
2. The Ministry has issued notification No. 175/2009 Customs (NT) dated 27th November, 2009 introducing the following new entries in the present Drawback Schedule:-
   a) Gold and silver jewellery (711301 & 711302);
   b) Rounder’s bat, wooden (sports goods) (95069963);
   c) Bells, gongs, statuettes, ornaments, picture frames etc of Aluminium and Iron & steel (830603 & 830604);
   d) Leather Safety Footwear with protective metal toe (640311);
   e) Jars, perfume bottles, candle plate/coasters, votive, lotion bottle/soap dish, ornamental spheres/stars/bells made of glass (70139991);
   f) Lanterns/lamps predominantly of glass (940506).

3. The notification is available at CBEC website www.cbec.gov.in and may please be perused for details. The drawback rates and caps on other items remain unchanged. Thus, the drawback schedule which was announced vide notification No. 103/2008-Cus (NT) dated 29th August, 2008 as amended shall continue to be in operation until a revised schedule is notified.

4. The drawback rates provided for gold & silver jewellery will only be applicable for exports made through the Ports/Custom Houses as specified in para 4A.12 of the Hand Book of Procedures (vol.1), 2004-2009 after examination by the jewellery Expert Appraisers/Superintendents to ascertain the quality of gold/silver and the quantum of gold/silver in the exported items. It may be noted that the drawback rate provided for gold & silver jewellery is a specific rate in terms of rupees per unit weight of net content of gold/silver in the jewellery. The drawback rates for gold & silver jewellery are equal to the prevalent import duty on gold/silver.

5. The drawback rates provided for gold & silver jewellery and parts thereof shall not be applicable to goods manufactured or exported in discharge of export obligation against any scheme of the relevant Export and Import Policy or the Foreign Trade Policy of the Government of India which provides for duty free import/replenishment/procurement from local sources of gold/silver.

6. The drawback rates provided for bells, gongs, statuettes, ornaments, picture frames etc of Aluminium and Iron & steel; Jars, perfume bottles, candle plate/coasters, votive, lotion bottle/soap dish, ornamental spheres/stars/bells made of glass; and Lanterns/lamps made predominantly of glass are the same as the drawback rates presently applicable to artware/handicraft items made of the respective constituent material. The new entries have been created with a view to minimise disputes in classification of artware/handicraft items.

7. It may be seen that lamps made of brass, copper, iron and aluminium are already covered under tariff items 940502, 940503, 940504 & 940505 respectively of the drawback schedule. These tariff items may also be taken to include lanterns made of the respective constituent material and the criteria of predominance of constituent material which has been incorporated in the tariff :2:

item 940506 (Lanterns/ lamps made predominantly of glass) may be adopted for classification of items in these tariff items also.
8. Representations have been received from FIEO, the Indian Silk Export Promotion Council and others that embroidered silk fabric should be extended the same drawback rate as plain silk fabric. Silk fabric with embroidery is being classified under heading 5810 of the drawback schedule at some ports. The drawback rate applicable on embroidery under heading 5810 of the drawback schedule is at 5.7% with cap of Rs. 25.2/kg. On the other hand, the drawback rate for silk fabric falling under heading 5007 of the drawback schedule is 9.8% with cap of Rs. 295/kg. The issue has been examined by the Board. The drawback rates for heading 5007 were based on the understanding that silk fabrics, whether plain or embroidered, would be classified under this heading. It is therefore clarified that till a new drawback schedule is notified, silk fabrics with/without embroidery may be extended the same rate as prescribed against the applicable sub headings under heading 5007 of the drawback schedule. Past cases, if any, pending on this score will be settled accordingly.

9. Difficulties faced, if any, in implementation of the Circular may be brought to the notice of the undersigned at an early date.

10. This issues with the approval of the Commissioner of Customs, Pune.

sd/-

(GOPINATH)
ADDL. COMMISSIONER (T)
CUSTOMS, PUNE

F. No. VIII (Cus) 9-1/TC/2009/Pt.file
Pune, the 2nd February, 2010.

1. Shri Pramod Kumar, Technical Officer (Drawback) w.r.t. F.No. 609/67/2009-DBK
2. The Secretary, CBEC, New Delhi.
3. Director (Customs) CBEC, New Delhi
4. The Dy. Secretary, GiMFDR, New Delhi
5. The Chief Vigilance Officer, CBEC,
6. Chief Commissioner, Customs Mumbai-III Zone.
7. Chief Commissioner Customs and Central Excise Pune Zone
8. Commissioner Customs Pune Central Excise Pune I/II/III/Apeal –I, II & III
9. Commissioner Customs (Appeals) Goa
10. All Dy. / Asstt. Commissioner at Hqrs Pune (By Name)
11. All Superintendent/ Officer / Section In charge (Tech) at Hqrs Pune
12. All Trade Association / Commerce and Industries of Customs Pune Comm’té
13. All Members of Permanent Trade Facilitation Committee of Customs Comm’té Pune.
15. Director, Inspection and Audit, Central Excise, New Delhi.
16. Asstt. Director, Anti Evasion Regional Unit Pune
17. Director, Directorate General of Foreign Trade, PMT Bldg. Pune.
18. All Deputy / Asstt. Commissioner, CFS Pimpri/ICD,Dighi /ICDMiraj/ ICD Talegaon /Ratnagiri / Dapoli/Airport
20. ADG, DRI / DGICCE, Mumbai Zonal Unit, Mumbai