

F.No.609/27/2018-DBK
Government of India
Ministry of Finance, Department of Revenue
Central Board of Indirect Taxes & Customs
Drawback Division

4th floor, Jeevandeep Building,
New Delhi, dated 12th April, 2018

To,

Export Promotion Councils/ Commodity Boards/ Trade and Industry Associations/Chambers of Commerce (as per list attached)

Madam/ Sir,

Subject: Request for views/suggestions and data for review of All Industry Rates (AIR) of Duty Drawback for the year 2018

It is to inform that the Government proposes to review the All Industry Rates (AIRs) of Duty Drawback for the year 2018 with reference to the incidence of Customs and Central Excise duties on goods manufactured for export.

2. In this connection, Export Promotion Councils/ Commodity Boards/ Trade and Industry Associations/Chambers of Commerce are requested to provide data w.r.t. inputs used in the manufacture and the respective export products in the specified Proforma comprising three parts viz. Proforma - I(A) & (B), II, and III. The consumption of input materials and incidence of duties against the export of a particular product is to be filled in Proforma I. Proforma II requires information on the actual cost, including the break-up, incurred for making the export product and the sales realization on such export product. Proforma III requires details of captive power used for manufacturing the export product.

3. While providing the above data, care should be taken regarding the following aspects -

(a) Data provided should be complete for the exports made during the period October 2017 to March 2018. For a particular manufactured export item, the details of all input(s) that are used in the manufacture of all types/styles of that particular export item should be indicated.

(b) The incidence of duty should be restricted to Customs duty on the inputs and Central Excise duty on petroleum products as specified in Schedule- IV of the Central Excise Act, 1944. The incidence of other taxes/duties such as GST, States/UT taxes, etc. should not be included for calculation of total incidence of duties for the purpose of duty drawback scheme.

(c) Data submitted should pertain to at least five units for each export product so as to be representative of the industry. The units should be selected from amongst the small, medium as well as large manufacturer exporters.

(d) Data provided should be of manufacturers/ manufacturer exporters and it should be certified by the manufacturer and its Chartered Accountant/ Cost Accountant.

(e) The data should be supported by relevant documents such as Bills of Entry of imported inputs, Shipping Bills of export product, relevant Central Excise invoices, etc.


(f) The data provided should pertain to only those manufacturers/units that are ready to have their records and production processes subjected to inspection by Customs/ Central Excise Department if required for the purpose of verifying the correctness of information.

4. In addition to above, your views/suggestions for rationalisation of entries in the AIR Drawback

Schedule, including for those tariff items where specific data has not been provided earlier, may also be sent along with justification.

5. It is requested that the above information may be sent to Drawback Division within 4 weeks' time. Your response may also be sent on E-mail - jha.anandkumar@nic.in.

Yours sincerely



(Nitish K Sinha)

Joint Secretary to the Govt. of India

Tel: 23341079

Encl: List and Proforma

PROFORMA - I (A)

(To be furnished only by individual manufacturers whose goods are exported)

Data pertaining to exports made during: October 2017 – March, 2018

Name of the Manufacturer whose goods are exported: _____

Name of items produced and exported: _____

Inputs	Unit (UQC)	Quantity of domestic inputs used in UQC	Value of domestic inputs used (excluding GST)	Quantity of imported inputs used in UQC	Total CIF Value of imported inputs used	Average import price of inputs (Col. 6/Col.5)	Total Customs duties paid on the inputs used
1	2	3	4	5	6	7	8

Name and Tariff Item of goods produced / exported	Unit (UQC)	Quantity of goods sold in domestic market during Oct 2017 – Mar 2018 in UQC	Value of goods (excluding GST) sold in domestic market during Oct 2017 – Mar 2018	Average domestic sale price (Col.12/Col. 13)	Quantity of goods exported during Oct 2017 – Mar 2018 in UQC	Total FOB value of goods exported during Oct 2017 – Mar 2018	Average FOB value (Col. 15/Col. 14)
9	10	11	12	13	14	15	16

Note:

1. Customs duties in Col. 8 to include Basic Customs Duty and Education Cess and Secondary Higher Education (SHE) Cess (Does not include IGST and compensation cess).
2. Tariff Item indicated in Col. 9 should be in accordance with Tariff Items mentioned in the Drawback Schedule.
3. Data should be submitted taking into account all types / models / styles / qualities of the export product.
4. Value and duty to be in Rupees.

PROFORMA I (B)

(To be furnished by the Export Promotion Councils)

Data pertaining to : **Oct 2017 – Mar 2018**

Name and Tariff Item of product exported : (To be filled separately for each export product)

Principal material inputs* used in manufacture of the export product mentioned above	Unit (UQC)	Total Quantity of imported inputs in UQC	Total Quantity of inputs domestically procured in UQC	Rate of import duty (limited to Basic Customs Duty and Cess)
1	2	3	4	5

* It should not include common utilities or consumables like electricity, fuel, etc.

Note:

1. Cess indicated in Col. 5 to include Education Cess and Secondary Higher Education (SHE) Cess (Does not include IGST and compensation cess).
2. Tariff Item indicated above should be in accordance with Tariff Items mentioned in the Drawback Schedule.

PROFORMA – II

(To be submitted export product-wise by each manufacturer whose data is given in Proforma IA)

SUMMARY COST SHEET (IN RS. PER UNIT OUTPUT)

Period : October 2017 - March, 2018

Manufacturer's name:

Name and Tariff Item of export product:

(1) Input material cost:

S.No.	Name of input material	Cost per unit output (in Rs.)
Total		

- (2) Expenses incurred in fuel, electricity, coal, coke etc. (in Rs.)
- (3) Salaries, wages & other overhead expenses (allocated/apportioned as per the costing practice adopted by the unit for MIS, inventory valuation etc.) (in Rs.).....
- (4) Total cost of sales (estimated as per the costing practice adopted by the unit for MIS, inventory valuation etc.) (in Rs.).....
- (5) FOB realization (in Rs.)
- (6) Domestic sale price (in Rs.)

Note: All data in this Proforma to be give in Rs. Per unit output (as per UQC) only.

Proforma – III

Details of captive power used for manufacturing the export product

(To be furnished by individual manufacturers whose goods are exported)

Name of Manufacturer of Export Product:

(i) Details of Power Consumed:

Name and Tariff Item of Export Product	Total quantity of the goods exported during Oct.,2017-Mar, 2018	No. of Units of power consumed for manufacturing the quantity given in Col. (2) in K WH	Out of Col. 3, no. of units of power purchased from Electricity Board (in K WH)	Out of Col. 3, no. of units of Captive Power generated through DG Sets (in K WH)
(1)	(2)	(3)	(4)	(5)

(ii) Details of fuel used for Captive Power generation (Col. 5 above):

Name of Input (fuel)	Customs classification	Locally purchased input used for export production for which duty paying documents are available with the exporter		Central Excise duty paid on locally procured input as per duty paying documents available with the exporter. (in Rs.)	Input purchased from the market for which duty paying documents are not available		Imported input used for export production for which duty paying documents are available with the exporter		Duty paid on imported input as per duty paying documents available with exporter (in Rs.)			Imported input purchased from the dealer dealing with imported input for which duty paying documents are not available	
		Quantity with UQC	Value in Rs.		Quantity with UQC	Value in Rs.	Quantity with UQC	Value in Rs.	BCD	CVD	SAD	Quantity with UQC	Value in Rs.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)