

Comparison of Schemes

S.no	PARAMETERS	SCHEMES						
		AA/DFIA	EOU/STP/EHTP/BTP unit	SEZ	EPCG	MOOWR	Dbk - Brand Rate	Dbk - AIR
1	Broad explanation	Upfront exemption from duties of customs including IGST on raw materials/ components for AA and post-export exemption of BCD for DFIA	Upfront exemption from duties of customs including IGST on raw materials/ components & capital goods Further, ADD is exempt, unless specifically mentioned under the respective ADD notification.	Upfront exemption from duties of customs including IGST on raw materials/ components & capital goods	Upfront exemption from duties of customs including IGST on capital goods	Deferment of all duties of customs on warehoused goods which include raw materials/ components & capital goods	Cash refund - of customs duties (except IGST) paid on imported raw materials/ components used in export product	Cash refund on FoB value of exports at a notified rate considering industry average BCD cost suffered for the respective HS code
2	Legal base	FTP & corresponding customs notifications	FTP & corresponding customs notification	SEZ Act and SEZ Rules read with Customs law	FTP & corresponding customs notifications	Chapter IX of Customs Act and various customs regulations issued in this behalf	Chapter X of Customs Act, 1962, Drawback Rules	Chapter X of Customs Act, 1962 and customs notification (NT)
3	Capital goods–import duties	Not covered	Upfront exemption	Upfront exemption	Upfront exemption, except used/second hand capital goods	Duty deferment (remission in case of export or destruction)	Not applicable	Not applicable
4	Input services-GST	Upfront exemption not available. However, ITC available as per GST law	Upfront exemption not available. However, ITC available as per GST law	Zero-rating at applicable rates	Upfront exemption not available. However, ITC available as per GST law	Exemption not available. However, ITC available as per GST law	Upfront exemption not available. However, ITC available as per GST law	Upfront exemption not available. However, ITC available as per GST law
5	Civil works (building material)	Not applicable	Not available	Upfront exemption	Not applicable	Not available	Not applicable	Not applicable
6	Export eligibility criteria	Manufacturer exporter or an exporter tied with supporting manufacturer	All kinds of goods except items that are prohibited in ITC (HS) and specified services	The unit must be in the sector-specific notified SEZ area for carrying out authorized operations.	Manufacturer or exporter tied with supporting manufacturer	For manufacture or other operations in respect of goods	Exporter of any goods where AIR, is not available or if available, it is less than 80% of the BR claimed	Exporter of notified goods except goods partially or wholly resulting from MOOWR unit
7	Providers of service sector	Not applicable	Specified services can be undertaken in an EOU	Covered	Covered	Repairs, reconditioning, etc. allowed. <i>Full clarity on IT, consultancy, R&D, etc. expected.</i>	Not Applicable	Not applicable
8	Status of indigenous supplies	Deemed export	Deemed export	At par with physical export. However, realization of	Deemed export	No special status	No special status. However duties of customs except IGST suffered in	No special status

