

No. EPCH/DBK-RATES/2018-19

December 7, 2018

CIRCULAR

To,

All Members

SUB: ANNOUNCEMENT OF ALL INDUSTRY RATES OF DUTY DRAWBACK, 2018-19

Dear Members,

The new All Industry Rate of Duty Drawback for 2018-19 for various export products including handicrafts have been announced by the Department of Revenue vide its Customs **EXTRACTS OF NEW DRAWBACK RATES TAKEN FROM CBEC WEBSITE** <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt95-2018.pdf> **NOTIFIED BY DEPARTMENT OF REVENUE, MINISTRY OF FINANCE, GOVT. OF INDIA VIDE NOTIFICATION No. 95/2018- CUSTOMS (N.T) DT. 06.12.2018, MADE EFFECTIVE FROM 19.12.2018 AS AMENDED.**

As per the Department of Revenue, the rates for Glass artware have increased, for Agarbatti, Lace, Textiles wall coverings, there is marginal increase, however, for the remaining handicraft items such as Wooden artware, Papier machie, Imitation Jewellery, Musical Instruments, Lamp & Lightings the rates have been kept same as last year. Further, for Art Metal ware the value cap has been increased.

The DBK code-wise list of handicrafts items with the drawback rates is available at https://epch.in/policies/DBK_Circular.pdf.

With regards,

**[RAKESH KUMAR]
EXECUTIVE DIRECTOR**

EXTRACTS OF NEW DRAWBACK RATES TAKEN FROM CBEC WEBSITE www.cbic.gov.in NOTIFIED BY DEPARTMENT OF REVENUE, MINISTRY OF FINANCE, GOVT. OF INDIA VIDE NOTIFICATION No. 95/2018- CUSTOMS (N.T) DT. 06.12.2018, MADE EFFECTIVE FROM 19.12.2018 AS AMENDED.

Tariff Item	Description of goods	Unit	Drawback Rate	Drawback cap per unit in Rs.
1	2	3	6	7
3307	Pre-shave, shaving or after shave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included, prepared room deodorizers, whether or not perfumed or having disinfectant properties			
330701	Perfumed Agarbatti / Incence Sticks / Dhoop / Loban	Kg.	3.9%	22.3
330799	Others		1.5%	
4414	Wooden frames for paintings, photographs, mirrors or similar objects		1.9%	
4419	Tableware and kitchenware, of wood		1.9%	
4420	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, of wood; statuettes and other ornaments, of wood; wooden articles of furniture not falling in chapter 94		1.9%	
4421	Other articles of wood			
442101	Handicrafts / Artware of wood		1.9%	
442199	Others		1.5%	
4602	Basketwork, wickerwork and othert articles, made directly to shape from plaiting materials or made up from goods of heading 4601; articles of		1.5%	

	loofah			
4823	Other paper, paperboard, cellulose wadding and webs of cellulose fibres, cut to size or shape; other article of paper pulp, paper, paperboard, cellulose wadding or webs of cellulose fibres			
482302	Decorative handicraft articles made of papier machie		1.7%	
482399	Others		1.5%	
5605	Metallised yarn, whether or not gimped, being textile yarn, or strip or the like of heading 5404 or 5405, combined with metal in the form of thread, strip or powder or covered with metal		1.5%	
5804	Tulles and other net fabrics, not including woven, knitted or crocheted fabrics; lace in the piece, in strips or in motifs, other than fabrics of heading 6002 to 6006		1.6%	
5808	Braids in the piece; ornamental trimmings in the piece, without embroidery, other than knitted or crocheted; tassels, pompons and similar articles		1.6%	
5809	Woven fabrics of metal thread and woven fabrics of metallised yarn of heading 56 05, of a kind used in apparel, as furnishing fabrics or for similar purposes, not elsewhere specified or included		1.5%	
5810	Embroidery in the piece, in strips or in motifs			
581001	Of Silk	Per Kg. of Silk Content	8.2%	1203
581099	Others		1.3%	
5811	Quilted textile products in the piece, composed of one or more layers of textile materials assembled with padding by stitching or otherwise, other than embroidery of heading 5810		1.6%	
5905	Textiles wall coverings			

