

# Inside MOOWR: An end-to-end digital handbook

February 2026



# Preface

India's manufacturing and export ecosystem is undergoing a structural transformation, driven by policy modernisation, digitisation of customs procedures, and a renewed emphasis on competitiveness and ease of doing business. The Manufacturing and Other Operations in Warehouse Regulations (MOOWR), 2019, has emerged as a pivotal enabler in this environment, offering duty deferment, cash-flow optimisation, and operational flexibility to the businesses engaged in domestic and global value chains.

With the recent launch of the enhanced online MOOWR module on ICEGATE and the updated FAQs issued in September 2025, the compliance and approval landscape for units has moved from a largely manual interface to a streamlined, transparent, and technology-driven framework. This shift marks a significant step toward harmonising MOOWR processes with global best practices and improving predictability for investors and manufacturers.

Grant Thornton Bharat has designed this manual to serve as a comprehensive and practical guide for businesses, practitioners, and internal teams navigating the new digital interface. It consolidates regulatory requirements, application workflows, documentation expectations, procedural insights, and compliance checkpoints under the revised module. Furthermore, it is structured to support audit readiness and operational efficiency, enabling units to leverage MOOWR optimally and compliantly.

We hope this manual becomes a go-to reference for all stakeholders seeking clarity on the revamped MOOWR framework and contributes to greater adoption of the scheme across industry sectors.



**Manoj Mishra**

**Partner and Tax**  
Controversy Management Leader,  
Grant Thornton Bharat

# Table of Contents

Introduction to MOOWR

Legal framework

Applicability – Who can opt for the MOOWR scheme

Eligibility and prerequisites

Application process, documentation, and approvals

Compliances to be done by MOOWR units

Duty incidence and clearance for home consumption

Exit, surrender, and risk management

Annexures

# 1. Introduction to MOOWR



## 1.1. What is MOOWR?

The **Manufacture and Other Operations in Warehouse Regulations, 2019 (MOOWR)** is a customs duty-deferment framework notified under the Customs Act, 1962. Under this scheme:

- A unit's premises are licensed as a **private bonded warehouse** (Section 58)
- The same premises are authorised for **manufacture or "other operations"** on warehoused goods (Section 65).

This enables an entity to:

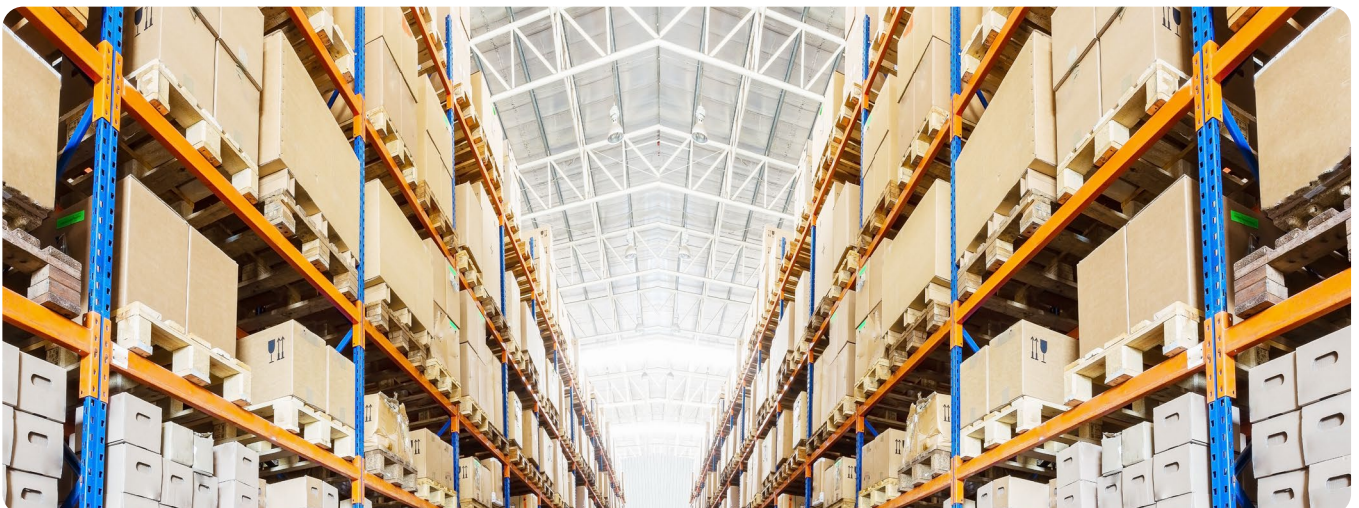
- Import **capital goods, raw materials, and components** without paying Basic Customs Duty (BCD). (IGST exemption was withdrawn vide an amendment through the Finance Act 2023. However, the date is yet to be notified);

- Carry out manufacturing/other permitted operations in the bonded premises; and
- Pay customs duty **only when the goods (or capital assets) are cleared for home consumption**.

Where finished goods (or unused inputs) are **exported**, the deferred customs duty is effectively **remitted**, resulting in a zero-duty incidence on the inputs used for exports. There is **no minimum export obligation** and no investment threshold prescribed under the scheme.

## 1.2. Objectives of MOOWR Regulations

- **Working capital management:** Allow deferment of customs duties on imports so that duty outflow is aligned with revenue realisation (i.e., at the time of domestic sale). Reduce the cash-flow impact of the upfront payment of customs duty on capital goods and raw materials.
- **Deferment of duty on imports:** Permit goods to be warehoused without immediate duty payment. Shift the chargeability of duty from the time of import to the time of ex-bond domestic clearance.
- **Ease of doing business:** Provide a single licensing framework (Sections 58 and 65) with **perpetual validity** of the licence (no renewal cycle). Move to **computerised accounting and risk-based audits**, rather than day-to-day supervision by Customs.
- **Encouragement of local manufacturing:** Attract new investments and enable existing manufacturers with import dependency to transition into a bonded model.