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				consideration to be made in convertible foreign currency			the supply chain can be claimed i.e. vendor drawback allowed	
9	Sending scheme material to job work	Specifically allowed to be sent to supporting manufacturer and no bar on sending to other job workers	Allowed subject to permission and with a overall limit of 50 percent in value terms based on last year's production	Allowed subject to permission and with a overall limit based on last year's exports or DTA sales	Allowed to be sent to supporting manufacturer	Inputs, moulds, dies, jigs, fixtures, etc. allowed as per GST law. Capital goods allowed subject to permission	Allowed as per GST law	Not applicable
10	Obligation to export	Minimum 15% value addition in case of export or deemed export required.	Positive NFE	Positive NFE	6 times the amount of duties of customs including IGST saved to be fulfilled within specified period of six years	No obligation	Actual export or deemed export	Actual export & supplies to SEZ subject to realization of consideration in convertible foreign currency
11	As such' disposal of goods received under the scheme for export	In case of rejection can be exported back to the same supplier otherwise can be exported subject to permission	Can be disposed off subject to permission	Can be disposed off subject to permission	If found defective or unfit for use may be reexported back to the same supplier within period of 3 years. Reexport for replacement can be done within the period of two years. Reexport for repairs can be done within the period of three years subject to permission. For reexport in other cases subject to permission	Can be freely reexported or removed for home consumption. No GST applicability if owners change hands while (tradeable) goods remain warehoused.	No upfront exemption available hence Not applicable	No upfront exemption available hence Not applicable
12	Availability of depreciation in case of disposal of capital goods in DTA	Not applicable	Available	Available	Not available. However, the duty liability gets reduced to the extent of EO fulfilled	Not available	Not applicable	Not applicable
13	Input-output norm	As per SION if prescribed. Otherwise based on ad-hoc norms declared which has to be ratified by the authorities	As per SION if prescribed. Otherwise based on ad-hoc norms declared which has to be ratified by the authorities if wastage exceeds 2 percent	Not applicable	Not applicable. However, nexus of export product with the capital goods to be imported is required to be provided	Self-declared. May be supported by research report, publications, etc.	Actual figures of input consumption and recoverable and irrecoverable waste to be provided along	Not applicable

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							with CE certificate.	
14	Treatment of recoverable waste & scrap	Wastage in case of specified export products such as gold, platinum, silver allowed as per Para 4.60 of HBP. In other cases if norms are provided or if ad-hoc norms duly ratified by the norms committee then Customs duty payable on wastage in excess of such norms is payable	No Customs duty implications on DTA sale of waste and scrap where such wastage is less than 2 percent or within the norms approved by the respective authorities. Wastage in excess of norms is subject to proportionate Customs duty on imported goods contained in waste on removal to DTA	Recoverable wastages can be cleared in DTA on payment of applicable duties subject to provisions of FTP else can be exported	Not applicable	Customs duty on proportionate imported goods contained in waste to be paid on removal for home consumption if waste is generated from resultant goods removed in DTA . Waste generated from export goods allowed to be cleared on payment of customs duty on sale value of waste as if such waste is imported.	Customs duty on the sale value of recoverable waste to be excluded from the brand rate of drawback.	No upfront exemption available or brand rate claimed hence Not applicable
15	Trading from same premises	Allowed	Not allowed	Allowed only from FTWZ unit	Allowed	Allowed	Allowed as no upfront exemption availed at the time of import	Allowed as no upfront exemption availed at the time of import
16	Whether job work for another person is allowed	Allowed	Not allowed unless the job-worked goods are directly exported	Not allowed	Allowed	Allowed	Allowed as no upfront exemption availed at the time of import	Allowed as no upfront exemption availed at the time of import
17	Entitlement to DTA sale	Not applicable	Allowed subject to permission and positive NFE and customs duty forgone at the time import on the materials used to be paid	Allowed subject to permission and positive NFE and customs duty to be paid on the transaction value of such goods sold	Not applicable	Allowed on payment of customs duty deferred at the time import on the materials used. Duty rate as applicable on date of clearance	Not applicable	Not applicable
18	Registration/license required from	DGFT	IEC from DGFT LoA from jurisdictional Development Commissioner.	License and LoA under SEZ Act from jurisdictional Development Commissioner.	DGFT	Jurisdictional Commissioner or Principal Commissioner of Customs	IEC from DGFT	IEC from DGFT
19	Bond and security	Bond required. However, security not required from	Bond required by the Customs as well as DGFT. However, security not	Bond cum legal undertaking required to be	Required. However, security not required to specified class of exporters	Triple duty bond. No security for goods covered by Section 65 permission.	Not applicable	Not applicable

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		specified class of exporters	required from specified class of exporters	furnished with the SEZ authority.		For trade goods, security required. Also, solvency certificate from bank is required		