



Circular No. 22/2021-Customs

Clarification regarding applicable rates along with caps for eligible products to Rebate of State and Central Taxes and Levies (RoSCTL) Scheme on export of apparel/garments/made-ups

1. Notification No. 77/2021-Customs (N.T.) dated 24.09.2021 issued under section 51B of the Customs Act, **regarding issue of scrips, its use, transfer and the conditions and restrictions** governing them and No. 75/2021-Customs (N.T.) dated 23.09.2021 issued under Section 51B read with section 157 of said Act **regarding Regulations for use, transfer, maintenance etc. of Electronic Duty Credit Ledger**. The notification No. 77/2021-Customs (N.T.) has been issued as a consequence of **Ministry of Textiles' RoSCTL scheme** notification No. 12015/11/2020-TTP dated 13.08.2021 containing scheme guidelines and No. 14/26/2016-IT(Vol.II) dated 08.03.2019 which provided **the applicable rates along with caps for eligible products**

2. It may be recalled that earlier it was intended to subsume the **RoSCTL scheme** w.e.f. 01.01.2021 in the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme which was also being introduced w.e.f. 01.01.2021. Accordingly, **facility to file shipping bill with claim for RoSCTL was discontinued**. However, subsequently it was decided to have independent RoSCTL scheme w.e.f. 01.01.2021 to 31.03.2024.

3. The RoSCTL scheme now notified for exports w.e.f. 01.01.2021 is not operated under the framework of section 25 of the Customs Act. With effect from 01.01.2021, 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. Till facility is operationalized by Systems Directorate for making claim of RoSCTL on shipping bill/bill of export, the eligibility for grant of RoSCTL benefits, in respect of items covered under the RoSCTL scheme, will function on the basis of exporter having already filed shipping bill from 01.01.2021 onwards exercising its claims for both RoDTEP and Duty Drawback. The Systems Directorate will commence this processing. **The exporter shall not be required to amend an existing shipping bill or file a separate claim.**

5. Once facility for making claim of RoSCTL on shipping bill is operationalized and procedure specified by the Systems Directorate, the exporter will be required to make a claim of RoSCTL by way of a declaration in shipping bill at item level (along with Duty Drawback claim). Further, exporter shall make declaration provided 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. The shipping bill and the RoSCTL claim shall be processed by the customs including on the basis of risk evaluation, in which regard, the Board's Circular No. 15/2021-Cus dated 15.07.2021 regarding implementation of **Risk Management System (RMS)** for Duty Drawback claims is relevant.

6. Upon commencement of processing by Systems Directorate, 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 RoSCTL against export of goods or is a recipient of duty credit by way of transfer.

7. 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.

8. 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

9. 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.

10. Duty credit allowed under RoSCTL 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.77/2021-Customs (NT). 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.

11. The details of the ineligible export categories or sectors are mentioned in Table 1 of the RoSCTL notification. It is requested to go through notifications which are available on [egazette.nic.in/CBIC website](http://egazette.nic.in/CBIC) for full details. A copy of this Circular is being endorsed to the D.G. Systems for necessary actions including provision of appropriate enablement's/functionalities.