## 2. Legal framework



Relevant laws	Sections
Customs Act, 1962	<p>Chapter IX (Warehousing) of the Customs Act, 1962. Key sections:</p> <ul style="list-style-type: none"> <li>• Section 57, 58 &amp; 58A: Licensing of public, private and special warehouses</li> <li>• Section 59: Execution of bond for warehoused goods</li> <li>• Section 60–61: Permission to deposit goods and period of warehousing</li> <li>• Section 65: “Manufacture and other operations in relation to goods in a warehouse”, it is the enabling provision for in-bond manufacturing operations</li> <li>• Section 66–69: Clearance of warehoused goods for home consumption/export and related exemptions</li> <li>• Section 72: Consequences of improper removal, non-payment of duty, etc.</li> <li>• Section 65A: Goods brought for operations in a warehouse to have ordinarily paid certain taxes (inserted, not yet notified): Section 65A was inserted by Section 130 of the Finance Act, 2023, to create a specific regime for the goods brought into a warehouse for manufacture/operations under Section 65. It provides that, from a date to be notified: <ul style="list-style-type: none"> <li>– Only goods on which IGST and Compensation Cess (under Section 3(7) and 3(9) of the Customs Tariff Act, 1975) have been paid can be treated as “warehoused goods” for Section 65 operations.</li> <li>– Goods must be removed for deposit in the warehouse against a bill of entry for home consumption, with IGST/cess paid at that stage (not at ex-bond clearance).</li> <li>– Duties other than IGST/cess (i.e., BCD + SWS, etc.) continue to be deferred and are payable at the time of removal from the warehouse.</li> </ul> </li> </ul> <p>As of now, this has not yet been notified; the section exists in the statute but is prospective, a position reaffirmed in the 2024 Delhi High Court proceedings and professional commentaries.</p>
Subordinate legislation – MOOWR Regulations and related notifications	<ul style="list-style-type: none"> <li>• <b>Manufacture and Other Operations in Warehouse Regulations, 2019</b> (“MOOWR 2019”) notified vide Notification No. 69/2019-Customs (N.T.), dated 1 October 2019, prescribes the detailed framework for: <ul style="list-style-type: none"> <li>– Eligibility and conditions to obtain permission for manufacturing/other operations in a bonded warehouse under Section 65</li> <li>– Procedural requirements for application, approval, and execution of the bond</li> <li>– Maintenance of accounts, records, inventory control, and reconciliation of bonded inputs and finished goods.</li> <li>– Periodic returns, audit, and control by customs officers.</li> </ul> </li> <li>• <b>Private Warehouse Licensing Regulations, 2016:</b> Notified via Notification No. 71/2016-Cus (N.T.), these regulations govern the licensing and operation of private bonded warehouses.</li> </ul> <p>For a typical MOOWR unit, both a private warehouse licence and separate permission under Section 65, read with MOOWR 2019, are required.</p>

### 3. Applicability – Who can opt for MOOWR scheme?





**Manufacturers:** The primary target group for MOOWR is **manufacturing entities** with import dependency – whether for raw materials, components, consumables, or capital goods. For such entities, MOOWR can be considered where:

- There are **significant imports** forming part of the cost base.
- The business model involves a combination of domestic supplies and exports, or is structured to enable or scale up exports over time.
- The unit is willing to maintain a robust **computerised inventory and bond accounting system**.

Sectors typically evaluating MOOWR include electronics, auto and components, engineering goods, chemicals, pharmaceuticals, consumer goods, and capital goods.

**Service providers:** Service providers may consider MOOWR where their services involve **physical handling or processing of goods** that can be warehoused.

Illustrative cases:

- Repair, refurbishing, or remanufacturing of imported equipment;
- Testing and certification labs handling imported samples;
- Contract processing units where foreign principals send goods for processing and re-export.

Here, the “other operations” limb of Section 65 becomes particularly relevant – provided that Customs approve the activity as an operation in relation to warehoused goods.

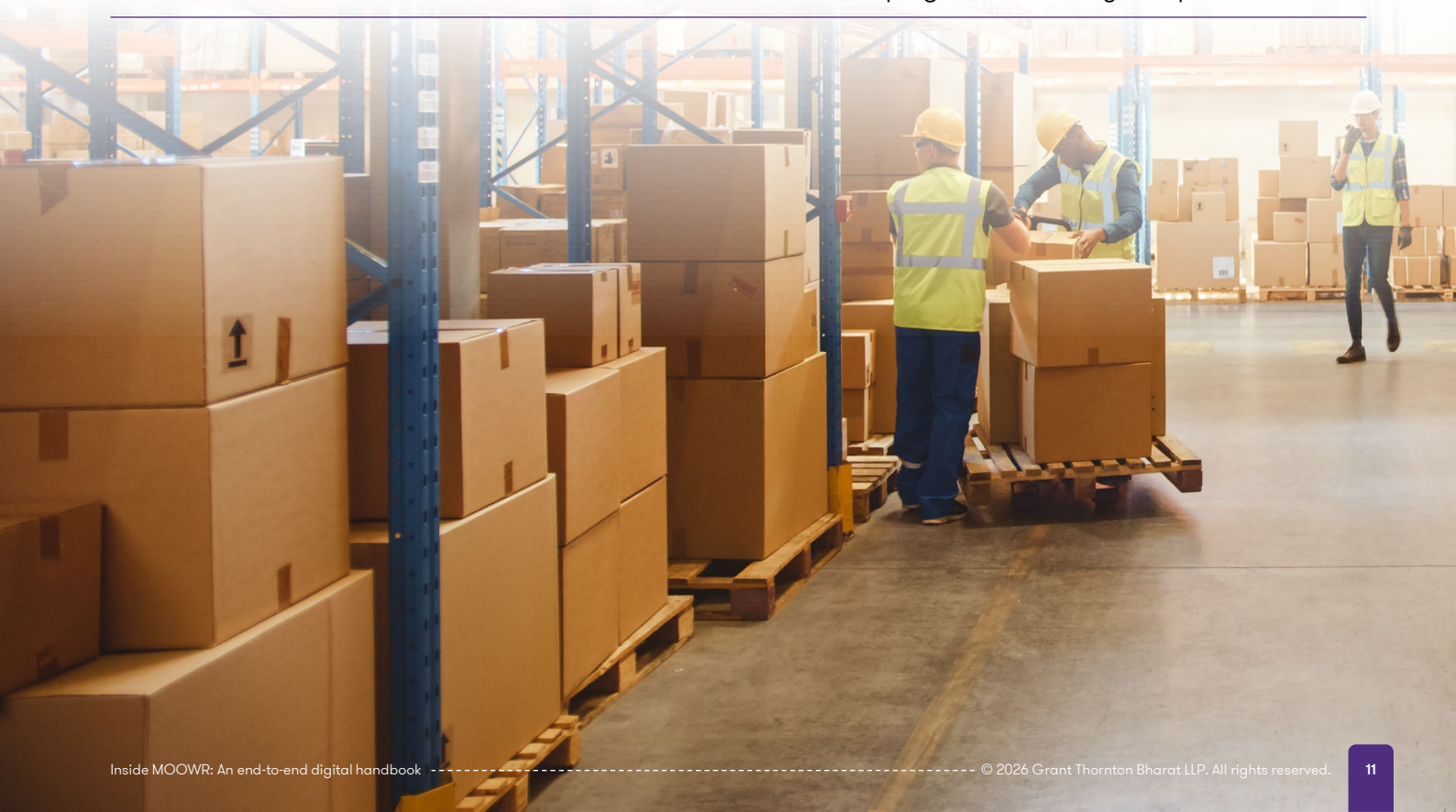
While the MOOWR scheme is fundamentally designed around manufacturing and processing, the legal framework under Section 65 permits a wide range of ‘other operations’. Accordingly, the entities engaged in trading or distribution may evaluate MOOWR where their activities go beyond mere trading and involve permitted value-adding operations.

