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6. The rates of rebate notified are accompanied by rebate caps in Rupees/Unit. These rates are on an average basis and determined in a like manner as AIRs of Drawback. The rate of rebate is not divisible into any component tax or input. The rates of rebate are provided either as the general rates of rebate (Schedule I) or the rates of rebate applicable for exports when the fabric (including interlining) only has been imported duty free under Special Advance Authorization (Schedule II). These schedules are based on the extant Schedule of All Industry Rates of Drawback for Chapters 61 and 62. The rebate is not applicable on exports made under the general Advance Authorization Scheme with claim of duty drawback under Rule 6 of the Drawback Rules. The definition of export in ROSL scheme does not cover movement of goods from DTA to SEZ units.

7. In ROSL scheme, the rebate of State levies is understood to comprise State VAT/CST on inputs including packaging, fuel, duty on electricity generation and duties and charges on purchase of grid power, as accumulated through the stages of production from yarn to finished garments. The ROSL scheme is not mandatory for an exporter. Therefore, an exporter has to make a conscious choice to opt for ROSL scheme by making claim for rebate in acceptance of the ROSL schemes terms and conditions (including under this Circular) cum a declaration of eligibility for the rate and rebate. This declaration of eligibility is exporter's self-declaration that he is eligible for the rate and rebate in as much as exporter has not claimed and shall not claim the credit/ rebate/ refund/ reimbursement of the specific taxes that comprise the rebate of State levies under any other mechanism and also that exporter has constituted an Internal Complaints Committee (ICC), where applicable, in pursuance of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

8. The claim cum declaration of eligibility has to be made by exporter on exports made under drawback scheme at item-level. The drawback exports (shipping bill or bill of export) may be standalone or in combination with other schemes. The options in permutation with the ROSL Scheme are being provided with separate scheme-codes which the exporter is to declare at item level to make claim cum declaration for the rebate. For EDI shipping bill, selection of the scheme-code involving ROSL scheme at the time of export shall itself amount to making claim cum declaration of eligibility. For EDI shipping bill this shall be the only means to make the claim. If need for manual shipping bill arises, only then the exporter printing the claim cum declaration on the shipping bill shall be accepted. No claim for rebate shall lie except in this manner. The scheme-codes are being publicized by the Systems Directorate.

9. The amount of rebate is calculated using the FOB value and the rates and caps of rebate specified in ROSL scheme. The rate and cap of rebate for a tariff item as shown in columns (4) and (5), –

(a) of said Schedule I is used for calculation when shipping bill item has claim for AIR drawback or when the shipping bill item involves export under Rule 7 of Drawback Rules 1995 under claim for Brand Rate of drawback with identifier 9807 followed by tariff item number and suffix "B" of the AIR Drawback Schedule where provisional Drawback of Customs portion is to be paid;

(b) of said Schedule II is used for calculation when the shipping bill item has claim for AIR drawback in combination with Special Advance Authorization of para 4.04A of FTP 2015-20 or when the shipping bill item involves export under Rule 7 of Drawback Rules 1995 under claim for Brand Rate under this combination with identifier 9807 followed by tariff item number and suffix "D" of the AIR Drawback Schedule where provisional Drawback of Customs portion is to be paid.

10. The following changes have been made in the Shipping Bill Checklist & ICEGATE for Exporters to confirm that their choice has been reflected correctly in the system.

(1) The ROSL Amount is printed at the Shipping bill level as well as at the item level for the items where option has been exercised by giving a scheme code.

(2) The option and total ROSL amount thus claimed is reflected in the SB Enquiry available on the ICEGATE website.

(3) Declaration-cum-eligibility as detailed below is printed on the checklist.

I declare that, I have not claimed or shall not claim credit/ rebate/ refund/ reimbursement of these specific State Levies under any other mechanism and I am eligible for the rate and rebate claimed for. Further, declare that an Internal Complaints Committee (ICC), where applicable, in pursuance of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been constituted.

RES vendors may ensure that their RES versions are compliant to changes in (1) & (3) as stated above. SB Message format has also been revised accordingly.

11. ROSL would be disbursed as per procedure detailed in para 8 of the above referred Board Circular. For speedy disbursal, Exporters may ensure that the **Account No. already registered for drawback disbursal is live and valid**, as the ROSL disbursal would be made to the same account. The disbursal shall be in parallel with drawback albeit separately. The status of disbursal would be displayed on ICEGATE separately.

