

New Drawback Rates announced

The new All Industry Rate of Duty Drawback to be made effective from 4th February, 2020 have been announced by the Department of the Revenue, Govt. of India for various export products including handicrafts. In the new GST taxation regime, the drawback rate is only limited to the refund of the customs duty. The drawback committee has declared the new drawback rates wherein the rate for Agarbathi (3.9%), EPNS/brass/copper artware (2.2%), Iron artware (1.6%), wooden handicrafts (1.9%), Papier Machie (1.7%), Glass artware(4%), Glass artware made of two or more ply glass(2.2%), Glass artware with silver coating (3.4%), Glass artware/handicrafts with LED (4.8%),Aluminium artware (1.5%), Immitation Jewellery/ musical instruments/festive articles (1.3%), Lamp and lighting (1.3 - 2.2%) and handmade lace (2%) have been notified. Mr. Rakesh Kumar, Director General, EPCH said that, "the drawback rates were keenly awaited and expected to be increased, however, the drawback committee has kept the drawback rates same for most of the handicraft items, except glass artware where the rates have been enhanced ranging from 2.2% to 4.8%, with a new entry for glass artware with LED has been created. For products like lace, there has been a marginal increase and there has been an increase in value cap in case of brass artware/copper artware/EPNS ware".