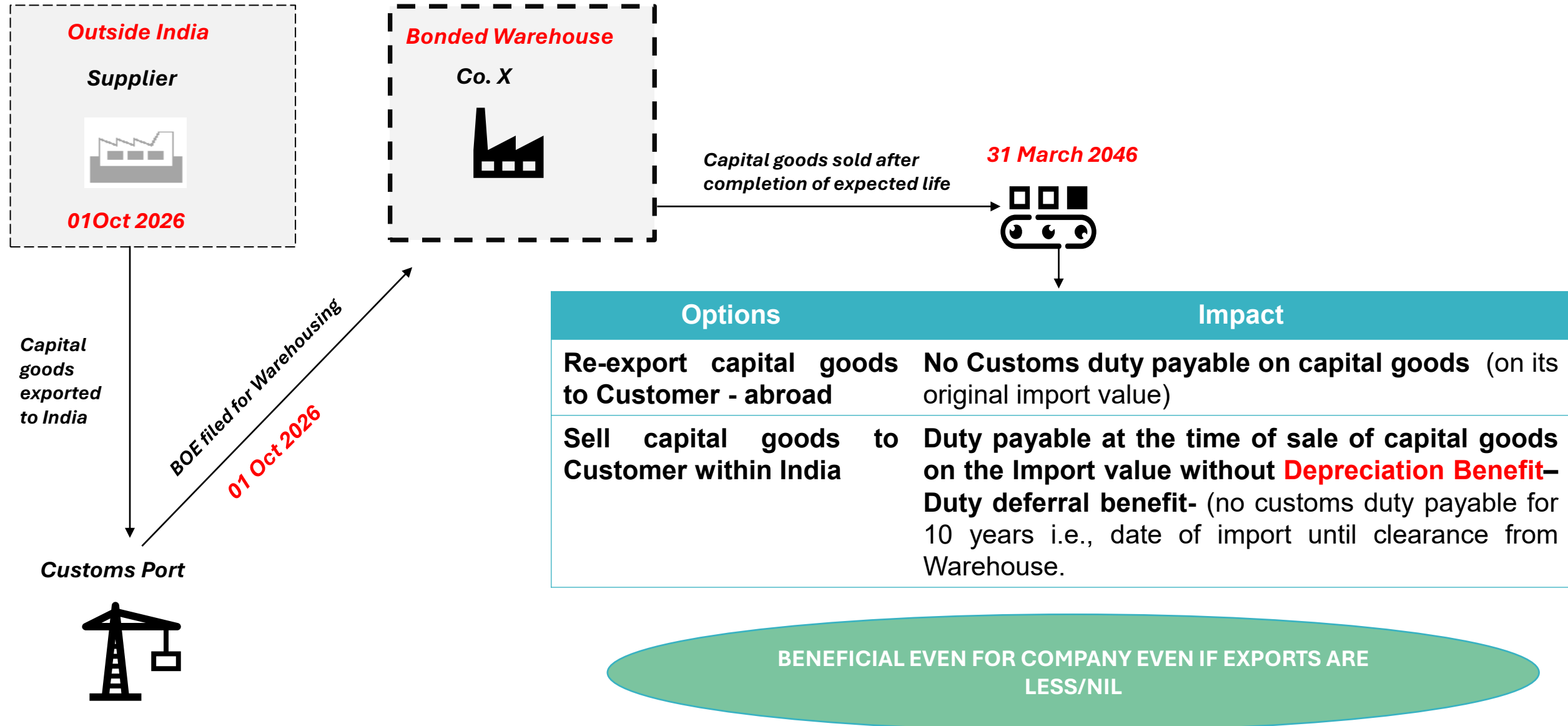
- IGCR benefit **CONTINUES** to be available **under CBW** –
 - **Evaluate** the inputs imported by the manufacturer that are duty paid v. exempt under IGCR
 - **DEFERRED customs duty** to be paid on non-exempt components i.e., PCBA, Charger, battery pack and wired headset to the extent of domestic sales i.e., on **75%** of Domestic sales
 - **Customs duty SAVING** on PCBA, Charger, battery pack and wired headset to the extent of export sales i.e., on **25%** of Export sales
 - Duty drawback @ 4% on mobile phone will **NOT** be available
- Similar monthly consumption reports need to be filed under IGCR and CBW - **No additional compliance/ infrastructure burden as such**

