

### *Comparison between various Export Promotion Schemes*

Parameters	AA	EPCG	EOU	MOOWR	SEZ	DESH Bill
<b>Concept</b>	Inputs can be imported Duty-free subject to actual user conditions under this scheme	Capital Goods can be imported duty-free under this scheme	Designated duty-free enclave where manufacturing/ service operations allowed.	Enables conduct of manufacture and other operations in a Customs bonded warehouse with free import.	Considered as a territory outside the customs territory of India for the purpose of undertaking authorized operations	Considered as a territory outside the customs territory of India for the purpose of undertaking authorized operations.
<b>Type</b>	There are two types of Authorization: 1. Advance Authorization 2. Duty-free Import Authorization	There are two types of EPCG schemes: 1. Zero duty Export Promotion Capital Goods Schemes 2. Post Export EPCG Duty Credit Scrip	Not applicable	1. Regular scheme, & 2. Special Warehousing scheme for some specified goods	Not applicable	There will be 2 types of Developmental Hubs. 1. Enterprise Hubs will have land-based area requirements & allowed for both manufacturing & service activities. 2. Service hubs will

Parameters	AA	EPCG	EOU	MOOWR	SEZ	DESH Bill
						have built-up area requirements & allowed for only service-related activities
<b>Applicable law</b>	FTP, HBP, related Customs tariff notification	FTP, HBP, related Customs tariff notification	FTP, HBP, related Customs tariff notification	Chapter IX of the Customs Act and related regulations	SEZ Act and Rules read with Customs Law	The DESH Bill 2022
<b>Customs Benefit</b>	Upfront Exemption from BCD on import of inputs.	Upfront Exemption from BCD on import of capital goods.	Upfront Exemption from BCD on import of any goods.	Deferment of all customs duties on warehoused goods and the same is waived if the goods are exported	Upfront Exemption from BCD on import of goods	Upfront Exemption/Deferment from BCD on import of goods
<b>IGST Benefit</b>	Upfront Exemption from IGST on import of inputs.	Upfront Exemption from IGST on import of capital goods	Upfront Exemption from IGST on import of any goods	Deferment of IGST on warehoused goods and the same is waived if the goods are exported	Upfront Exemption from IGST on import of goods	Upfront Exemption/Deferment from IGST on import of goods

Parameters	AA	EPCG	EOU	MOOWR	SEZ	DESH Bill
<b>Eligibility &amp; Investment Criteria</b>	Only available for specific products based on rules under FTP and no Investment.	Only for capital goods with the export obligation and no Investment.	Min. investment of INR 10 million in plant & machinery	Any existing or new factory can be converted and no Investment.	Requires minimum land (Normally 50 hectares)	Yet to be notified
<b>Need for a license/Registration</b>	Yes, Advance Authorization from DGFT	Yes, EPCG Authorization from DGFT	Yes, IEC from DGFT	Permission under Section 65 and license under Section 58/58A from jurisdictional customs	The license under SEZ Act from SEZ Authority	One application is sufficient for approval by the various authorities, submitting multiple applications is not necessary
<b>Validity of License</b>	12 months for import & 18months for export	18 months for import & 6 years for export	5 years, extension permitted	NA	5 years, extension permitted	Boards decide the period for procurement & to brought goods into Development HUB without tax duties & cess

Parameters	AA	EPCG	EOU	MOOWR	SEZ	DESH Bill
<b>Who can avail of the benefit of the scheme?</b>	Manufacturer Exporter or Merchant Exporter	Manufacturer/Merchant Exporter tied to Supporting manufacturer, Service providers	Units undertaking to export their entire production	A person who has been granted a license under Section 58 combined with Section 65 under Customs Act	Units undertaking to export their entire production	Units undertaking to export their entire production
<b>Export Obligation</b>	Minimum 15% value addition in 18 months or such value addition has been given for specific categories of products/sectors	Export value equivalent to 6 times of duty saved in 6 years along with the average level of Exports in the preceding 3 licensing years for the same & similar products	Positive NFE requirement in 5 years from commencement of operations	No Export Obligation	Positive NFE requirement in 5 years from the commencement of operations	No obligation
<b>Trading is allowed??</b>	Yes	Yes	No	Yes, but interest is applicable for period beyond 90 days	Yes, only for FTWZ units	Yes

