

AEPC:HO:EP:940:2016

November 1, 2016.

Dear Sir,

Sub: All Industry Duty Drawback Rates announced for garments-effective
15.11.2016

Government of India, Ministry of Finance vide Notification No 131/2016-Customs (NT) dated 31.10.2016 has announced All Industry Rates of Duty Drawback. The full list of Drawback Schedule is available at CBEC website www.cbec.gov.in (go to customs and then go to Drawback Schedule). The new rates are applicable w.e.f. 15.11.2016. The new schedule begins from page 80 for Chapter 61 and for Chapter 62, it continues from page 90-99. Exporters are requested to refer to this Schedule.

Some of the salient features of the new Drawback Schedule are given below:

1. Drawback rates by and large for Cotton garments have remained the same. The drawback value cap has been enhanced.
2. Drawback of garments in blend containing cotton and man made fibre have almost remained the same.
3. In many cases, drawback on MMF garments has been increased from 9.8% to 9.9%

Major Knitted Garments

4. Entries under 610403 (page 83) has combined Dresses/frocks, skirts, divided skirts, trousers, full pants. The drawback value cap for cotton has been increased from Rs. 73/- to Rs. 80/-. In this case, drawback value cap of MMF fibre has been reduced from Rs. 90/- to Rs. 87/-.
5. In the case of Tariff Item 6105 Men's or boys' shirt, knitted or crocheted- the drawback has been maintained at 7.6%. Drawback value cap has been increased for cotton from Rs. 60/- to Rs. 79/-. In MMF, the rates has been increased from 9.8% to 9.9% and the drawback value cap has been increased by Rs. 1/- in blend and MMF both to Rs. 61/piece.
6. Tariff Item 6106-Womens' or girls' blouses, shirts and shirt blouses, knitted or crocheted- the rates of cotton remains the same and the drawback value cap have gone up to Rs. 64/- from Rs. 60/-. The rates of MMF has been increased from 9.8% to 9.9% and the drawback value cap has been increased by Rs. 1/- in Blend and MMF.
7. In the case of tariff item 6107/6108-night shirts, pyjamas, etc – the rate has been increased from 7.6% to 7.7%

8. In the case of tariff item 610702-Briefs, underpants – the rate has been increased from 7.5% to 7.6%

9. Under tariff item no 6109 (Page 86)- T-shirts, singlets and other vests-the rates remain the same at 7.6%. However, drawback value cap has gone up by Rs. 1/- from Rs. 35/- to Rs. 36/-. The rate for Blend has also gone up from 9.5% to 9.6% and the value cap have gone up from Rs. 41/- to 45/-. The drawback value cap for MMF have gone up from Rs. 43/- to 47/-.

10. Tariff item No 6110 (Page 86), Jerseys, pullovers etc – The rates remain the same at 7.7%. However, drawback value cap for Cotton has gone up from Rs. 73/- to Rs. 87/-

11. In the case of Tariff item No 6111-Babies garments – the rate has been reduced from 7.6% to 7.3%for Cotton and drawback value cap has been reduced from Rs. 34/- to Rs. 29/-.

12. Tariff item 6112-Track suits, ski suits etc (Page 87)– Drawback Rate for Cotton has been reduced to 7.3% from 7.6%, with drawback value cap Rs. 45 to Rs. 29/-. Drawback value cap for blend and MMF has been changed from Rs. 55/- to 36/- and Rs. 60/- to Rs. 40/- respectively.

13. Tariff item No 611401-womens' or girls' blouse, shirts and shirt blouses, knitted or crocheted with tightening at the bottom - drawback value cap for cotton has been increased from Rs. 60/- to 64/- and for MMF garments, drawback rate has been increased from 9.8% to 9.9%. Drawback value cap up from Rs. 60/- to 61/- for blended and MMF Garments.

14. Tariff item 611402-Womens' or girls' tops/cami (Page 87) - Drawback value cap has been increased from Rs. 60/- to 64/-. For MMF garments, the rates has been increased from 9.8% to 9.9% and drawback value cap has been increased from Rs. 60/- to 61/- for Blend and MMF Garments.

15. A new tariff item 611404 – Kurta and Salwar/Salwar suits/salwar-kameez/churidar-kameez, with or without dupatta (page 88) – has been inserted, with a rate of cotton 7.7%, with a value cap of Rs. 120/-. Other fibres have also been announced

Major Woven Garments

16. In the case of woven garments – tariff item 6201/6202- (Page 90) overcoats, etc – The rate of cotton garments remains the same. However, drawback value cap has been increased from Rs. 103/- to Rs. 146/-. There is no change in blend and MMF as well as drawback value cap.

17. In the case of 620301/620401 Suits (page 90,91 & 92) – The rate of cotton, blend and MMF remains the same. Drawback value cap for cotton has been increased from Rs. 176/- to Rs. 226/-.

18. In the case of 620303- Trousers-full pants (Page 91)– The rate for cotton remains the same as 7.7%. However, value cap has been increased from Rs. 73/- to Rs. 80/-. The rate of MMF trousers and pants has been increased from 9.8% to 9.9%. However, value cap in MMF has been changed from Rs. 90/- to Rs. 87/-.

19. In the case of 620403 entry, which was earlier trousers and full pants, has been clubbed for Dresses/frocks, skirts, divided skirts, trousers, full pants and the value cap has been increased from Rs. 73/- to Rs. 80/-. The rate of cotton garments, blend remains the same. For MMF fibre garments, the rate has been increased from 9.8% to 9.9%. The value cap has been reduced from Rs. 90/- to Rs. 87/-.

20. Tariff Item No 6205-Mens'/Boys' Shirt (Page 93) – The rate for cotton remains 7.6%, but the drawback value cap is increased from Rs. 60/- to Rs. 79/-.

21. Tariff item No 6206-Womens' or girls' blouses, shirts and shirt-blouses (Page 93)- The rates remain the same. However, value cap has been increased from Rs. 60/- to Rs. 64/-. For MMF garments, rate has been increased from 9.8% to 9.9% and the value cap has been increased from Rs. 60/- to Rs. 61/-. For blend also, the value cap has been increased from Rs. 60/- to Rs. 61/-.

22. Tariff item No 6209-Babies garments and clothing accessories (Page 95)- The rate has been reduced from 7.6% to 7.3% and the value cap has been reduced from Rs. 34/- to Rs. 29/-.

23. Tariff item No 621101-Womens' or girls' blouses, shirts and shirt-blouses, with tightening at the bottom – The rates remain at 7.6%. Value cap has been increased from Rs. 60/- to Rs. 64/-. For MMF , the rate has gone up from 9.8% to 9.9%, with a value cap of Rs. 60/- to 61/- for blend also value cap from Rs. 60 to Rs. 61/-.

24. Tariff item no. 621102 (Page 96)- Womens' or girls' tops/cami – The rate increased from 7.5% to 7.6%. Value cap has been increased from Rs. 60/- to Rs. 64/-.. For MMF, the rate has been increased from 9.8%- to 9.9%. Value cap has been increased from Rs. 60/- to Rs. 61/- for both MMF and blend garments.

25. A new tariff entry has been added 621105 – Kurta and Salwar, etc (Page 97), with a rate of cotton 7.7%, with a value cap of Rs. 120/-. Also rate has been announced for other fibers.

The relevant Drawback Schedule of garments (from page 80 to 99) be referred for exact changes notified.

The Drawback Schedule of RMG is sent separately.

With regards

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Additional Secretary General

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