Quantum of benefit – Duty saving on inputs wrt export sales **vs.** non-availability of duty drawback to determine the decision to operate from a CBW

Entity may avail IGCR exemption in a CBW



Case Study 2– Capital Investment -(For largely domestic sales)



MOOWR Scheme is Injured?

Proposed amendment to the Customs Act

- A New section 65-A has been introduced in the Customs Act, 1962 (**Vide Section 130 of the Finance Act, 2023**) to provide **that IGST & Compensation Cess would be payable on Imported goods** deposited in MOOWR for carrying out manufacturing and other operations which is against the current facility of **COMPLETE EXEMPTION for all elements of Customs Duty (IGST/BCD/CESS)**
- The New Section 65-A also provides for various other conditions, subject to which the Goods would be permitted to be deposited in the MOOWR scheme, few of them are highlighted as follows:
 - **Bill of entry for Home Consumption** is required to be filled under section 65 of the Customs Act.
 - Goods has been **assessed** under section 16/17 of the Customs Act.
 - On removal of goods to another warehouse, **BOE for home consumption is presented U/S 68(a) and applicable IGST/ GST** Compensation CESS is to be paid before the goods are removed from such other Warehouse.
- The **PROPOSED AMENDMENT** shall not be applicable to the Goods already deposited in the Warehouse before notification of the new section
- The Finance bill is notified; however, it is very important to note that the effective date of the aforesaid amendment has **NOT YET NOTIFIED TILL DATE. ---->(After 3 Years)**

Professional Opportunities for CA's

Phase I

Feasibility study

- **PREPARATION** of feasibility report based on the Business operations of the Company.
- **EVALUATE** the amount of cost and savings to the Company
- **PROS AND CONS** in operating under the scheme vis-à-vis existing schemes.
- Analyse the **COST OF COMPLIANCE** and the readiness of the Company in operating under the scheme

Phase II

Liaison & Discussion with Authorities

- **PREPARATION** and filing of application of MOOWR in Ice gate Portal.
- **DISCUSSING** with Jurisdictional Customs on our approach/methodology in obtaining the licence.
- Follow up with the **Customs** on status of application filed and assistng Clients on Physical verification
- **FILING REPRESENTATION** with Customs authorities on relaxation of certain regulations based on nature of business of the client.

