सत्यमेव जयते

**PRANAB KUMAR DAS**
Special Secretary & Member

भारत सरकार
GOVERNMENT OF INDIA
वित्त मंत्रालय / राजस्व विभाग
MINISTRY OF FINANCE / DEPARTMENT OF REVENUE
केन्द्रीय उत्पाद एवं सीमा शुल्क बोर्ड
CENTRAL BOARD OF EXCISE & CUSTOMS
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**D. O. F. No. 609/33/2017-DBK**
07th February, 2018

Dear Colleagues,

You are aware that Ministry vide notification No. 58/2017-Cus (N.T.) dated 29.06.2017 has assigned work related to fixation of Brand rate of drawback under Rules 6 and 7 of the Drawback Rules, 1995 to Customs Commissionerates having jurisdiction over the place from where export of goods takes place. These rules were replaced by the Drawback Rules, 2017 vide notification No. 88/2017-Cus (N.T.) dated 21.09.2017. Circular No. 23/2017-Customs dated 30.06.2017 and Circular No. 38/2017- Cus dated 22.09.2017 were issued to sensitize the field formations wherein it was inter-alia emphasized that there should be no delay in finalizing applications for fixation of Brand rate. It was also mentioned that the pending applications filed with Central Excise formations prior to 01.07.2017 would be transferred to the Customs authorities. Further, in terms of Rule 20 of the Drawback Rules, 2017, Brand rate of drawback already fixed would not apply for exports with Let Export Order date 01.10.2017 onwards and the exporters were required to apply fresh for fixation of Brand rate under Rule 6 or Rule 7 for such exports. It was also stated that if required, verification of the data given in the application would be got done through the Customs formation having jurisdiction over the factory where the export goods have been manufactured.

2. Pr. Chief/ Chief Commissioners of Central GST will recall that vide D.O. of even No. dated 11.04.2017, Central Excise Zones had been requested to launch a special drive for disposal of applications for fixation of Brand rate so as to achieve zero pendency on the date of transition to GST. However, I find that DDM data, as on 31.12.2017, still depicts a pendency of 209 claims amounting to Rs. 1317.82 crore lying with the Central Excise formations which ought to have been transferred to the respective Customs formation after 01.07.2017.

3. Of late, Board has received a number of representations from exporters expressing concerns over delay in fixation of Brand rate by the Customs formations. The reasons for delay indicated in the representations include non-formation of Brand rate cells in the Customs Commissionerates, lack of clarity amongst Customs authorities about the jurisdictional office responsible for verification, channels of communication to be adopted for submission of the verification report and issuance of Brand rate letter.

4. You will appreciate that timely processing of Brand rate applications and disbursal of these drawback claims constitutes an important measure of support for the exporters. Accordingly, I request that the following actions should be immediately taken to tackle the pendency of Brand rate applications and related drawback claims:

a) Zonal Pr. Chief/Chief Commissioners of Central Excise must ensure that all pending applications are forthwith sent to the concerned Pr. Commissioner/ Commissioner of Customs as per extant instructions. The Zonal Pr. Chief/Chief Commissioners shall send a report to this effect to the Board at the end of this month. They will also ensure that no new applications for fixation of

Brand rate are accepted in their jurisdiction and that the applicants are guided suitably in the matter.

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b) Zonal Pr. Chief/Chief Commissioners of Customs shall review (i) the pendency of applications for fixation of Brand rate (either transferred from Central Excise formations or pending for redetermination of Brand rates of drawback in terms of Rule 20 of Drawback Rules, 2017 or received directly by them after 01.07.2017) and (ii) the drawback claims pending disbursal under Brand rate. As a suitable format in the Monthly Performance Report (MPR) is yet to be devised for (i) above, a monthly report should be sent to the Drawback Division as per the format annexed.

c) For this purpose, I suggest that a special drive should be undertaken by Customs authorities to dispose off all applications for fixation of Brand rate pending beyond one month so that nil pendency is achieved by 30.04.2018. With a view to expedite the process, in case the Verification of claims for fixation of Brand rate has already been done by the Central Excise formations, the verification report if in order could be accepted by the Customs. It is further advised that a Brand rate cell under an AC/DC be formed in each Commissionerate and given wide publicity through issuance of PN and in the departmental website so as to facilitate the exporters. Needless to say, Brand rate claims of drawback thus arising or those pending disbursal should also be disposed off immediately in the financial year.

With warm regards,

Yours Sincerely

(Pranab Kumar Das)

**Encl: As above.**

All Pr. Chief /Chief Commissioners of Central GST
All Pr. Chief /Chief Commissioners of Customs/Customs (Prev.)