12. The ROSL scheme provides for rebate claims handling only after the goods are exported (i.e. on correct filing of Export General Manifest for the shipping bill or bill of export) and in parallel with Duty Drawback albeit separately, and after Drawback is processed. For EDI shipping bills the calculation is being automated by the Systems Directorate. For manual exports, the Deputy/Assistant Commissioner (Drawback) shall calculate the rebate amount. Before scrolling out rebate for payment in EDI or manually generating the list for rebate payment, the DC/AC (Drawback) would rule out existence of alert against exporter or shipping bill. Based on Central Government (Ministry of Finance) approval, the DC/AC (Drawback) is authorized by CBEC to issue sanction of rebate. The scroll/list of payments would be routed to PAO. For EDI shipping bills, the routing is being arranged by Customs EDI with digital signature in manner compatible with e-PAO. The PAO shall ensure payment into exporter's bank account based on availability of budgetary allocation of Ministry of Textiles.

13. The ROSL scheme provides that the exporter shall return any over-payment of rebate arising from miscalculation. It is also a condition of the ROSL scheme that the rebate allowed is subject to the receipt of sale proceeds within time allowed under the Foreign Exchange Management Act, 1999 failing which such rebate is deemed never to have been allowed on the same lines as Duty Drawback, and any other cause that also affects the Drawback is deemed to have the similar effect on the rebate. Since the officers of CBEC adopt the processes applicable to Drawback Scheme for recovery from exporter or repayment by exporter of Drawback, on this premise, the ROSL scheme declares that in such cases the decisions with respect to Drawback, including in cases of disputes, are deemed to apply mutatis mutandis to the rebate. Thus, the officers of CBEC are not required to directly adjudicate or dispose in appeal the rebate amount; however the status/decisions in Drawback matters are to be adopted for the rebate.

14. These actions by DC/AC (Drawback), where applicable, are to be taken based on the status of actions/decisions on the Drawback front. This is an area where the Commissioners have responsibility of close monitoring of the nature of actions being taken by the DC/AC (Drawback), for ensuring proper record-keeping distinct from that for Drawback Scheme and for maintaining effective coordination with the Textile Commissioner so that actions remain logical and informed as the ROSL scheme has empowered the Textile Commissioner to have the amounts recovered as arrears of land revenue. Moreover, to ensure hundred percent effective communication the above mentioned endorsed letters or other documentary exchanges made with Textile Commissioner's office should necessarily be replicated via official email.

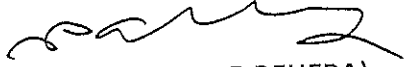
15. In pursuance of recovery provisions for rebate in the ROSL scheme, it is guided that the DC/AC (Drawback) is to issue a letter to the exporter in terms of para 7 of ROSL Scheme informing the rebate amount to be paid into the account head of Ministry of Textiles and specify that interest at the rate of 15% per annum on that amount is due from the date of payment of rebate. The letter is to request the exporter to deposit the full sum within 30 days in the designated account head of Ministry of Textiles and to submit proof of such deposit to the office of the Textile Commissioner within 60 days of the date of the letter. The letter shall also inform the exporter that any such amount that remains to be reconciled as deposited in the office of the Textile Commissioner would be recovered by the Textile Commissioner.

16. The ROSL scheme requires the Ministry of Textiles to cause checks to ensure integrity of the declarations of eligibility for rate and rebate made by exporters on the counts of having constituted the ICC where required and/or not having claimed reimbursement etc of the specific State levies under any other mechanism. For this purposes, a monthly list of rebate claims processed in EDI containing details that include IEC number, name of exporter, State of origin of goods declared in shipping bill and shipping bill number-date-wise amount of rebate scrolled, would be conveyed by the Systems Directorate via email to Ministry of Textiles. Every Customs location from where any rebate may have been processed manually shall convey this information from its official email. Where recovery arises on ground of wrongful declaration of eligibility by exporter, the entire actions for recovery would be initiated and concluded by the Textile Commissioner.

17. It is clarified that making good short-payment of rebate, if any, or when rebate allowed is deposited back by exporter with office of Textile Commissioner but is required to be repaid to exporter, would require the DC/AC (Drawback) to manually issue payment list to the PAO.

18. As per the Board's Circular No.43/2016-Cus Dated 31.08.2016 difficulties in implementation, if any, that a Commissioner is not able to resolve, shall be resolved by the Chief Commissioner under intimation to the Board. Issues that Chief Commissioners are not in a position to resolve should be referred to the Board.

F. No.S.Misc.140/2016-Dbk
Dated:14/10/2016


(PRAKASH KUMAR BEHERA)
COMMISSIONER OF CUSTOMS 17-10-16
CHENNAI-IV

Copy to: The Chief Commissioner of Customs, CZU, Custom House, Chennai.
The Principal Commissioner of Customs, Chennai-I/III/VII
The Commissioner of Customs, Chennai-II/V/VI
All Addl./Jt. Commissioner of Customs, Chennai.
All Dy./Assistant Commissioner of Customs, Chennai.
The Dy. Commr. Of Customs, EDI, Custom House, Chennai – For uploading
on the Custom House Website.