Phase III

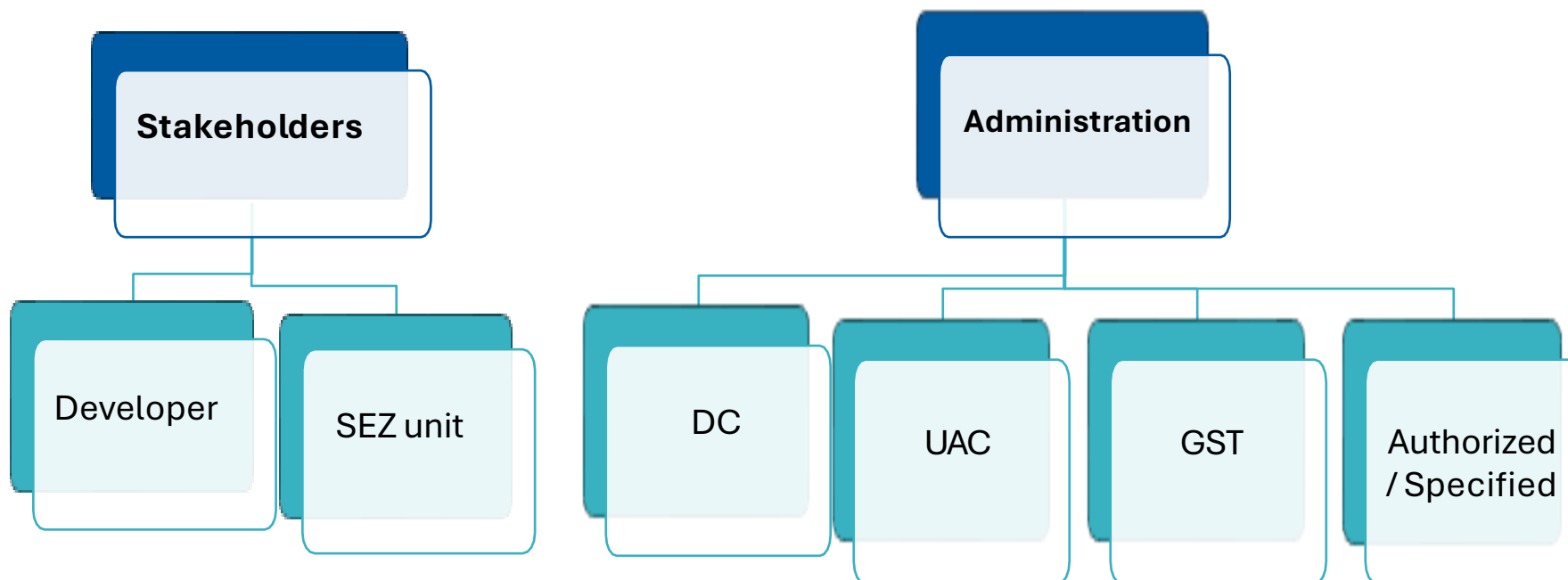
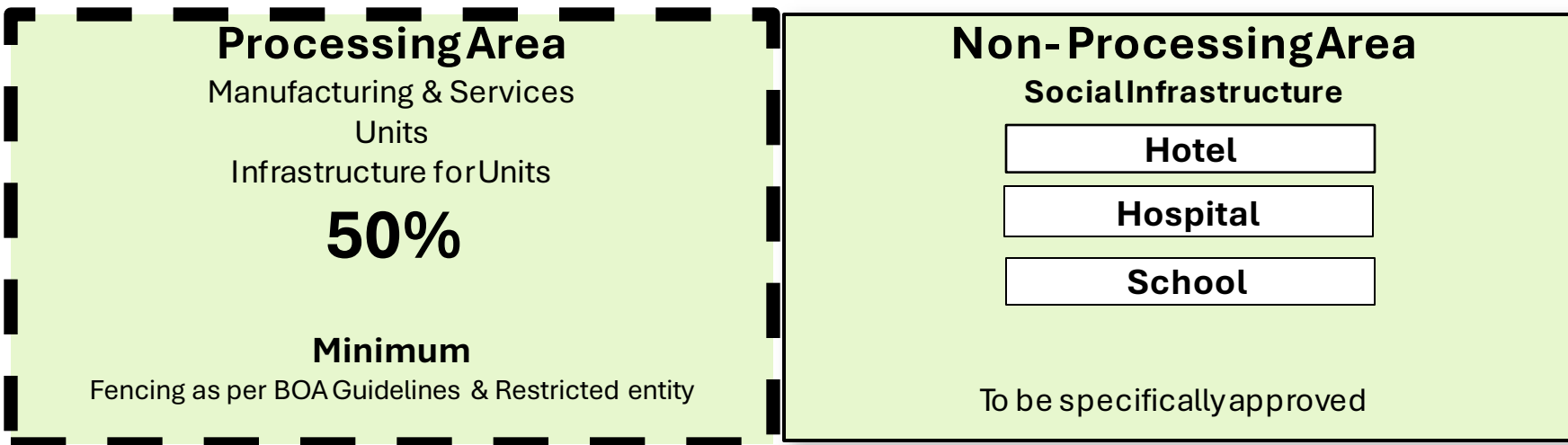
Post-Compliance and Audit Preparedness

- **MONTHLY FILING** of **Annexure-B** with Jurisdictional Customs.
- Assistance in preparation of **SOPs** for process to be followed under MOOWR.
- **MOCK-AUDIT** and review of operations carried out by MOOWR unit.
- **PROFESSIONAL SUPPORT** in Post-Clearance Audit carried out by Customs authorities.

