

F. No. 609/12/2018-DBK

Government of India

Ministry of Finance, Department of Revenue

Central Board of Excise & Customs

New Delhi, the 24th January, 2018

To

Principal Chief Commissioners / Principal Directors General
Chief Commissioners / Directors General
Principal Commissioners & Commissioners,
all under CBEC

Madam/Sir,

Subject: Amendments to the All Industry Rates of Duty Drawback effective from 25.01.2018

Government has considered various representations and data related to issues arising from the implementation of the revised All Industry Rates (AIRs) of Duty Drawback vide notification No. 89/2017-Cus (N.T.) dated 21.09.2017 that came into effect from 01.10.2017. Accordingly, Government has made certain amendments vide notification No. 08/2018-Customs (N.T.) dated 22.01.2018. These changes are effective from 25.01.2018. The notification may be downloaded from www.cbec.gov.in and perused.

2. The changes made, inter-alia, include –

- (a) AIRs/caps of drawback have been enhanced for the following items:
- (i) Certain marine products covered under Chapters 3 and 16;
 - (ii) Certain rubber articles like automobile tyres and bicycle tyres/tubes covered under Chapter 40;
 - (iii) Leather and certain articles thereof covered under Chapters 39, 41, 42 and 64;
 - (iv) Yarn/ fabric of wool covered under Chapters 51, 55, 56, 58 and 60;
 - (v) Glass handicrafts covered under Chapter 70;
 - (vi) Bicycles covered under Chapter 87; and
 - (vii) Fishing/sports net of other man made textile material falling under tariff items 560802 and 950611.
- (b) AIRs/caps of drawback have been reduced for chemicals covered under tariff items 290701 and 291201.
- (c) Tariff item 391802 viz. Polypropylene Mats and the entries related thereto have been deleted from the Drawback Schedule. Polypropylene Mats will continue to be classifiable under tariff item 460101, which is in alignment with the entry under the Customs Tariff Act, 1975, with the existing rate/cap.

3. Suitable public notices/standing orders should be issued for guidance of the trade/field formations. Difficulties faced, if any, in implementation of the changes may be brought to the notice of the Board.

Yours faithfully,

(Dipin Singla)
OSD (Drawback)