## 4. Eligibility and prerequisites



## MOOWR eligibility (Section 58 – Private warehouse)

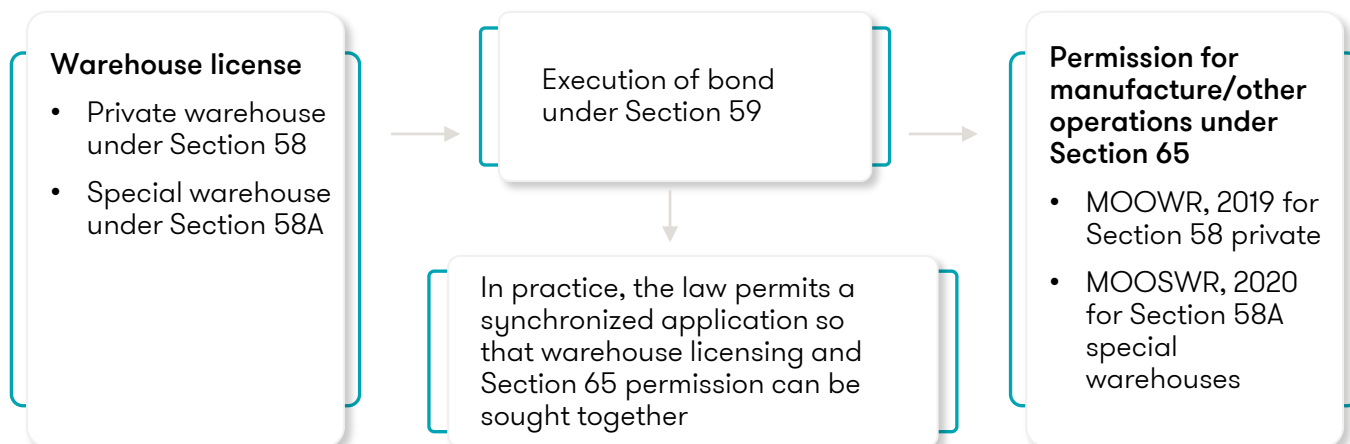
Criteria	Summary
Who can apply?	<ul style="list-style-type: none"> <li>• Holder of a private warehouse licence under Section 58 (Warehouse Licensing Regs., 2016), or</li> <li>• An applicant simultaneously seeking a Section 58 licence + Section 65 permission for manufacturing/other operations.</li> <li>• Must be an Indian citizen or an Indian-incorporated entity.</li> </ul>
Application to	Principal Commissioner/Commissioner of Customs
Applicant to file an undertaking	<ul style="list-style-type: none"> <li>• Maintain digital accounts of the receipt/removal of goods and share them monthly with the Bond Officer.</li> <li>• Execute the bond in the prescribed format.</li> <li>• Declare input-output norms and update if changed (only if applicable).</li> </ul>
Scope-neutral eligibility	<ul style="list-style-type: none"> <li>• No restriction on DTA sales vs exports.</li> <li>• No quantitative limits on domestic clearances.</li> <li>• Existing DTA factories may be converted to Section 58+65 units; existing goods will be recorded.</li> </ul>
Operational requirements	Secure premises, controlled access, proper record-keeping, and inventory discipline.



# 5. Application process and approvals



## 5.1 Overview



## 5.2. Strategic readiness before application

A well-prepared entry into the scheme typically begins with a short internal readiness review to align compliance and business intent. At a policy level, clients should confirm:

- The nature of intended activities qualifies as “manufacture” or “other operations” permissible under Section 65.

- The import profile and product-handling requirements do not trigger legal or operational constraints.

This step is crucial to prevent procedural delays during the jurisdictional review.

## 5.3. Premises and systems readiness

The proposed premises must be capable of functioning as a bonded facility. While detailed technical conditions are addressed in regulations and local instructions, the standard expectations include:

- Secure custody and access control for warehoused goods.

- Adequate infrastructure for storage and proposed operations.
- Capability to maintain electronic records with reliable audit trails in the prescribed format.

