November 7, 2026

CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS

MOOWR: manufacturing in a customs bonded warehouse under section 65

MOOWR, the Manufacture and Other Operations in Warehouse (No. 2) Regulations, 2019, lets you manufacture inside a licensed private bonded warehouse under section 65 of the Customs Act, 1962. Import duty on the imported inputs in finished goods is paid when those goods are cleared into India. Imported inputs in goods you export pay no import duty.

MOOWR IS THE customs scheme that lets the owner of warehoused goods manufacture, or carry out other operations, inside a bonded warehouse with the Commissioner's permission under section 65(1) of the Customs Act. It runs under Notification No. 69/2019-Customs (N.T.) of October 1, 2019, which made the Manufacture and Other Operations in Warehouse (No. 2) Regulations, 2019.

KEY FACTS

LAW
Customs Act, 1962

TARIFF
Customs Tariff Act, 1975

VALUATION
Customs Valuation Rules, 2007

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What is MOOWR?

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CBIC, the Central Board of Indirect Taxes and Customs, set out the procedure the same day in Circular No. 34/2019-Customs. Its one form covers the warehouse licence and the section 65 permission (para 5). Para 6 sets the records a unit keeps and one bond for both MOOWR and section 59 of the Act.

For the rest of India's customs rules, see Customs in India: duty, valuation, origin and disputes.

How does the duty deferral under MOOWR work?

MOOWR defers import duty on imported inputs until the finished goods are cleared into India, and then it's paid on the inputs they contain (regulation 14(1)). Imported inputs in finished goods you export pay no import duty (Circular 34/2019, para 7). Goods you buy in India pay the normal taxes, because section 65 status alone doesn't make them tax free.

Where duty falls under MOOWR, as of November 7, 2026 (Circular No. 34/2019-Customs)

Goods	Duty	Source
Imported inputs in finished goods cleared into India	Import duty, with any interest, fine and penalties, paid on the inputs those goods contain, when they leave the warehouse	Regulation 14(1); Circular 34/2019, para 8
Imported inputs in finished goods exported	No import duty on the inputs those goods contain	Circular 34/2019, para 7
Capital goods, machinery and inputs imported into the unit	Imported under the warehousing chapter, Chapter IX of the Customs Act	Circular 34/2019, para 11
Goods bought in India	The normal taxes, with any exemption that applies; no tax-free buying from section 65 status alone	Circular 34/2019, para 11
Finished goods sold in India	GST, and compensation cess if any, on a GST invoice, as a supply under the GST laws	Circular 34/2019, para 8

What licence and permission do you need for MOOWR?

MOOWR needs a private bonded warehouse licence under section 58 and permission to manufacture under section 65, both from the Principal Commissioner or Commissioner of Customs. You can apply for both together (regulation 4(1); Circular 34/2019, para 4). The permission stays valid until it's canceled or surrendered, or the section 58 licence is canceled or surrendered (regulation 6).

1. Hold or seek a section 58 licence

Either you already hold a private bonded warehouse licence under section 58, or you apply for one with the section 65 permission (regulation 4(1)). Circular No. 34/2019-Customs puts both on one form (paras 4 and 5).

2. Apply online

Since November 15, 2025, applications for section 65 permission go through CBIC's online module on ICEGATE 2.0 (Circular No. 28/2025-Customs, para 1). Chief Commissioners name by public notice the port codes that take applications in their areas (para 4).

3. Give the undertakings

Undertake to keep digital accounts of goods received and removed and send them to the bond officer monthly, to execute a bond, and to state input-output norms where needed (regulation 4(2)).

4. Get the permission

After checking the application, the Principal Commissioner or Commissioner grants permission to operate under the regulations (regulation 5). It lasts until it's canceled or surrendered, or until the section 58 licence is (regulation 6).

5. Appoint a warehouse keeper

Name a warehouse keeper with experience of warehousing and customs procedures, who holds a digital signature for filing electronic documents (regulation 7).

What must a MOOWR site look like?