590501	Of manmade fiber (MMF)	Kg	2.2%	18.5
590599	Of cotton and others		1.6%	
680204	Artistic & Decorative crafted stone products (Handicrafts)		1%	
7013	Glassware of a kind used for table, kitchen, toilet, office, indoor decoration or similar purposes (other than that of heading 7010 or 7018)			
701301	Hand cut lead crystal Glass ware		1.5%	
701302	Opal Glassware/Kitcheware		1.5%	
701303	Jars, perfume bottle, candle Plate) coasters, votive, lotion bottle/soap dish, ornamental spheres/stars/bells		1.5%	
7020	Others articles of Glass			
702001	Glass Artware / Handicrafts	Kg	2.2%	24.5
702002	Glass Artware / Handicrafts made of two or more ply glass with or without metallic fusion	Kg	2.5%	46.9
702003	Glass Refills Silver Coated for Vacuum Flasks	Kg	3.8%	10.8
702004	Glass Artware / Handicrafts with silver coating	Kg	3.8%	28.2
702005	Glass Artware / Handicrafts with glass chatons	Kg	2.5%	46.9
702099	Others		1.5%	
7117	Imitation Jewellery			
711701	Brass Jewellery		1.5%	
711702	Aluminium Jewellery		1.5%	
711703	Plastic Imitation Jewellery With or Without embellishments		1.5%	
711704	Plastic Bangles with or without embellishments		1.5%	
711705	Stainless steel Jewellery		1.5%	
711706	Iron Jewellery		1.5%	
711707	Glass Jewellery		1.5%	
7326	Other articles of Iron and Steel			

732601	Handicrafts / Artware of Cast Iron or Iron or steel, with or without plating /coating /galvanizing/ brass		1.8%	
732602	Handicraft/Artware of stainless steel		1.8%	
732699	Others		1.8%	
741803	Electro plated nickel silver ware (EPNS)	kg	2.2%	39.2
7419	Other articles of copper			
741901	Artware / Handicrafts of Brass	Kg	2.2%	58
741902	Artware / Handicrafts of Copper	Kg	2.2%	42
741998	Other articles of Brass, including bushes	Kg	2.2%	39.2
741999	Other articles of Copper, including bushes	Kg	2.2%	50
7616	Other articles of Aluminium			
761601	Aluminium Artware/ Handicrafts		1.5%	
761699	Others		1.5%	
8306	Bells, gongs and the like, non-electric, of base metal; statuettes and other ornaments, of base metal; photograph, picture or similar frames, of base metal; mirrors of base metal			
830601	Of brass and other copper alloys	Kg	2.2%	39.2
830602	Of Copper	Kg	2.2%	50
830603	Of Iron and Steel		1.8%	
830604	Of Aluminium		1.5%	
830699	Others	Kg	2%	18.1
92	Musical Instruments; parts and accessories of such articles			
9201	Pianos, including automatic pianos; harpsi-chords and other keyboard stringed instruments		1.5%	
9202	Other string musical instruments (for example guitars, violins, harps)		1.5%	
9205	Wind musical instruments (for example, keyboard pipe organs, accordions, clarinets, trumpets, bagpipes) other than fairground organs and mechanical street organs		1.5%	

9206	Percussion musical instruments (for example, drums, xylophones, cymbals, castanets, maracas)		1.5%	
9207	Musical instruments, the sound of which is produced, or must be amplified, electrically (for example, organs, guitars, accordions)		1.5%	
9403	Other furniture and parts thereof		1.5%	
9405	Lamps and Lighting fittings including searchlights and spotlights and parts thereof, not elsewhere specified or included; illuminated signs , illuminated name-plates and the like, having a permanently fixed light source, and parts thereof not elsewhere specified or included			
940501	Of Brass	Kg	2.2%	39.2
940502	Of Copper	Kg	2.2%	50
940503	Of Wrought Iron		1.8%	
940504	Of Aluminium		1.5%	
940505	Of Glass	Kg	2.2%	24.5
940599	Others		1.5%	
9504	Video game consoles and machines, articles of funfair, table or parlour games, including pintables, billiards, special tables for casino games and automatic bowling alley equipment			
950401	Carrom Board, with or without coins and strikers		1.5%	
9505	Festive, Carnival or other entertainment articles, including conjuring tricks and novelty, jokes		1.5%	

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)**

Notification No. 95/2018-CUSTOMS (N.T.)

