

**OFFICE OF THE COMMISSIONER OF CUSTOMS: EXPORT
NEW CUSTOM HOUSE, NEAR I.G.I. AIRPORT, NEW DELHI.**

C.No. VIII/DBK/ACE/Action Plan/217/09/1760-71

Dated : 20.09.2011

PUBLIC NOTICE No. 25/2011

Subject: **Drawback - Information for exporters- regarding.**

It is brought to the notice of the trade of the facilitations made available by Customs to assist exporters in obtaining their Drawback amounts. It has been noticed that the trade is not aware of Customs system which will help them to clear up any problem regarding payment of drawback. Normally all drawback claims are being disbursed within 07 working days. However, some cases get delayed and keep pending for years together. It is in the interest of the exporters to check the status of their drawback request after 07 days of the export by going to ICEGATE website and obtaining the status. The website will show the reason for pendency, if any.

2. The major delays in payment of Drawback are in respect of non-receipt of certain replies/documents from the exporters. The major issues are:

- a) Brand Rate Fixation
- b) Replies to Queries raised with exporter
- c) Test reports of Samples drawn
- d) EGM not filed/EGM-error/EGM Gateway

Each matter is taken up separately below:-

A. **Brand Rate Fixation:**

In case an exporter is not satisfied with the All Industry Rate of drawback, he will mention in the Shipping Bill that he is going to claim Brand Rate Fixation. This means that the Customs can take no further action to process the Drawback claims, until Brand Rate Fixation letter is received from the concerned Central Excise Commissionerate. On enquiry by Air Cargo Customs from Central Excise Commissionerates, they generally inform us that there is no brand rate fixation request pending with them. It may be noted that it is the responsibility of the exporter to follow up with the concerned Central Excise Commissionerate and get the Brand Rate Fixed. Under the Drawback Rules an exporter has to apply for brand rate fixation within 60 days of the export. Therefore, the Brand Rate claims which are pending for a long period could be due to not making of an application

by the exporter for Brand Rate fixation or non-submission of requisite documents/clarifications to the Central Excise Authorities or rejection of the application by the Central Excise Authorities. Exporters are requested to follow up and submit the Brand Rate letters from concerned Central Excise Commissionerate. They should also furnish the details of such applications pending with the Excise Authorities to the Drawback Section of the Air Cargo (Export), IGI Airport, Delhi. The details of Shipping Bills pending Brand Rate Fixation for Drawback shown in EDI systems are also being uploaded on the website of the Customs Air Cargo (Export), Delhi www.delhicustoms.gov.in and the exporters are expected to cooperate with the department to expedite their brand rate claims finalized and disbursed. In case a Brand Rate Fixation letter is issued, but Drawback is not paid, please approach the Dy. Commissioner (DBK) of Customs Air Cargo (Export) with the documents.

B. Claims under Query:

A large number of claims are lying pending undisbursed due to “Query raised from exporter” since introduction of EDI System. These claims are technically not pending with the department but are shown pending with exporters for reply as per Rule 13(3) of the Drawback Rules, 1995. After submitting the replies by the exporters under EDI system, the claims are processed online in paperless manner and drawback is disbursed.

With the implementation of ICES 1.5 at Air Cargo Complex (Exports), New Delhi, the exporters can get the status of their drawback Shipping Bills from ICEGATE website i.e. www.icegate.gov.in. Exporters are required to click at “Tracking at ICES” and then at “Tracking at ICES 1.5” to see the status of their pending drawback Shipping Bills. The exporters are required to obtain a printout of the query from the Computer Maintenance Centre (CMC), Air Cargo Complex, IGI Airport, Delhi and approach the Drawback Section with relevant papers who will clear the query for getting the same fed in the system by the CMC. The Shipping Bill will then come into the queue for online processing of the Drawback claim.

The list of “Queries” pending with exporters is uploaded on the website of the Customs Air Cargo (Export), Delhi www.delhicustoms.gov.in and the exporters should get the queries removed immediately to enable this office to process the Drawback claims. In case of “Query” cases, it may be ensured that query reply is complete in all respects. Where the claim is older than 6 months, a copy of Bank Realization Certificate (BRC) is also required. Exporters are required to submit BRC for earlier shipments in case not already submitted.