A MOOWR site doesn't need a building closed on all sides. Circular 34/2019 says what matters is that the site suits secure storage and compliance, with proper boundary walls, gates with access control and staff to guard the premises (para 13). Depending on their goods, operations and industry, some units may operate without fully closed structures.

Regulation 8 asks for signage showing the site is a customs bonded warehouse. It also asks for a computerized system that accounts for goods received, stored, worked on and removed, and enough facilities, equipment and staff to control access and keep the goods secure.

Do you need permission for each removal of goods?

MOOWR units need no prior permission from the proper officer for each removal of finished goods. They still file the documents and pay the duty due (Circular 34/2019, para 15.1). CBIC set this up under section 143AA of the Customs Act, which lets the Board, CBIC, set separate procedures for a class of importers to speed clearance and cut costs.

Records take the place of permissions. Regulation 17 has a unit keep records of goods received, handled, stored and removed for at least five years from removal, with a digital copy off site. A monthly return is due to the bond officer within ten days after the month ends.

Goods moving from the port to the warehouse, between warehouses or out for export travel under a one-time lock, unless the Commissioner allows otherwise (regulation 9).

What changed for MOOWR warehouses in 2026?

Section 67 of the Customs Act changed in 2026. Section 150 of the Finance Act, 2026 rewrote it from April 1, 2026: the owner of warehoused goods may move them from one warehouse to another, subject to conditions set by regulations. Section 67 no longer asks for the proper officer's permission, which Circular 34/2019 said it required (para 15).

CBIC's text of section 67 gives the Finance Act's date, March 30, 2026, and the start date. We read no regulations setting the new conditions by November 7, 2026.

CBIC has also put draft warehouse licensing regulations out for comments. Our insight CBIC drafts one set of customs warehouse licensing regulations explains how the draft of August 19, 2026 would replace the three 2016 warehouse licensing regulations with one online form.

For CBIC's notifications and circulars in 2026, see our Customs tracker.

Is section 65A in force?

Section 65A of the Customs Act isn't in force. Section 65A itself applies only from a date the central government notifies, and CBIC's text of section 65 marks the words that tie it to section 65A "to be notified" (footnote 2). The text still read so on November 7, 2026, so section 65 runs without it.

Section 65A, inserted by Act No. 8 of 2023, would change how goods enter a section 65 warehouse. They would come in with their integrated tax (IGST) and GST compensation cess already paid, and only the other import duties would stay deferred (section 65A(1)).

Goods deposited before the notified date would stay outside it, and the government could exempt goods or sectors by notification (section 65A(2) and (3)).

How does MOOWR compare with IGCR, Advance Authorization and EPCG?

MOOWR defers import duty on goods processed in a bonded warehouse. IGCR (Import of Goods at Concessional Rate) lowers duty under an exemption tied to how you use the goods. Advance Authorization and EPCG (Export Promotion Capital Goods) are export schemes of DGFT, the Directorate General of Foreign Trade. The right route depends on your import and export mix.

Four routes for imported inputs and capital goods, as of November 7, 2026

Route	Run by	What it does for import duty	Source
MOOWR	CBIC (Customs)	Defers duty until finished goods are cleared into India; none on inputs in exported goods	MOOWR regulation 14(1); Circular 34/2019, para 7
IGCR	CBIC (Customs)	A lower rate under an exemption that depends on the goods' use, such as manufacture; Form IGCR-1 and a continuity bond	IGCR Rules, 2022, rule 2(b) and rule 4
Advance Authorization	DGFT	Duty-free import of inputs physically built into an export product	Foreign Trade Policy 2023, para 4.03(a)
EPCG	DGFT	Capital goods at zero customs duty, against an export obligation of 6 times the duties, taxes and cess saved, to be met in 6 years	Foreign Trade Policy 2023, para 5.01(a) and (b)

Deferred payment is the other way to pay later, without a bonded warehouse: the government can let certain classes of importers pay duty later (section 47(1), second proviso). See Deferred payment of customs duty, Eligible Manufacturer Importers and AEO status.

