

To: All EC Members, AEPC
All Member Exporters (via mass mail)
All Associations
On the Website

Dear Sir,

AEPC had taken-up certain matters with regard to All Industry Duty Drawback Rates/ Value Caps with Ministry of Finance, Deptt. of Revenue.

After active persuasion of Sh. Ashok G Rajani, Chairman, AEPC, we are pleased to inform you that the Council's recommendations have been accepted vide Notification No. 22/2016-Customs (NT) dated 8.2.2016 issued by Ministry of Finance, Deptt. of Revenue. These are effective from 11.2.2016.

The details are as follows:-

Drawback Tariff Item	Concern raised by AEPC	Announcement of Deptt. of Revenue	Remarks
610403, 620403	Although the Word "Dress, Skirts, Divided Skirts" are appearing in the main heading of "Description of Goods", the effective drawback cap for export of "Dress, and Skirts/Divided Skirts" fall under "Others", effectively bringing the drawback value cap to Rs. 46/- per pc., which is at the disadvantage of exporters	The description of goods in respect to these two Tariff items has been substituted by "Dresses, Skirts, Divided skirts, Trousers, Full Pants"	The effective benefit to the exporter is that now cotton, blend of cotton, of MMF fibre in respect of Dresses, Skirts & Divided skirts will also get drawback value of cap of Rs. 73, Rs. 85 and Rs. 90 respectively, when CENVAT facility has not been availed. (Changes incorporated on Drawback Schedule at page No. 98 & 107)
61030207, 61040207, 62030207 and 62040207	Drawback for tariff item "of cotton containing 1% or more by weight of spandex/lycra/elastane be announced for Jackets, blazers also, as announced for Trousers, full pants.	Vide said notification, tariff item and entries has been inserted after Tariff item no. 61030207, 61040207, 62030207 and 62040207.	The details are given below. (The entry has been inserted in Drawback Schedule page No. 98 & 107)
611001, 611007 620501	Tariff Item 6110 "Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted" wherein the value cap has been revised downward from Rs. 75/- per pc to Rs. 73/- per pc.	Vide said notification the drawback rates of these items in respect of cotton has been revised upward from Rs. 73/- to Rs. 87/- per piece. and in respect of cotton containing 1% or more by weight of spandex/lycra/elastane has been revised from Rs. 80/- to Rs. 95/- per piece, when CENVAT facility has not been availed. Further, the drawback rate of Men's or Boy's shirts of cotton has been revised upward from Rs. 60/- per pc. to Rs. 65/- per pc. when CENVAT facility has not been availed.	(The entry has been revised in Drawback Schedule page No. 101) (The entry has been revised in Drawback Schedule page No. 108)

Details of Tariff item Nos. 61030207, 61040207, 62030207 and 62040207 (Effective 11.2.2016)

Tariff Item	Description of Goods	Unit	Drawback when CENVAT facility has not been availed		Drawback when CENVAT facility has been availed	
			Drawback Rate	Drawback cap per unit in Rs.	Drawback Rate	Drawback cap per unit in Rs.
61030207	Of Cotton containing 1% or more by weight of spandex/lycra/ elastane	Piece	8%	113	2%	28.2
61040207	Of Cotton containing 1% or more by weight of spandex/ lycra/ elastane	Piece	8%	113	2%	28.2
62030207	Of Cotton containing 1% or more by weight of spandex/lycra/ elastane	Piece	8%	113	2%	28.2
"62040207	Of Cotton containing 1% or more by weight of spandex/lycra/ elastane	Piece	8%	113	2%	28.2

The trade is requested to take advantage of higher drawback value cap/new entries as per the above Notification.

With best regards,

(Vijay Mathur)

Additional Secretary General

AEPC, Apparel House, Gurgaon