New Delhi, the 6 December, 2018

G.S.R. (E). – In exercise of the powers conferred by sub-section (2) of section 75 of the Customs Act, 1962 (52 of 1962) and sub-section (2) of section 37 of the Central Excise Act, 1944 (1 of 1944), read with rules 3 and 4 of the Customs and Central Excise Duties Drawback Rules, 2017 (hereinafter referred to as the said rules) and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 89/2017-Customs (N.T.) dated the 21st September, 2017 published vide number G.S.R. 1178(E), dated the 21st September, 2017, except as respect to things done or omitted to be done before such supersession, the Central Government hereby determines the rates of drawback as specified in the Schedule given below (hereinafter referred to as the said Schedule) subject to the following notes and conditions, namely :-

Notes and conditions. -(1) The tariff items and descriptions of goods in the said Schedule are aligned with the tariff items and descriptions of goods in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) at the four-digit level only. The descriptions of goods given at the six digit or eight digit in the said Schedule are in several cases not aligned with the descriptions of goods given in the First Schedule to the Customs Tariff Act, 1975.

(2) The general rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975 shall, mutatis mutandis, apply for classifying the export goods listed in the said Schedule.

(3) Notwithstanding anything contained in the said Schedule, -

(i) all art-ware or handicraft items shall be classified under the heading of art-ware or handicraft (of constituent material) as mentioned in the relevant Chapters;

(ii) any identifiable ready to use machined part or component predominantly made of iron, steel or aluminium, made through casting or forging process, and not specifically mentioned at six digit level or more in Chapter 84 or 85 or 87, except those classifiable under heading 8432 or 8433 or 8436, may be classified under the relevant tariff item (depending upon material composition and making process) under heading 8487 or 8548 or 8708, as the case may be, irrespective of classification of such part or component at four digit level in Chapter 84 or 85 or 87 of the said Schedule;

(iii) the sports gloves mentioned below heading 4203 or 6116 or 6216 shall be classified in that heading and all other sports gloves shall be classified under heading 9506.

(4) The figures shown in column (4) in the said Schedule refer to the rate of drawback expressed as a percentage of the free on board value or the rate per unit quantity of the export goods, as the case may be.

(5) The figures shown in column (5) in the said Schedule refer to the maximum amount of drawback that can be availed of per unit specified in column (3).

(6) An export product accompanied with a tax invoice and forming part of project export (including turnkey export or supplies) for which no figure is shown in column (5) in the said Schedule, shall be so declared by the exporter and the maximum amount of drawback that can be availed under the said Schedule shall not exceed the amount calculated by applying ad-valorem rate of drawback shown in column (4) to one and half times the tax invoice value.

(7) The rates of drawback specified against the various tariff items in the said Schedule in specific terms or on ad valorem basis, unless otherwise specifically provided, are inclusive of drawback for packing materials used, if any.

(8) Drawback at the rates specified in the said Schedule shall be applicable only if the procedural requirements for claiming drawback as specified in rule 12, 13 and 14 of the said rules, unless otherwise relaxed by the competent authority, are satisfied.

(9) The rates of drawback specified in the said Schedule shall not be applicable to export of a commodity or product if such commodity or product is -

(i) manufactured partly or wholly in a warehouse under section 65 of the Customs Act, 1962 (52 of 1962);

(ii) manufactured or exported in discharge of export obligation against an Advance Authorisation or Duty Free Import Authorisation issued under the Duty Exemption Scheme of the relevant Foreign Trade Policy :

Provided that where exports are made against Special Advance Authorisation issued under paragraph 4.04A of the Foreign Trade Policy 2015-20 in discharge of export obligations in terms of Notification No. 45/2016-Customs, dated 13th August, 2016, the rates of drawback specified in the said Schedule shall apply as if in the said Schedule, the entries in columns (4) and (5) against the Tariff items in the said Schedule below all Chapters, except Chapter 61 and 62, are NIL, and those in Chapters 61 and 62 are as specified in the Table annexed hereto;

(iii) manufactured or exported by a unit licensed as hundred per cent Export Oriented Unit in terms of the provisions of the relevant Foreign Trade Policy;

(iv) manufactured or exported by any of the units situated in Free Trade Zones or Export Processing Zones or Special Economic Zones;

(v) manufactured or exported availing the benefit of the notification No. 32/1997-Customs, dated 1st April, 1997.

