

Circular No. 06/2016-Customs

F. No. 609/98/2015-DBK

Government of India

Ministry of Finance, Department of Revenue

Central Board of Excise & Customs

New Delhi, dated 9th February, 2016

To

Principal Chief Commissioners / Principal Directors General

Chief Commissioners / Directors General

Principal Commissioners &

Commissioners, all under CBEC

Subject: Amendments effective 11.2.2016 to the All Industry Rates of Duty Drawback - reg.

Madam/Sir,

The Government considered representations, feedback and data related to the All Industry Rates (AIR) of Duty Drawback that took effect on 23.11.2015 and has notified certain changes vide Notification No. 22/2016-Customs (N.T.) dated 08.2.2016. These changes take effect from 11.02.2016. The notification should be downloaded from www.cbec.gov.in and perused. The changes made, inter-alia, include –

(a) AIR of drawback is being provided to rice packed in PP/HDPE bags;

(b) Separate tariff entries with AIRs (including caps) are being created for “hair-on” varieties of mats/carpets and other articles under heading 4303; for yarns of cotton blended with MMF under heading 5206; fabrics of MMF blended with wool under heading 5515; jackets/blazers of cotton containing 1% or more by weight of elastane under headings 610302/610402/620302/620402; blankets of MMF under heading 6301; flat-rolled products of stainless steel of thickness of 0.25 mm or less under heading 7220; hollow drill bars and rods of non-alloy steel under heading 7228; cages under heading 8482;

(c) Sub-headings under four digit heads of 8409, 8413, 8481 and 8708 are being restructured to distinguish drawback caps for products exported;

(d) Descriptions of certain tariff items are being amended to include certain products, for example, „notebooks“ are being included in tariff items 482006 and 482007. The tariff items 610403 and 620403 are being expanded to include „dresses, skirts, undivided skirts“. In tariff items 741998 and 741999, „bushes“ are being also shown to address classification issue.

(e) Drawback rates/caps are being increased for tariff items 560802 (fishing nets) and 950610 (sports nets). All footwear of headings 6401 and 6402 is being provided with composite AIRs.

(f) Drawback caps are being increased for certain existing tariff lines like 42020301 and 42020401 (leather articles); 5508 (sewing thread of MMF); 551505, 551506, 551603 and 551604 (MMF fabrics); 640301 and 640305 (leather footwear); 7310 (steel tanks, cans etc.); 8701 (tractors). Caps are being raised for certain carpets made of wool, silk, MMF and cotton of Chapter 57 and certain parts/components of Chapter 84-85. In respect of certain items of stainless/alloy steels of Chapter 72, the caps are being adjusted.

2. 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,

(Dinesh Kumar Gupta)

Director (Drawback)

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