Special Economic Zone(SEZ)

2

Bird's Eye View of SEZ



THE CORE TEST: ARE YOU GENUINELY EXPORT-LED??

Positive NFE for Cumulatively 5 Years, there is no minimum investment criteria to set up SEZ.

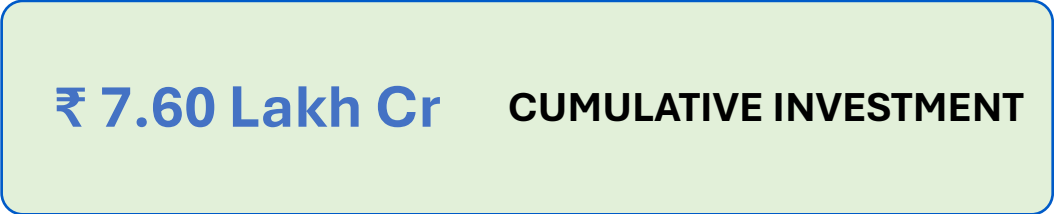
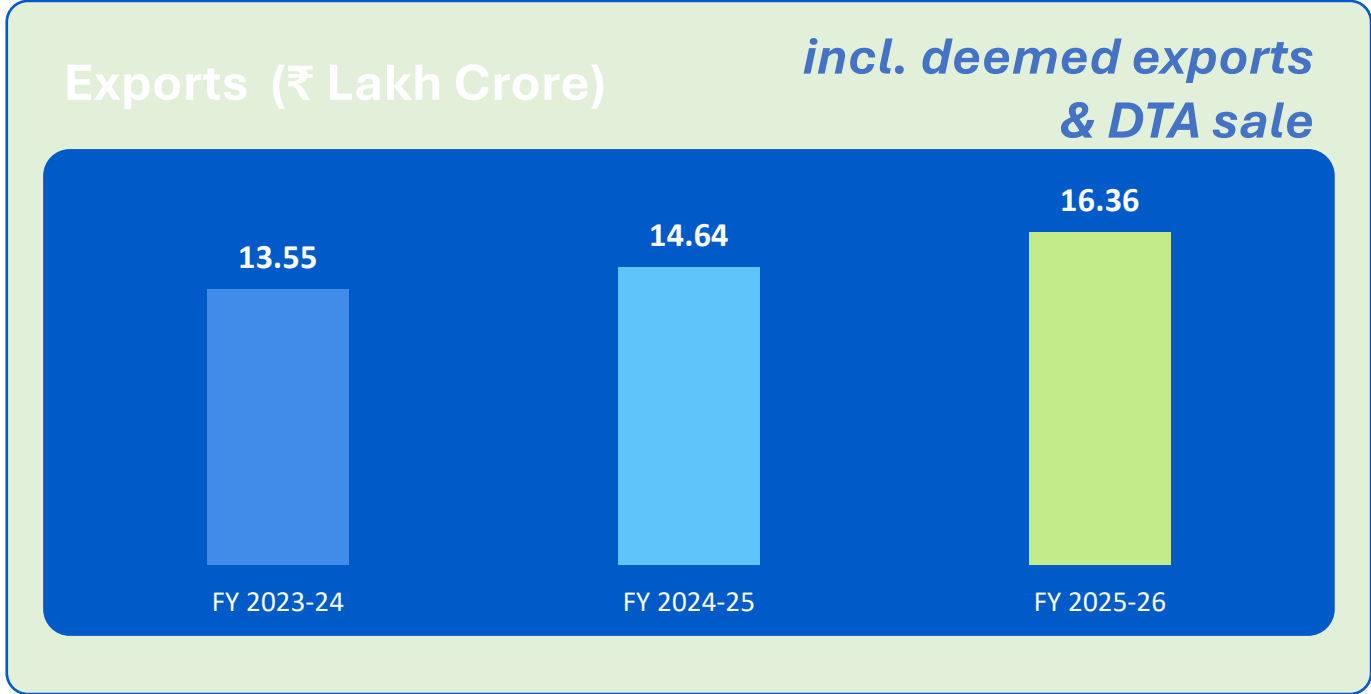
Who Tends to be a good fit:

- IT/ITeS and professional services exporters
- Manufacturers with import-heavy input costs who re-export
- Semiconductor and electronic component manufacturers (Relaxed Minimum Land-Requirements by Govt)
- Import-warehouse-redistribute businesses

Who probably shouldn't bother

- Customer base is primarily **Domestic**

Special Economic Zones at a Glance -Fact Sheet as on 31 March 2026



Summary of tax position at glance - Procurements

Type of procurement	Import duty	Central Excise	VAT	CST	Service tax	GST
Import of Goods	Exempt from SEZ legislation	NA	NA	NA	NA	THE goods is Notification No. 64/2017-Customs, which exempts goods imported by an SEZ unit or developer for authorised operations from
Inter State Goods & Services	NA	Exempt from SEZ legislation	NA	Exempt- SEZ (Rule 32 of SEZ Rules)- Form I of CST Act	NA	Zero rated u/s 16- for <i>Authorized operations</i>
Intra State Goods & Services	NA	Exempt from SEZ legislation	0% under VAT act	NA	NA	Zero rated u/s 16- for <i>Authorized operations</i>
Import of Services	NA	NA	NA	NA	Exempt / refund for SEZ – Rule 31 of SEZ rules and Not No 12/2013 subject to approval by SEZ Authorities SINGLE REGISTRATION FOR BOTH DTA/ SEZ	<i>The exemption comes from Notification No. 18/2017-Integrated Tax (Rate) dated 5 July 2017 which exempts Service Imports by SEZ</i>

Summary of tax position at glance - Sales

Type of Sales	Import duty	VAT	CST	Service tax	GST
Export of goods	NA	NA	NA	NA	Zero rated u/s 16
Export of Services	NA	NA	NA	Export of services	Zero rated u/s 16 (2(vi) conditions)
Intra State sale Goods	Pre GST: Applicable other than SAD	5% to 14.5% under VAT act	NA	NA	NA
Interstate sale of goods	Same as above	NA	2% against Form C	NA	NA- Imports in hands of DTA
Services domestic	NA	NA	NA	14.5% of service tax – single registration for both DTA and SEZ	18% IGST – Separate registration for SEZ and DTA units.

Key Compliance Requirements

Consequences of non filing

Service Exports Reporting Form (SERF)

- Details of all Service Export Invoices issued during previous month.
- To be filled online on or before 10th of subsequent month.



SEZ Online system becoming unavailable for filing other transaction.

Monthly Performance Report (MPR)

- Details relating to investments made, employment generated etc. before DC.
- DC office has to submit reports on performance on monthly basis to MoCI



No specific consequences provided. However, it would be advisable to file within timeline

Annual Performance Report (APR)

- SEZ Units have to submit APR in Form I
- Performance report will be placed before Unit Approval Committee



Withdrawal of the permission granted for carrying out the authorized operations.