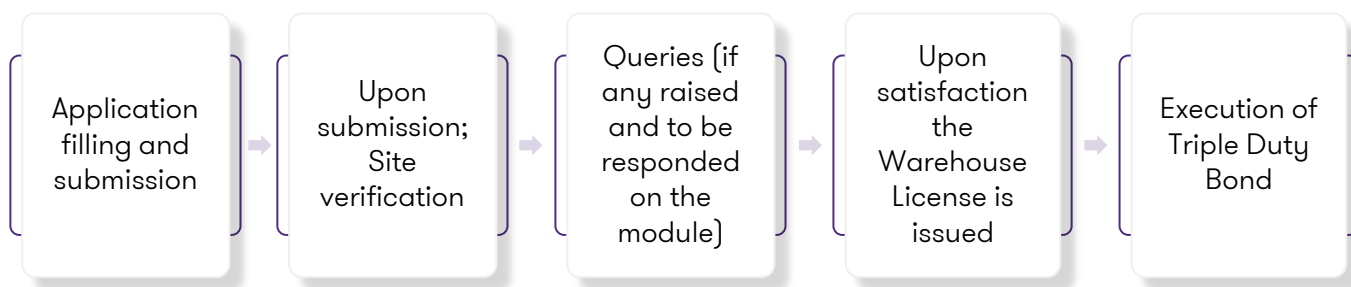


## 5.4 Application and submission mechanism:

Online application to be filed on	Online module on ICEGATE 2.0 (earlier on <a href="https://www.investindia.gov.in/bonded-manufacturing/application-form">https://www.investindia.gov.in/bonded-manufacturing/application-form</a> )
Registration on ICEGATE	<ul style="list-style-type: none"> <li>• The user needs to undertake fresh registration on the ICEGATE login page and select the role “Warehouse Licensee”.</li> <li>• After the successful registration of a new warehouse by the proper officer, an ICEGATE ID will be automatically generated and communicated to the user via email.</li> <li>• This is also applicable to existing warehouse users.</li> <li>• An application can be filed for licenses at multiple locations, and a separate ICEGATE ID will be created for each warehouse registration.</li> </ul>
Application to be submitted	<ul style="list-style-type: none"> <li>• To the jurisdictional Principal Commissioner/Commissioner of Customs in the prescribed form for:               <ul style="list-style-type: none"> <li>– Warehouse licence (Section 58/58A), and</li> <li>– Permission to undertake operations under Section 65.</li> </ul> </li> </ul>
Documents/Information required	<ul style="list-style-type: none"> <li>• PAN, GST certificate, IEC certificate</li> <li>• Certificate of incorporation, MOA, AOA</li> <li>• List of Directors, along with ID proof</li> <li>• ITR and balance sheet</li> <li>• Bank account details and bank solvency certificate</li> <li>• Board resolution for the appointment of an authorised signatory</li> <li>• Lease deed/ownership deed (NOC from the owner of the leased property)</li> <li>• Site plan</li> <li>• List of goods to be imported, locally procured, intermediate products, final product, scrap/waste with HSN code</li> <li>• Warehouse keeper-related documents</li> <li>• General continuity bond and insurance</li> <li>• Details of security arrangement (Number of cameras, fire extinguisher, burglar alarm system, and agreement with the security agency)</li> <li>• Declarations and undertakings, etc.</li> </ul>



## Approval process:



### Process

- After submission, the application is routed to the officer based on the port code selected by the user.
- The port officer sends a letter to the DGFT and DGGI to conduct a background check/verification of the applicant, ensuring there are no fraudulent matters involved.
- Physical verification may take place simultaneously (as mentioned in the site verification below)
- An officer can raise queries, which can be responded to within the module.
- Upon approval, a warehouse code is generated, and a license is issued online.
- Simultaneously, an ICEGATE ID is generated, and the credentials for the warehouse license and ICEGATE ID are shared with the user via an email.

### Customs typically conducts a verification of:

- Premises suitability, security, and access protocols.
- Proposed operational processes.
- Record-keeping capacity.

### Site verification and grant of approvals

#### Upon satisfaction, the Customs issues:

- A warehouse licence under Section 58/58A; and
- Section 65 permission to commence manufacturing/other operations within that warehouse.

### Execution of triple duty bond and security

#### Post in-principle approval, the applicant is required to:

- Execute the prescribed warehouse bond under Section 59; and
- Furnish security as applicable under the warehousing framework.

#### The bond functions as the legal assurance for:

- Proper accounting of goods;
- Compliance with warehousing conditions; and
- Payment of duty, interest, penalties, or other dues, if liabilities arise upon domestic clearance or non-compliance.

## 6. Compliances to be done by MOOWR units



A person who has been granted permission shall comply with the following:

- Appoint a warehouse keeper who has sufficient experience in warehousing operations and customs procedures to discharge functions.
- A sign shall be placed that prominently indicates that the site or building is a customs-bonded warehouse.
- Provide a computerised system at the warehouse for the accounting of receipt, storage, operations, and removal of goods.
- Provide the necessary facilities, equipment, and personnel at the warehouse to ensure sufficient control over access and secure storage of the goods within it.
- Inform the bond officer upon the receipt of imported goods.
- Approval from the bond officer for every removal for export/movement to another warehouse.
- Correlation of imports to finished goods.
- Track of wastage and its usage.
- Monthly compliance as per Annexure – B.
- Risk-based audit.
- Another continuity bond must be submitted to the jurisdictional officer, who, upon acceptance, shall provide a bond number that will be used at the time of filing the bill of entries for warehousing. Once a bill of entry is cleared for warehousing, the bond submitted by the licensee gets debited.
- After the amount of bond is exhausted, the existing bond must be topped up/amended before the arrival of subsequent imports.



