G.S.R. ...... (E).—In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944) (hereinafter referred to as the said Act), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods specified in the Fourth Schedule to the said Act, when cleared against a duty credit scrip (hereinafter referred to as the said scrip) issued by the Regional Authority under the Scheme for Rebate of State Levies on export of garments and made-ups (hereinafter referred to as the RoSL scheme) in accordance with paragraph 4.01(d) of the Foreign Trade Policy read with paragraphs 4.97 and 4.98 of the Handbook of Procedures from the whole of the duty of excise leviable thereon under the Fourth Schedule to the said Act.

2. The exemption shall be subject to the following conditions, namely:

(1) that the conditions (1) to (4) specified in paragraph 2 of the notification of Government of India, Ministry of Finance, Department of Revenue, No. 38/2020-Customs, dated 21st October, 2020 are complied and the said scrip has been registered with the Customs Authority at the port of registration specified on the said scrip (hereinafter referred as the said Customs Authority);

(2) that the holder of the scrip, who may either be the person to whom the scrip was originally issued or a transferee-holder, presents details of the said scrip to the said Customs Authority along with a letter or proforma invoice from the supplier or manufacturer indicating details of its jurisdictional Central Excise Officer (hereinafter referred as the said Officer) and the description, quantity, value of the goods to be cleared and the duties leviable thereon, but for this exemption;

(3) that the said Customs Authority, taking into account the debits already made towards imports under the aforesaid notification No.38/2020- Customs, dated 21st October, 2020, and this exemption, shall debit the duties leviable, but for this exemption electronically in the customs automated system and send written advice of these actions to the said Officer;

(4) that at the time of clearance, the holder of the scrip submits an undertaking addressed to the said Officer that in case of any amount short debited in the said scrip he shall pay on demand an amount equal to the short debit, along with applicable interest;

(5) that based on the said written advice received from the said Customs Authority and the said undertaking, the said Officer endorses the clearance particulars and validates, on the face of the said written advice, the details of the duties leviable, but for this exemption, which were debited by the said Customs Authority, and keeps a record of such clearances;
(6) that the said Officer shall give duly attested copies of the said endorsed written advice to the scrip holder and the manufacturer, who retain it in support of the clearance under this notification; and

(7) that the said holder of the scrip, to whom the goods were cleared, shall be entitled to avail drawback or CENVAT credit of the duties of excise leviable under the Fourth Schedule to the said Act, against the amount debited in the said scrip and validated at the time of clearance.

Explanation. – For the purposes of this notification,

(a) “Foreign Trade Policy” means the Foreign Trade Policy, 2015-2020, published by the Government of India in the Ministry of Commerce and Industry vide notification number 01/2015-2020, dated the 1st April, 2015 as amended from time to time;

(b) “garments” shall have the same meaning as assigned to it in the Ministry of Textiles’ notification number 12020/03/2016-IT, dated the 12th August, 2016 notifying the Scheme for Rebate of State Levies on Export of Garments;

(c) “made-ups” shall have the same meaning as assigned to it in the Ministry of Textiles’ notification number 12015/47/2016-IT, dated the 3rd January, 2017 notifying the Scheme for Rebate of State Levies on Export of Made-ups;

(d) "goods" means any inputs or goods including capital goods;

(e) "Regional Authority" means the Director General of Foreign Trade appointed under section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorised by him to grant an authorisation including a duty credit scrip under that Act.

[F. No. 605/04/2019-DBK (Vol.I)]

(Gopal Krishna Jha)
Director (Drawback)