GST Returns

GSTR-1 and GSTR-3B to be filed on monthly basis



Late fee and interest exposure

SOFTEX Filing (SOFTWARE EXPORTS)

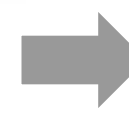
To be filed on monthly basis with SEZ with 30 days



Remittances would be treated as general services and not export proceeds; freezing of bank accounts

DTA Service Procurement Form (DSPF)

Monthly details of services procured from DTA has to be consolidated and provided in the form



No specific consequences provided.

Export Oriented Units (EOU)

3

Overview of EOU

The EOU Scheme · Chapter 6, Foreign Trade Policy

Units that undertake to **EXPORT** their entire production of goods and services, except permissible sales in the Domestic Tariff Area. The scheme covers **Manufacturing, Repair, Re-making, Reconditioning, Re-engineering, Services, Software Development**, agriculture and allied activities. **Trading units are not covered.**

Objective: *promote exports · enhance foreign exchange earnings · attract investment for export production · generate employment*

1981

Year the EOU scheme
was introduced

100%

Export commitment,
subject to DTA sales

₹ 1 CRORE

**Minimum investment
in plant & machinery**

5 Years

**Validity of the
Letter of Permission**

Benefits & Entitlements

01 Duty-free procurement

Raw materials and capital goods sourced domestically or imported without payment of duty. Second-hand capital goods may be imported with no age limit.

02 Basic Customs Duty exemption

BCD exemption on imports continues under GST, availed through the Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017.

03 GST credit and refunds

Supplies from the DTA to an EOU are treated as **Deemed exports** — the domestic supplier claims the Chapter 7 entitlements and a refund of GST paid.

04 100% FDI, automatic route

Foreign direct investment up to 100% is permitted without prior approval, making the structure attractive to overseas promoters.

05 Full EEFC retention

Units may retain 100% of export earnings in an Exchange Earner's Foreign Currency account, avoiding forced conversion.

06 Licensing and guarantee relief

Exemption from industrial licensing for SSI-reserved items. Bank guarantee waived where turnover is ₹5 crore or more, the unit is three years old, NFE is positive and its compliance record is clean.

Obligations, Monitoring & Exit

The positive NFE test is the core commitment of the scheme

Net Foreign Exchange

$$\text{NFE} = A - B$$

and the result must be positive

A *Physical exports in free foreign exchange, plus deemed exports under para 6.09 of the FTP.*

B *Imported and domestically procured raw materials and consumables, plus the amortised value of capital goods and foreign technical know-how fees — 10% per year over ten years.*

Positive NFE must be achieved within five years of commencing operations.

Running compliance

● INPUT ACCOUNTING

Utilisation is tracked against Standard Input Output Norms. Where no SION exists, waste, scrap and remnants are capped at 2%.

● REALIZATION OF PROCEEDS

Export proceeds must be realized within **nine months**.

● ANNUAL PERFORMANCE REVIEW

Done by the Development Commissioner before the end of Q1 of the following year; a summary reaches the Ministry of Commerce by 30 September.

● CONSEQUENCE OF DEFAULT

Failure on NFE, or breach of the LoP, Industrial License or LUT, invites penal action under the FT (D&R) Act and cancellation of the LOP.

EXITING THE SCHEME

A unit may opt out with the approval of the Development Commissioner, on payment of applicable customs and excise duties, IGST / CGST / SGST and compensation cess. Unmet obligations attract penalty. The unit assesses its own liability, Customs confirms it, and a No Dues Certificate follows; the DC then issues the final exit order within 7 working days. Exit is also possible under the EPCG or Advance Authorization route, subject to positive NFE.