## Compliance timelines:

Compliances with jurisdictional Customs department	Due date	Remarks
Filing monthly returns – As per Annexure B (as per Para 3 of Circular No. 25/2016-Customs dated 8 June 2016, read with Circular No. 34/2019 dated 1 October 2019)	10 <sup>th</sup> of the following month	Return is to be filed in hard copy. It is advisable to share the same with the bond officer via mail
Renewal and submission of all risk insurance policies	Annually	NA
Comply with the solvency condition	Annually	Solvency certificate to be submitted to the jurisdictional officer

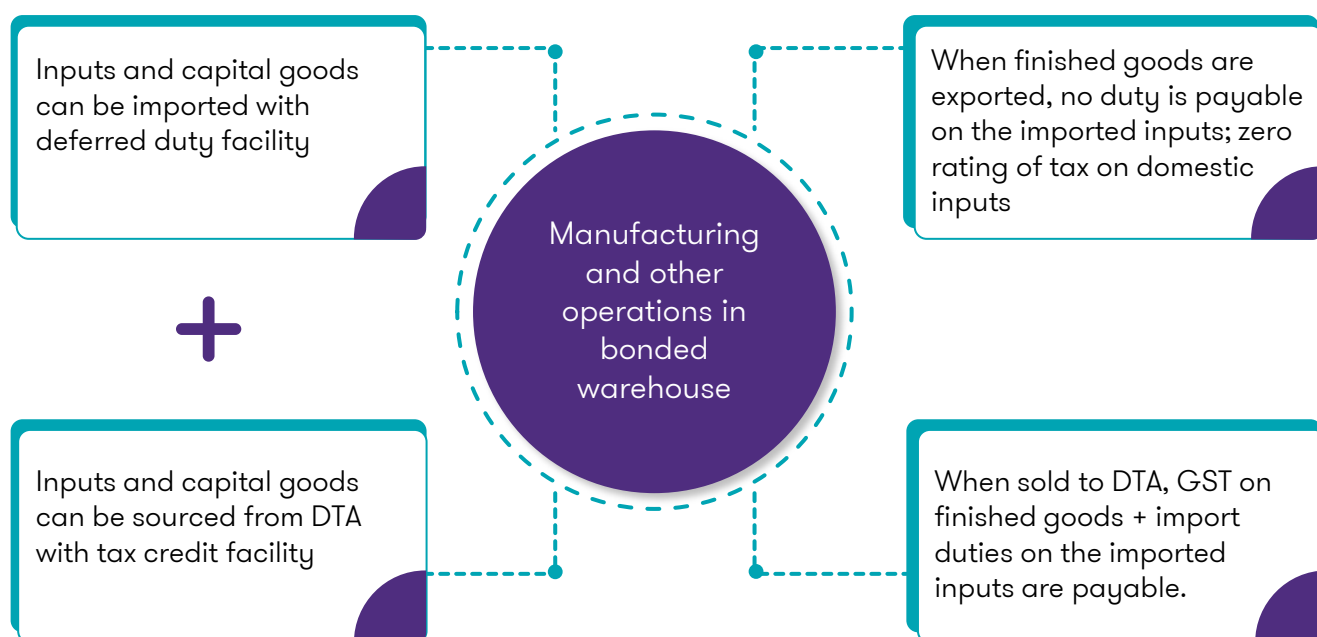
## Maintenance of records in relation to warehoused goods

The licensee shall maintain the following records electronically:

- Detailed records of the receipt, handling, storing, and removal of any goods into or from the warehouse, and produce the same to the bond officer, as and when required.
- Record of each activity, operation, or action taken in relation to the warehoused goods.
- Record of samples drawn from the warehoused goods.
- Copies of the bills of entry, transport documents, the form for the transfer of goods from a warehouse, shipping bills, bills of export, any other documents indicating the receipt/removal of goods from the warehouse, and copies of the bond executed under Section 59.
- Software for the maintenance of electronic records must incorporate the feature of an audit trail, which means a secure computer-generated, time-stamped electronic record that allows for the course of events relating to the creation, modification, or deletion of an electronic record, and includes actions at the record or system level, such as an attempt to access the system or delete or modify a record.
- Records and accounts shall be kept updated, accurate, and **preserved for a minimum period of five years from the date of the removal of goods** from the facility and shall be made available for inspection by the bond officer or any other officer authorised under the Act.

## 7. Duty incidence and clearance for home consumption





### Meaning of “Manufacture” and “Other Operations” under Section 65

- “Manufacture” generally covers processes that result in a new or distinct product, including assembly, fabrication, blending, and similar transformative activities.
- “Other operations” encompass commercial processes that may not qualify as manufacturing but are integral to a business's needs. These may include testing, repacking, relabelling, sorting, or kitting.
- The range of activities permitted in a warehouse depends entirely on what is approved in the Section 65 authorisation.
- Any shift in operations, such as transitioning from simple packing to complex assembly, should be formally declared to Customs for amendment, rather than being assumed to be covered.

### Operations commonly undertaken in a bonded facility

- Manufacturing and value addition: Assembly, machining, fabrication, SKD/CKD operations.
- Commercial processes: Packing, repacking, relabelling, and kitting.
- Testing and quality assurance: Functional testing, calibration, and QC checks.
- Repairs and refurbishing: Reconditioning or part replacement, where approved.

### Use of imported and domestic inputs

- Imported inputs remain subject to warehousing discipline until the resulting products are cleared for domestic consumption.
- Units must maintain an input-output correlation through yield norms, bills of material, or similar records to support consumption patterns during audits.

### Treatment of waste, refuse, by-products, and scrap

- Section 65 requires units to maintain the records of such residues and apply the correct duty treatment depending on whether the finished goods are exported or sold domestically.
- When waste or scrap is exported, the removal is effected through a shipping bill and no customs duty becomes payable;
- When such waste or scrap is destroyed within the warehouse with the proper officer's permission, no bill of entry is required, and no duty liability arises.
- When the waste or scrap is cleared into the domestic market, it must be removed through an ex-bond bill of entry for home consumption under Section 68, and applicable customs duty is payable.