C. **Samples drawn:**

Exporters are requested to approach the Assistant Commissioner (Export) of the Air Cargo Complex from where the goods were exported, with records available with them for feeding of test reports in the EDI systems. After verification Drawback will be paid to them.

D. **EGM not filed / EGM filed with errors/EGM Gateway:**

A large number of Export General Manifests (EGMs) have not been filed electronically. The concerned Airlines have been asked to file all such EGMs. Exporters are requested to take up the matter with the concerned Airlines for getting the needful done. Please note that the Airlines keep their records of EGMs only for 3 months, so it is in the exporters' interest to approach them immediately. The airline is responsible to file EGM electronically and correctly within 24 hours of the departure of the Aircraft in addition to filing of EGM manually before the departure of the Aircraft. It is further observed that in respect of a substantial number of drawback shipping bills there are 'EGM-errors' such as rotation number mismatch, mismatch of number of packages mentioned in the Airway Bill and shipping bill, mismatch of Airway Bill number in EGM and Shipping Bills, etc. The exporter is required to approach the Assistant Commissioner (Export Processing) with hard copy of the EGM (Cargo Manifest submission report from Airlines) together with relevant documents such as EP copy of the Shipping Bill and Airway Bill for verification and rectification of the EGM error immediately.

E. **Short Shipment:**

Attention is also invited to the 'Notice of Short-Export Rules, 1963' (copy enclosed). As per these rules, the exporter must within one week of LEO inform Customs of short or part shipment with a request to amend the Shipping Bills so as to process the Drawback. Please note that in case the exporter does not file the details of short shipment with Customs, drawback claims pertaining to all the other shipments (House Airway Bills) covered under that Master Airway Bill will get withheld thereby depriving the other exporters of their legitimate export incentives. Exporters whose drawback is held up can check with the airlines whether there has been a short shipment in the concerned Master Airway Bill and inform Customs accordingly.

6. The Punjab National Bank and some other banks will provide the concerned Shipping Bill number to the exporters when passing the drawback amount into their drawback accounts. In case any bank does not provide the Shipping Bill numbers, please ask for it specifically.

7. Attention is also invited to this office Public Notices Nos. 10/2010 dated 20.07.2010 and 13/2010 dated 19.08.2010 whereby some specified Shipping Bills were removed from the 'pending' queue. If a particular Shipping Bill is listed in these public notices then it is the duty of the Exporter to file a Supplementary Claim immediately along with all documents so that the drawback can be paid

8. In case of any difficulties, the Exporters may contact Shri R.C. Sankhla, Additional Commissioner (Export) at 011-25654977 or email [r_c_sankhla @indiatimes.com](mailto:r_c_sankhla@indiatimes.com) or Shri R.K. Tyagi, Deputy Commissioner (Drawback) at 011-25654390 or email rktyagi24@gmail.com.

Enclosed; copies of "Notice of Short-Export Rules, 1963.


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(M. MICHAEL)
Commissioner (Exports)

NOTICE OF SHORT-EXPORT RULES, 1963
Notification no. 56-Cus., dated 1st February, 1963

In exercise of the powers conferred by section 156 of the Customs Act, 1962 (52 of 1962), the Central Government hereby makes the following rules:—

1. Short title. — These rules may be called the Notice of Short-Export Rules, 1963.

2. Exporter to furnish information regarding Short-Export.— If any goods mentioned in a shipping bill or bill of export and cleared for exportation are not exported, the exporter shall, within seven days, from the date of departure of the conveyance by which such goods were intended to be exported, —

(1) Furnish the following information in writing to the proper officer in respect of the goods not so exported, namely:—

(i) No. of Packages,

(ii) Description of goods,

(iii) Quantity,

(iv) Value,

(v) Country of destination; or

(2) Present the shipping bill or, as the case may be, the bill of export for cancellation or amendment.

3. Penalty. — Any exporter who fails to comply with the provisions of rule 2 shall be liable to a penalty not exceeding one hundred rupees.