Professional Opportunities for CA's

01

Advocacy

- Representation on specific aspects of SEZ/EOU with MoCI/BOA /UAC, some of the Examples are:
 - *Availment of zero-rating benefits not specifically covered under approved list (Leasing of Vehicles for ITES was added specifically)*
 - *Regularization of various non-compliances based on Instructions issued by SEZ/EOU authorities on case-to-case basis.*
 - *Lesioning with SEZ/EOU-Customs authorities to get specific Import permissions for SEZ /EOU Operations*

02

Advisory

- Assistance in setting up SEZ/EOU and representation before UAC
- Health Checks/ SEZ/EOU review of transactions
- Routine advisory services raised by EOU/SEZ Clients
- Professional assistance in End-to-End Debonding activity of EOU during Exit Procedure

03

Compliances

- Assistance in handling the day-to-day compliance functions like
 - SOFTEX
 - SERF
 - APR and MPR
 - DSPF
- Assistance in filing SEIS/MEIS claims
- Assistance in filing refund claims

Comparison of Schemes

4

Comparison with other schemes –(1/2)

Parameters	Advance Authorization(AA)	SEZ	EPCG	EOU	MOOWR
Concept	AA shall be granted on pre-import basis with ‘Actual user’ condition for duty free	Designated duty-free enclave where manufacturing/service operations allowed	Enables an importer to import capital goods at zero rates of customs duty	Similar to SEZ where manufacturing/service operations allowed	Imported goods are stored under Customs control in designated place without payment of import duties
Export Obligation	Minimum 15% Value Addition or such value addition given for specific categories of products / sectors	Positive Net Foreign Earning (NFE) requirement in 5 years from commencement of operations	Export value equivalent to 6 times of duty saved to be satisfied within 6 years from date of issue of EPCG authorization	Positive Net Foreign Earning (NFE) requirement in 5 years from commencement of operations	No Export Obligation
Value on which import duty is payable	NA – as AA is given only on pre-import condition for exporting the final product	Value of goods sold from SEZ to DTA including value additions	NA	For DTA clearance permission is required	Import value of inputs used for domestic Clearance
Eligibility criteria	Only available for specific products based on rules under FTP	Requires minimum hectares of land (Normally 50 hectares land)	Only available for capital goods with export obligation	Minimum investment of INR 10 / 50 million in plant & machinery	Any existing or new factory can be converted to a MOOWR Premise.

Comparison with other schemes –(2/2)

Parameters	Advance Authorization(AA)	SEZ	EPCG	EOU	MOOWR
Need for License to import	Yes	No	Yes	Yes	No. However, Warehouse Code is required to be mentioned in BOE.
Validity of license	12 months	Limited to certain period: (e.g. 5/10 years)	24 months	60 months	NA
Adherence to SION Norms	Yes	NA	NA	Yes	Norms to be defined by the company
Depreciation Benefit	Not Applicable	Available	Not available, however duty liability reduced to the extent of EO	Available	NOT Available
Bond/Security	Bond required, however security NOT required to specified class of exporters	Bond cum Legal undertaking required to be furnished with SEZ authorities	Required. However, security not required to be provided to specified class of exporters	Bond Required by the Customs as well as DGFT. However, security is not required	Triple duty bond. No security for goods covered U/S 65 Permission.

Use Cases- Conversion to MOOWR?

Existing business operations	Conversion into a Bonded warehouse		Viability
Focus: Exports Driven Business Model	Pros	Cons	
Export of goods manufactured/assembled using only imported components	-	-	✓
Export of goods and availment of schemes such as Advance Authorization, EPCG, drawback, etc.	-	-	✓
Manufacturing-related operations such as packaging, labelling, packing, etc.	-	-	✓
EOUs	• No NFE • No SION fixation • Minimal approvals	• Debonding cost and compliance effort • No depreciation on CG removal	
Companies operating in SEZs	• No NFE • Minimal approvals • Locational flexibility	• Debonding cost and compliance effort • Operational and business feasibility	
Focus: Domestic sales			
Trading	-	-	✗
Companies maintaining JIT inventory or having a short production cycle	-	-	✗
Import of substantial CG for manufacturing and sale primarily in the domestic market	-	-	✓



Valuable proposition



Needs a cost benefit analysis for evaluation



Low/ no value proposition



Thank You

Name: Shravan Gehlot

Email: Shravan@Protaxology.com

Mobile: 9500144702