<b>Export of finished goods</b>	<p>When finished goods or intermediate products made from warehoused inputs are exported:</p> <ul style="list-style-type: none"> <li>• No duty is payable on the imported inputs used in the production of those goods.</li> <li>• Export requires: <ul style="list-style-type: none"> <li>– Filing of a shipping bill or prescribed export document under Section 69,</li> <li>– Payment of any applicable export duty, fines, or penalties, and</li> <li>– Issuance of an export order.</li> </ul> </li> </ul>
<b>Sale of finished goods in DTA</b>	<p>For domestic clearances:</p> <ul style="list-style-type: none"> <li>• Duty becomes payable on the imported inputs consumed in relation to the finished goods, as well as the associated waste/scrap.</li> <li>• The transaction value of waste or scrap is generally accepted for duty purposes, subject to the Customs' ability to verify its reasonableness.</li> <li>• Clearance into the DTA requires:</li> <li>• Filing of an ex-bond bill of entry for home consumption under Section 68,</li> <li>• Payment of all applicable duties, interest, fines, or penalties, and</li> <li>• Issuance of a clearance order by the proper officer.</li> <li>• This applies to the clearance of imported goods, as well as finished goods manufactured under bond and capital goods that are de-bonded.</li> </ul>
<b>Destruction of waste or obsolete stock</b>	<p>Units may seek permission to destroy waste, rejects, or obsolete goods under customs supervision. To support this request, they must maintain:</p> <ul style="list-style-type: none"> <li>• Quantities proposed for destruction,</li> <li>• Records linking the waste to production activities, and</li> <li>• Evidence that the material has not been diverted to the domestic market.</li> </ul> <p>Destruction does not constitute a DTA clearance and therefore does not require filing a bill of entry. When properly supervised, destruction does not attract duty on imported content.</p>
<b>Treatment of rejects, defectives, and returns</b>	<ul style="list-style-type: none"> <li>• Production processes often yield in-process rejects, which can be reworked within the warehouse where feasible. If rework is not viable, such items fall under the rules applicable to waste and scrap.</li> <li>• Finished goods discovered to be defective before sale may also be reprocessed, provided that the approved Section 65 scope covers these reprocessing steps. When reprocessing is not possible, the goods must be scrapped or destroyed, subject to the appropriate duty treatment.</li> <li>• Returns from domestic customers require separate procedural evaluation. Goods cannot be re-entered into the warehouse unless handled through a valid customs procedure. Where such returns are scrapped or destroyed, duty implications follow the general principles applicable to DTA clearance or destruction.</li> </ul>

### Outward job work and subcontracting

While the primary expectation is that value addition occurs within the bonded premises, Customs may allow limited outward movement of goods for job work. Such permission must be explicitly granted, and outward movement must occur under proper documentation and within prescribed return timelines.

Key considerations include:

- Ensuring a clear audit trail for imported inputs that move outside the warehouse,
- Maintaining control over quantities issued and received, and
- Avoiding any perception of diversion or loss of warehoused goods.

Rules around outward job work can evolve through circulars or notifications and should therefore be confirmed at the time of implementation.

### Clearance of capital goods

- Capital goods imported and installed in the warehouse do not attract duty during use.
- Duty is payable only if such goods are cleared into the DTA.

### GST on supplies by the MOOWR unit

#### GST on domestic supplies from a MOOWR unit:

- Supplies, such as sale, transfer, lease, or any other form of supply made from a MOOWR to customers in India, constitute taxable supplies under GST, similar to any other supply made to the DTA.
- For valuation purposes under GST, the taxable value will comprise the transaction value of the goods, along with the customs duties that become payable at the time of ex-bond clearance, including BCD, SWS, IGST, and any applicable cess.
- In practice, customs duty is paid via an ex-bond bill of entry, and GST is charged via a tax invoice on the outward supply. These two tax streams are distinct and must be correctly accounted for.

#### Input tax credit (ITC) in a bonded manufacturing environment

- The ITC on domestic procurements (goods and services) is governed by the standard ITC rules under the CGST Act and Rules (including restrictions under Section 17(5), reversals, etc.).
- If the IGST is payable at import (depending on the current exemption position), such IGST may be eligible for ITC, subject to the usual conditions (possession of a valid document, use in business, reflection in returns, etc.).

