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Circular: 23/2021-Cus. dated 30-Sep-2021**Electronic Duty Credit Ledger — Remission of Duties and Taxes on Exported Products (RoDTEP)
Scheme w.e.f. 1-1-2021 — Clarification**

M.F. (D.R.) Circular No. 23/2021-Cus., dated 30-9-2021

F. No. CBIC-140605/17/2021-O/o Dir(Drawback)-CBEC

Government of India

Ministry of Finance (Department of Revenue)

Central Board of Indirect Taxes & Customs, New Delhi

*Subject : Scheme for **Remission of Duties and Taxes on Exported Products (RoDTEP)** w.e.f. 1-1-2021.*

Your attention is drawn to **RoDTEP** Scheme Notification No. 76/2021-Customs (N.T.), dated 23-9-2021 issued under section 51B of the Customs Act, prescribing the various conditions and restrictions subject to which duty credit shall issue, be used, transferred and the notification No. 75/2021-Customs (N.T.) dated 23-9-2021 issued under Section 51B read with section 157 of said Act regarding Regulations for use, transfer, maintenance etc. of Electronic Duty Credit Ledger.

2. The notification No. 76/2021-Customs (N.T.) has been issued as a consequence of Department of Commerce/DGFT notification No. 19/2015-2020, dated 17-8-2021 inserting "**Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP)**", administered by Department of Revenue, in the Foreign Trade Policy 2015-2020, and specifying scheme guidelines along with Appendix 4R containing the schedule of rates and further specifying that scheme would take effect for exports from 1-1-2021.

3. The scheme provides for remission amount in the form of transferable duty credit issued to a person and maintained in the electronic duty credit ledger in the customs automated system, in terms of section 51B of the Customs Act inserted vide Finance Act, 2020.

4. As the facility was operationalised by Systems Directorate from 1-1-2021 onwards itself for making claim of **RoDTEP** on shipping bill/bill of export filed, the eligibility for grant of **RoDTEP**, in respect of items covered under the scheme, will function on this basis. The Systems Directorate will commence this processing, including on the basis of risk evaluation. To the appropriate extent, the Board's Circular No. 15/2021-Cus., dated 15-7-2021 [2021 (377) E.L.T. (T27)] regarding implementation of Risk Management System for processing of Duty Drawback claims shall also be relevant.

5. The **RoDTEP** scheme rebates the incidence of duties, taxes and levies at the Central/State/local levels on specified export goods, where such duty or tax or levy is not exempted, remitted or credited under any other scheme. The remission under **RoDTEP** is as a percentage of the Free on Board (FoB) value of the eligible export product along with value caps for certain HS codes or is at specific value as detailed under Appendix 4R of the FTP.

6. For availing the scheme, an exporter is to also make a declaration on the electronic shipping bill undertaking that it would abide by the scheme provisions, not claim rebate/remission with respect to any duties/taxes/levies already exempted or for which remission is provided under other schemes and that it shall preserve documents for audit, etc.

7. Once the Systems Directorate commences processing of **RoDTEP**, a scroll will be generated in the customs automated system. The scroll will contain the details of shipping bill, amounts of duty credit allowed against the shipping bill etc. The exporter has the option of combining duty credits available in a scroll or a number of scrolls at the particular customs station of export and generate an e-scrip in the exporter's electronic ledger maintained in the customs automated system. An electronic ledger shall be created for every holder of IEC number who is either the exporter having made a claim of **RoDTEP** against export of goods or is a recipient of duty credit by way of transfer.

8. The exporter has the option to generate e-scrips within one year of generation of scroll. If this option is not availed by an exporter, the available duty credits in each scroll shall be combined Customs station-wise and sent by the Customs System to the electronic ledger of the said exporter as an e-scrip. An e-scrip shall be valid for a period of one year from the date of its generation in the ledger and any duty credit in the said e-scrip remaining unutilized at the end of this period shall lapse.

9. E-scrips shall be freely transferable. The period of validity of the e-scrip shall not change on account of transfer of the e-scrip. However, duty credit available in an e-scrip shall be transferred at a time for the entire amount available in the said e-scrip to another person and transfer of the duty credit in part shall not be permitted. Each e-scrip will carry a unique identification number and date of its creation. All transactions made in the ledger of an IEC through credit, debit or transfer of duty credit shall be visible to the said IEC holder and Customs. Once an e-scrip is generated in the ledger, it will be registered automatically with the Customs station of export.

10. E-scrips shall be used for payment of duties of customs specified in the First Schedule to the Customs Tariff Act, 1975 i.e. Basic Customs Duty only on imports made through customs automated system.

11. Duty credit allowed under **RoDTEP** scheme is subject to realization of sale proceeds within the period allowed by RBI. The detailed provisions are mentioned in condition at para 2(4), 2(6) and 2(7) of the notification No. 76/2021-Cus. (N.T.). The Regulations, read with said Notification, also provide for the situations and manner of suspensions or cancellation of duty credit or e-scrip, or recovery when duty credit allowed was in excess or where export proceeds are not realised. In this regard, the Commissioners are advised to organise and adopt processes effectively such that the actions taken remain commensurate to the requirements.

12. The details of the ineligible export categories or sectors are mentioned in Table 1 of the **RoDTEP** notification. It is requested to go through all the notifications for full details. These are available on egazette.nic.in/CBIC website.

13. A copy of this Circular is being endorsed to D.G. Systems for necessary actions, including provision of appropriate enablements/ functionalities.

14. Suitable Public Notice publicising the scheme for guidance of exporters & trade and Standing Order for officers should be issued for smooth implementation. Any difficulty faced be brought to notice of the Board.

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