(10) Whenever a composite article is exported for which any specific rate has not been provided in the said Schedule, the rates of drawback applicable to various constituent materials can be extended to the composite article according to net content of such materials on the basis of a self-declaration to be furnished by the exporter to this effect and in case of doubt or where there is any information contrary to the declarations, the proper officer of customs shall cause a verification of such declarations.

(11) The term „article of leather“ in Chapter 42 of the said Schedule shall mean any article wherein (a) 60% or more of the outer visible surface area; or (b) 60% or more of the outer and inner surface area taken together, excluding shoulder straps or handles or fur skin trimming, if any, is of leather notwithstanding that such article is made of leather and any other material.

(12) The term “dyed”, wherever used in the said Schedule in relation to textile materials, shall include yarn or piece dyed or predominantly printed or coloured in the body.

(13) The term “dyed” in relation to fabrics and yarn of cotton, shall include “bleached or mercerised or printed or melange”.

(14) The term “dyed” in relation to textile materials in Chapters 54 and 55 shall include “printed or bleached or melange”.

(15) In respect of the tariff items in Chapters 60, 61, 62 and 63 of the said Schedule, the blend containing cotton and man-made fibre shall mean that content of man-made fibre in it shall be more than 15% but less than 85% by weight and the blend containing wool and man-made fibre shall mean that content of man-made fibre in it shall be more than 15% but less than 85% by weight. The garment or made-up of cotton or wool or man-made fibre or silk shall mean that the content in it of the respective fibre is 85% or more by weight.

(16) The term “shirts” in relation to Chapters 61 and 62 of the said Schedule shall include “shirts with hood”.

(17) In respect of the tariff items appearing in Chapter 64 of the said Schedule, leather shoes, boots or half boots for adult shall comprise the following sizes, namely : -

(i) French point or Paris point or Continental Size above 33;

(ii) English or UK adult size 1 and above; and

(iii) American or USA adult size 1 and above.

(18) In respect of the tariff items appearing in Chapter 64 of the said Schedule, leather shoes, boots or half boots for children shall comprise the following sizes, namely :-

(i) French point or Paris point or Continental Size upto 33;

(ii) English or UK children size upto 13; and

(iii) American or USA children size upto 13.

(19) The drawback rates specified in the said Schedule against tariff items 711301, 711302 and 711401 shall apply only to goods exported by airfreight, post parcel or authorised courier through the Custom Houses as specified in para 4.72 of the Hand Book of Procedures, 2015-2020 published vide Public Notice No. 1/2015-2020, dated the 1st April, 2015 of the Government of India in the Ministry of Commerce and Industry, after examination by the Customs Appraiser or Superintendent to ascertain the quality of gold or silver and the quantity of net content of gold or silver in the gold jewellery or silver jewellery or silver articles. The free on board value of any consignment through authorised courier shall not exceed rupees twenty lakhs.

(20) The drawback rates specified in the said Schedule against tariff items 711301, 711302 and 711401 shall not be applicable to goods manufactured or exported in discharge of export obligation against any Scheme of the relevant Foreign Trade Policy of the Government of India which provides for duty free import or replenishment or procurement from local sources of gold or silver.

(21) "Vehicles" of Chapter 87 of the said Schedule shall comprise completely built unit or completely knocked down (CKD) unit or semi knocked down (SKD) unit.

2. All claims for duty drawback at the rates of drawback notified herein shall be filed with reference to the tariff items and descriptions of goods shown in columns (1) and (2) of the said Schedule respectively. Where, in respect of the export product, the rate of drawback specified in the said Schedule is Nil or is not applicable, the rate of drawback may be fixed, on an application by an individual manufacturer or exporter in accordance with the said rules. Where the claim for duty drawback is filed with reference to tariff item of the said Schedule and it is for the rate of drawback specified herein, an application, as referred under sub-rule (1) of rule 7 of the said rules shall not be admissible.

3. The amount referred in sub-rule (3) of rule 7 of the said rules, relating to provisional drawback amount as may be specified by the Central Government, shall be equivalent to the drawback rate and drawback cap shown in column (4) and (5) in the said Schedule for the tariff item corresponding to the export goods, if applicable, and determined as if it were a claim for duty drawback filed with reference to such rate and cap.

4. This notification shall come into force on the 19th day of December, 2018.

<http://www.cbic.gov.in/htdocs-cbec/customs/dbk-schedule/dbk-idx>)