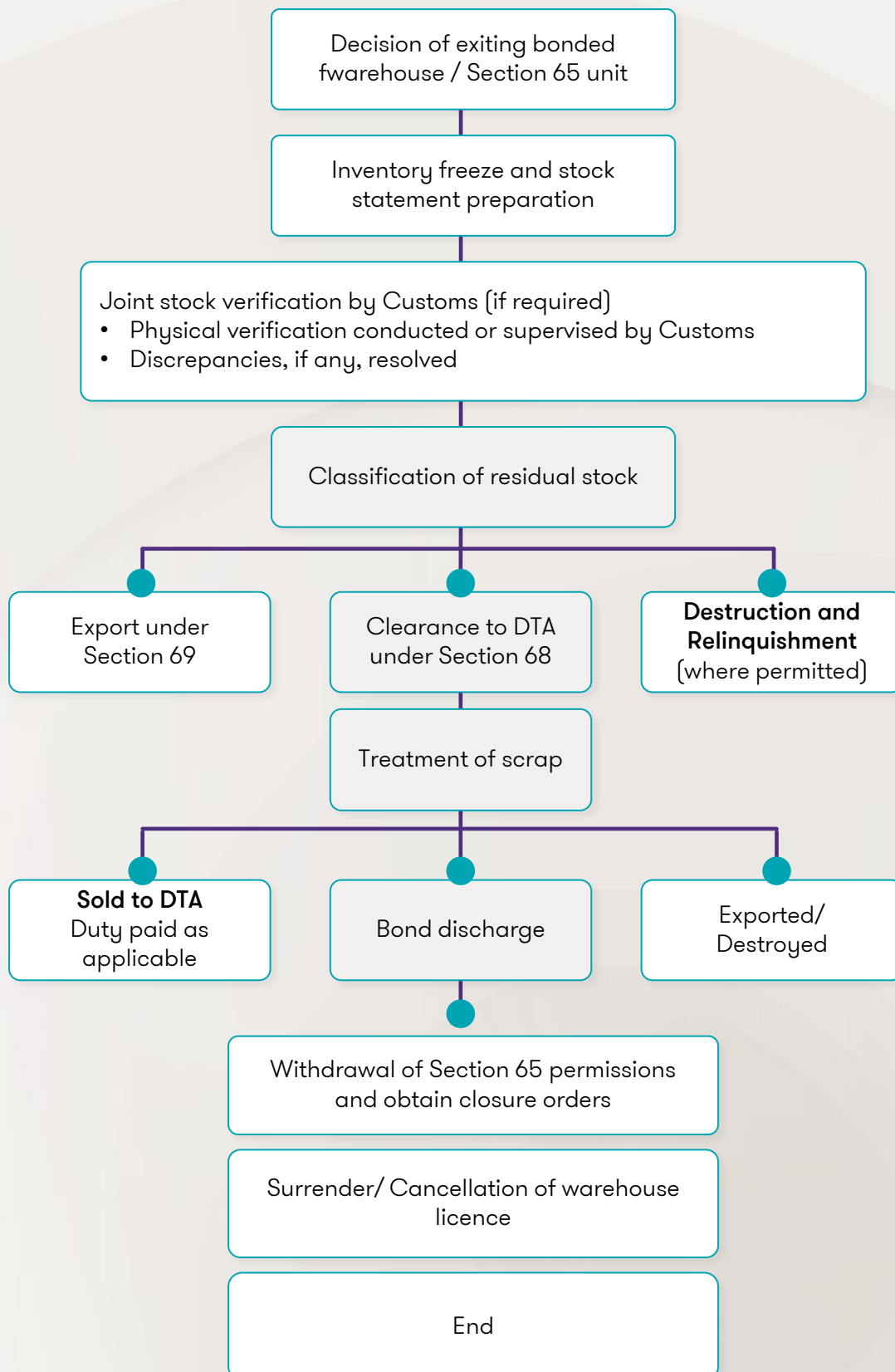
#### Exports: GST and MOOWR together

For exports, two parallel frameworks operate:

- Customs side: Section 69 of the Customs Act allows the export of warehoused goods without the payment of import duty.
- GST side: Exports are zero-rated supplies, which may be:
  - With payment of the IGST and claim of refund; or
  - Under a LUT/bond with the refund of the unutilised ITC.

## 8. Exit, surrender and risk management





### Treatment of capital goods on exit

The capital goods imported and warehoused under the MOOWR remain subject to the customs duty if they are eventually cleared into the DTA.

- **Retention and DTA use**

- Capital goods remain with the unit in India;
- An ex-bond bill of entry is filed, and duty is paid on the assessable value and at the rate applicable at the time of ex-bond clearance.

- **Export of capital goods**

- The capital goods may, if commercially sensible, be exported.
- This may be done without the payment of import duty, subject to export procedures and any conditions notified for such goods.

- **Sale to another bonded unit**

- In appropriate cases, capital goods may be transferred to another warehouse/bonded manufacturer under inter-warehouse transfer rules
- This requires prior planning and departmental concurrence.

The unit should carefully evaluate duty cost, residual life, and the commercial utility of capital goods before choosing the exit path.

## Legal consequences

Depending on the gravity and nature of default, consequences under the Customs Act may include:

- The demand of duty on goods improperly removed or not accounted for (with interest);
- Penalties, including personal penalties on responsible individuals;
- Confiscation proceedings in respect of goods;

- Suspension or cancellation of warehouse licence and/or Section 65 permission;
- Initiation of prosecution in serious cases involving fraud, wilful misstatement, or suppression.

Section 72 (relating to the removal or failure to account for warehoused goods) is critical, as it allows the Customs to demand duty as if the goods were improperly removed, and proceed against the bond.



# 9. Annexures



## Section 65 - Manufacture and other operations in relation to goods in a warehouse

1. With the permission of the Principal Commissioner of Customs or Commissioner of Customs and subject to the provisions of Section 65A and such conditions as may be prescribed, the owner of any warehoused goods may carry on any manufacturing process or other operations in the warehouse in relation to such goods.

Provided that the central government may, if satisfied that it is necessary in the public interest so to do, by notification in the Official Gazette, specify the manufacturing processes and other operations in relation to a class of goods that shall not be permitted in a warehouse.




2. Where in the course of any operations permissible in relation to any warehoused goods under Sub-section (1), there is any waste or refuse, the following provisions shall apply:
  - a. If the whole or any part of the goods resulting from such operations is exported, the import duty shall be remitted on the quantity of the warehoused goods contained in so much of the waste or refuse as has arisen from the operations carried on in relation to the goods exported :  
Provided that such waste or refuse is either destroyed or duty is paid on such waste or refuse as if it had been imported into India in that form;
  - b. If the whole or any part of the goods resulting from such operations is cleared from the warehouse for home consumption, the import duty shall be charged on the quantity of the warehoused goods contained in so much of the waste or refuse as has arisen from the operations carried on in relation to the goods cleared for home consumption.

## Section 65A - Goods brought for operations in a warehouse are ordinarily paid certain

1. Notwithstanding anything to the contrary contained in this Act or the Customs Tariff Act, 1975 (51 of 1975), the following provisions shall, with effect from such date as may be notified by the central government, apply to goods in relation to which any manufacturing process or other operations in terms of Section 65 may be carried out, namely:—
  - a. The dutiable goods, which are deposited in the warehouse, shall be goods on which the integrated tax under Sub-section (7) and the goods and services tax compensation cess under Sub-section (9), of Section 3 of the Customs Tariff Act, 1975 (51 of 1975), have been paid, and only for the purpose of the duty payable. Other than the said tax and cess paid, such dutiable goods shall be warehoused goods;
  - b. The dutiable goods shall be permitted to be removed for the purpose of deposit in the warehouse, where —
    - I. In respect of the goods, an entry thereof has been made by presenting electronically on the customs automated system, a bill of entry for home consumption under Section 46 and the goods have been assessed to duty under Section 17 or Section 18, as the case may be, in accordance with Clause (a) of Sub-section (1) of section 15;
    - II. The integrated tax under Sub-section (7) and the goods and services tax compensation cess under Sub-section (9) of Section 3 of the Customs Tariff Act, 1975 (51 of 1975), have been paid in accordance with Section 47;