Parameters	AA	EPCG	EOU	MOOWR	SEZ	DESH Bill
<b>Authorized Operations</b>	Not applicable	Not applicable	Not applicable	Not applicable	The benefit is applicable only if it falls under the list of Authorized operations	There will be a negative list of operations under this bill where benefits will not be eligible
<b>Procurement from the Domestic Tariff area</b>	Considered as deemed Export	Considered as deemed Export	Considered as deemed Export and anyone can apply for a refund	It will be a regular supply	It will be treated as a zero-rated Supply	It will be treated as a zero-rated Supply
<b>Sales in the Domestic Tariff Area</b>	Allowed, but duty needs to be proportionately paid	Allowed, as long as export obligation to be fulfilled	Allowed, subject to permission & Duties saved at the time of Import will be payable on imported inputs contained in the finished goods	Allowed, but the duties deferred at the time of Import will be payable on imported inputs contained in the finished goods	Allowed, Subject to permission & positive NFE	Domestic clearance is allowed subject to the compliances and payment of GST with reversal of Custom duty on inputs plus IGST plus Equalization levy & duties on the depreciated value of Capital goods

Parameters	AA	EPCG	EOU	MOOWR	SEZ	DESH Bill
<b>Job work/ Sub-Contracting</b>	Allowed	Allowed	Allowed subject to permission & with an overall limit of 50 percent in value terms in DTA based on last year's production.	Inputs, moulds, dies, jigs, fixtures, etc. are allowed as per GST law. Capital Goods allowed subject to permission	Allowed subject to permission & with an overall limit based on last year's export or DTA sales.	Sub-Contracting to or from the DTA unit is proposed for manufacturing units as of now within limits
<b>Separate Registration under GST Act</b>	No	No	No	No	Yes	Not provided
<b>Import of Second-hand Capital Goods</b>	Yes	No	Yes	No	Yes	Not provided
<b>Input-Output Norm</b>	Yes, as per SION if prescribed otherwise based on ad-hoc norms ratified by the authorities.	Not applicable	Yes, as per SION if prescribed otherwise based on ad-hoc norms ratified by the authorities if wastage exceeds 2 percent	Norms to be defined by the company	Not applicable	Not provided

Parameters	AA	EPCG	EOU	MOOWR	SEZ	DESH Bill
<b>Audits</b>	Yes, by the DGFT within 3 years from the date of issue of Authorization	Not provided	No	Yes, by the Customs Authority	Yes, by the Customs Officers	Yes, by the Comptroller and Auditor-General of India
<b>The benefit of Depreciation on the Sale of used Capital Goods</b>	Not applicable	Not available but proportionate duty reduction will be allowed to the extent of EO fulfilled.	Available	Not available	Available	Available
<b>Opting for one or more schemes together</b>	Yes, EPCG & AA can be opted together i.e., one for Capital Goods and the other for Raw Materials	Yes, EPCG & AA can be opted together i.e., one for Capital Goods and the other for Raw Materials	Can opt only for EOU	Along with MOOWR, EPCG & AA can be opted	Can opt only for SEZ	Not provided
<b>Points to consider while opting for the scheme</b>	When there is sufficient Export to meet the Value addition and the requirement of	When there is sufficient Export to meet the EO and the requirement of Capital goods is not constant	Units intending to export their entire production and Import requirement is	When there is a huge Import of Capital Goods and not planning to sale the same soon as	Units intending to export their entire production and Import requirement is	Units intending to export their entire production and Import requirement is

Parameters	AA	EPCG	EOU	MOOWR	SEZ	DESH Bill
	Input is not constant		constant over the period.	duty needs to be paid on same.	constant over the period.	constant over the period.
<b>Availability of RODTEP benefit</b>	No, specifically excluded	Not specifically excluded	No, specifically excluded	No, specifically excluded	No, specifically excluded	Not provided
<b>Availability of Duty Drawback benefit</b>	No, specifically excluded	Not specifically excluded	No, specifically excluded	No, specifically excluded	No, specifically excluded	Not provided
<b>Requirement of Bond &amp; Security</b>	Bond required & there are certain exemptions from security	Bond required & there are certain exemptions from security	Bond required & there are certain exemptions from security	Requirement of triple duty bond & Security required for traded goods	Bond cum legal undertaking required	Not provided