IGCR and customs exemptions: concessional duty for a specified end use →

Advance Authorization scheme: duty-free inputs for exporters →

EPCG scheme: zero-duty capital goods and the export obligation →

How IndusDesk helps with MOOWR

We work out with your team whether bonded manufacturing fits your import and export mix, and prepare the licence and permission case with you. We watch the authorities, tell you what each change means for your products and plans, represent you while a decision is still open, and carry the work through, with every step on record in your workspace.

Regulatory & trade advisory →

Data & analytics →

Talk to our desk about MOOWR Message us on WhatsApp

Frequently asked questions

Are the MOOWR regulations 44/2019 or 69/2019?

The MOOWR regulations in force are the No. 2 regulations, made by Notification No. 69/2019-Customs (N.T.) of October 1, 2019 (CBIC's text). Notification No. 69/2019 made them "in supersession of" the first 2019 set, Notification No. 44/2019-Customs (N.T.) of June 19, 2019, the date Circular No. 34/2019-Customs gives (para 1). A page that still cites 44/2019 is out of date.

Is there an online application for section 65 permission?

Yes. CBIC launched a dedicated online module for section 65 permissions on November 15, 2025, for MOOWR units and for special warehouses licensed under section 58A (Circular No. 28/2025-Customs, para 1). A page that says there's no online application predates it.

Do I need permission to move goods between warehouses now?

Section 67 no longer asks for it. Since April 1, 2026, the owner of warehoused goods may move them between warehouses, subject to conditions set by regulations (section 2(32); section 67,

as the Finance Act, 2026 rewrote it). MOOWR regulation 13 still has a unit send goods to another warehouse with notice to the bond officer on the transfer form.

Can a foreign company apply for MOOWR?

The joint application form asks the applicant to declare that it is a registered or incorporated entity in India (Circular No. 34/2019-Customs, Annexure A, Part II, item 11). Nothing in section 65, the MOOWR regulations or the circular limits who owns that entity, and none of them provides for a company with no Indian entity to apply from abroad. See Indian customs for foreign companies.

Sources

- Customs Act, 1962, section 65 (CBIC's consolidated text, fetched November 7, 2026): sub-section (1) and footnote 2
- Customs Act, 1962, section 65A, inserted by Act No. 8 of 2023, with effect from a date to be notified (CBIC's consolidated text): sub-sections (1) to (3)
- Customs Act, 1962, section 67, as substituted by section 150 of the Finance Act, 2026 of March 30, 2026, from April 1, 2026 (CBIC's consolidated text)
- Customs Act, 1962, section 2(32): "prescribed" means prescribed by regulations made under the Act (CBIC's consolidated text)
- Customs Act, 1962, section 58: licensing of private warehouses (CBIC's consolidated text)
- Customs Act, 1962, section 143AA: power to simplify procedure to facilitate trade (CBIC's consolidated text)
- Customs Act, 1962, section 47(1), second proviso: deferred payment of duty (CBIC's consolidated text)
- Notification No. 69/2019-Customs (N.T.), October 1, 2019: Manufacture and Other Operations in Warehouse (No. 2) Regulations, 2019, and its opening words superseding the first 2019 regulations (CBIC's consolidated text)
- MOOWR (No. 2) Regulations, 2019, regulations 4 to 9, 13, 14 and 17 (CBIC's consolidated text; regulation 4 linked)
- Circular No. 34/2019-Customs, October 1, 2019: Procedure for manufacturing or other operations in bonded warehouses under section 65, paras 1, 2, 4 to 8, 11, 13, 15 and 15.1, and Annexure A

- Circular No. 28/2025-Customs, November 15, 2025: Launch of Online Module for Permissions under Section 65 (MOOWR and MOOSWR), paras 1 and 4
- Customs (Import of Goods at Concessional Rate of Duty or for Specified End Use) Rules, 2022, rules 2(b) and 4 (CBIC's consolidated text; rule 2 linked)
- Foreign Trade Policy 2023, Chapter 4 (compiled August 17, 2026), para 4.03(a)
- Foreign Trade Policy 2023, Chapter 5 (compiled July 30, 2026), para 5.01(a) and (b)

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