- III. On removal of the goods from another warehouse in terms of Section 67, a bill of entry for home consumption under Clause (a) of Section 68 has been presented and the integrated tax under Sub-section (7), and the goods and services tax compensation cess under Sub-section (9), of Section 3 of the Customs Tariff Act, 1975 [51 of 1975], have been paid before the goods are so removed from that other warehouse;
- IV. The provisions of Section 59, subject to the following modifications therein, have been complied with, namely:
  - a) For the words "bill of entry for warehousing", the words "bill of entry for home consumption" shall be substituted; and
  - b) For the words "amount of the duty assessed", the words "amount of duty assessed, but not paid" shall be substituted;
  - c) The duty payable in respect of warehoused goods referred to in Clause (A), to the extent not paid, is paid before the goods are removed from the warehouse in such manner as may be prescribed.
2. The provisions of Sub-section (1) shall not apply for the purpose of manufacturing process or other operations in terms of Section 65 to dutiable goods that have been deposited in the warehouse or permitted to be removed for deposit in the warehouse before the date notified under that sub-section.
3. The central government may, if it considers necessary or expedient, and having regard to such criteria, including but not limited to, the nature or class or categories of goods, or class of importers or exporters, or industry sector, exempt, by notification, such goods in relation to which any manufacturing process or other operations in terms of Section 65 may be carried out, as may be specified in the notification, from the application of this section.

MOOWR scheme regulations	<a href="#"><u>Notification No. 69/2019 - Customs - Non-Tariff dated 1 October 2019</u></a>
Procedure to be followed in cases of manufacturing or other operations undertaken in bonded warehouses under section 65 of the Customs Act	<a href="#"><u>Circular No. 34/2019 dated 1 October 2019</u></a>
Maintenance of records in relation to warehoused goods in electronic form, filing of returns, and the acknowledgement of the receipt of goods	<a href="#"><u>Circular No 25/2016-Customs dated 8 June 2016</u></a>
Warehouse (Custody and Handling of Goods) Amendment Regulations, 2019	<a href="#"><u>Notification No. 70/2019- Customs (NT) 1 October 2019</u></a>
Warehoused Goods (Removal) Amendment Regulations, 2019	<a href="#"><u>Notification No. 71/2019- Customs (NT) 1 October 2019</u></a>
Special Warehouse (Custody and Handling of Goods) Amendment Regulations, 2020	<a href="#"><u>Notification No. 77/2020 - Customs - Non Tariff dated 17 August 2020</u></a>

Manufacture and Other Operations in Warehouse (no. 2) Amendment Regulations, 2020	<a href="#"><u>Notification No. 76/2020 - Customs - Non Tariff dated 17 August 2020</u></a>
Manufacture and Other Operations in Special Warehouse Regulations, 2020	<a href="#"><u>Notification No. 75/2020 - Customs - Non Tariff dated 17 August 2020</u></a>
Procedure to be followed in cases of manufacturing or other operations undertaken in special warehouses under Section 65 of the Customs Act	<a href="#"><u>Circular No. 36/2020-Customs dated 17 August 2020</u></a>
FAQs dated 10 September 2025	<a href="#"><u>Frequently Asked Questions (FAQ's) for the Warehouse Module (September 10, 2025)   icegate</u></a>
User manual on Warehouse Licensing on ICEGATE 2.0	<a href="#"><u>Warehouse Licensing   icegate</u></a>
User manual on Filing of Warehouse Monthly Returns	<a href="#"><u>Filing of Warehouse Monthly Returns   icegate</u></a>
User manual on Warehouse-to-Warehouse transfer on ICEGATE 2.0	<a href="#"><u>Warehouse to Warehouse Transfer   icegate</u></a>
Filing of Warehouse Monthly Returns	<a href="#"><u>Filing of Warehouse Monthly Returns   icegate</u></a>
Documents required List	 documents required list.xlsx
Monthly return	 MOOWR - monthly return.xlsx
MOOWR application	 MOOWR application.xlsx

# Acknowledgements

---

## **Manoj Mishra**

Partner and Tax Controversy  
Management Leader

E: [manoj.Mishra@in.gt.com](mailto:manoj.Mishra@in.gt.com)

## **Dipika Shetye**

Associate Director, National Tax Office

E: [dipika.shetye@in.gt.com](mailto:dipika.shetye@in.gt.com)

## **Jyoti Singh**

Consultant, National Tax Office

E: [jyoti.singh@in.gt.com](mailto:jyoti.singh@in.gt.com)



# We are Shaping Vibrant Bharat

A member of Grant Thornton International Ltd., Grant Thornton Bharat is at the forefront of helping reshape the values in the profession. We are helping shape various industry ecosystems through our work across Assurance, Tax, Risk, Transactions, Technology and Consulting, and are going beyond to shape more **#VibrantBharat**.

## Our offices in India

- Ahmedabad ● Bengaluru ● Chandigarh ● Chennai ● Dehradun
- Gandhinagar ● Goa ● Gurugram ● Hyderabad ● Indore ● Kochi
- Kolkata ● Mumbai ● New Delhi ● Noida ● Pune



Scan QR code to see  
our office addresses

[www.grantthornton.in](http://www.grantthornton.in)

Connect  
with us on



@Grant-Thornton-Bharat-LLP



@GrantThorntonBharat



@GrantThornton\_Bharat



@GrantThorntonIN



@GrantThorntonBharatLLP



GTBharat@in.gt.com

© 2026 Grant Thornton Bharat LLP. All rights reserved.

Grant Thornton Bharat LLP is registered under the Indian Limited Liability Partnership Act (ID No. AAA-7677) with its registered office at L-41 Connaught Circus, New Delhi, 110001, India, and is a member firm of Grant Thornton International Ltd (GTIL), UK.

The member firms of GTIL are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered independently by the member firms. GTIL is a non-practicing entity and does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.