

AEPC Circular No.44

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Dear Members,

Implementation of ROSCTL Scheme – Circular No. 22/2021-Customs dated 30/09/2021 and Systems Advisory No. 06/2021 dated 01/10/2021

The Ministry of Textiles had issued Notification no. 12015/11/2020-TTA dated 13.8.2021 announcing continuation of Scheme for Rebate of State and Central Taxes and levies (RoSCTL) on export of garments and made-ups to enhance competitiveness of these sectors, w.e.f. 01st January 2021 to 31st March 2024 for apparel/garments (under Chapter 61 and 62) and Made-ups (under Chapter 63) . For all other textile items, the RODTEP scheme has been made applicable.

The ROSCTL scheme has been continued with the rates, as notified by the Ministry of Textiles vide Notification no.14/26/2016-IT (Vol.II) dated 08th March 2019 with the same rates.

The Department of Revenue had also issued notification no 77/2021-Customs (N.T.) dated 24.9.2021 giving details of the manner in which duty credit under ROSCTL scheme is to be given.

2. The Dept of Revenue has issued [Circular No. 22/2021-Customs dated 30/09/2021](#) drawing the attention on Notification No. [77/2021-Customs \(N.T.\) dated 24.09.2021](#) 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](#) 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.

3. 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.

4. Now DG, Systems has also issued Advisory No. 06/2021 dated 01/10/2021 (copy enclosed).

5. Escrip module is developed by ICEGATE, CBIC to provide a digital service to exporters to avail benefits defined under various incentive schemes like RoDTEP (Remission of Duties and

Taxes on Exported Products and RoSCTL (Rebate of State and Central Taxes and Levies). The scheme provides for rebate of Central, State and Local duties/taxes/levies which are not refunded under any other duty remission schemes. The broad provisions are as under:

I. To avail the scheme exporter shall make a claim for RoSCTL/RoDTEP in the shipping bill by making a declaration.

II. Once EGM is filed, claim will be processed by Customs.

III. Once processed, a scroll with all individual Shipping Bills for admissible amount would be generated and made available in the user's account at ICEGATE.

IV. User can create an escrip account under Escrip tab. This can be done by the IECs who have registered on ICEGATE with a DSC.

V. Exporter can log in into his account and generate scrip after selecting the relevant shipping bills.

6. It has been decided that for the Chapters 61, 62 and 63, RoSCTL would continue to be given beyond 31.12.2020 and till 31.12.2024 instead of RoDTEP. Implementation of **RoSCTL scheme** in Custom Automated System has been developed with details at **Annexure B (Page 18)** of the Advisory No. 06/2021.

7. As of now the users can log into their ICEGATE account and create the escrip Account, as scrip generation provision will be made functional on the issuance corresponding notification by the department and availability of the budget.

8. This advisory is a complete step-by-step guide for the user to create an escrip account, generate scrips and transfer the scrips to any other IEC to avail the benefit of the scheme.

9. As per Advisory, where the RoSCTL claim has to be made by the exporter in the EDI shipping bill by using specific scheme codes for drawback exports, at the item level. The options for RoSCTL scheme are being provided with separate scheme-code as listed below:

Scheme Code	Scheme Description
60	Drawback and RoSCTL
61	EPCG, Drawback and RoSCTL
64	Drawback, Special Advance Authorization (Chapter 4.04A of FTP) and RoSCTL
65	EPCG, Drawback, Special Advance Authorization (Chapter 4.04 of FTP) and RoSCTL

There is no need for separate application or supporting documents except for making a specific choice of scheme codes, as mentioned above, in the shipping bill along with a declaration. In the absence of proper scheme codes, the RoSCTL benefit would not be available.

10. **Additionally, at item level, a mandatory declaration has to be submitted in the Statement Table of the Shipping Bill as below.**

**STATEMENT TYPE = DEC
STATEMENT CODE = RS001**

Submission of the above statement code for RoSCTL availed items would indicate that the exporter has made the necessary declaration.

11. For retrospective cases, from 01.01.2021, the RoSCTL amount will be calculated for the relevant tariff lines as per RoSCTL schedule for cases only where exporter have already filed shipping bill exercising claim for both RoDTEP and Duty Drawback. The exporter shall not be required to amend an existing shipping bill or file a separate claim.

12. Scroll Generation: Post filing of Gateway EGM in respect of the processed shipping bills, the RoSCTL Scrolls can be generated by the customs location in ICES in similar manner as is being done for drawback/IGST scroll. The scroll could be generated for shipping bills on FIFO basis w.e.f. 01.01.2021 in a phased manner.

13. **Utilization of Duty Scrips in Imports:**

13.1 The owner of the scrip (either the original exporter beneficiary or any other IEC to whom the scrip was transferred on ICEGATE portal) can use these duty scrips in the Bill of Entry for the payment of the duty of customs leviable under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) i.e., Basic Customs Duty (BCD) only by giving the details of the scrips in the license table of the Bill of Entry.

13.2 The scheme code to be used in Bill of Entry for these scrips would be "RS" along with Notification No as "ROSCTL"

14. 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

15. 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.

16. 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.

17. 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 scrip, or recovery when duty credit allowed was in excess or where export proceeds are not realised.

18. 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 for full details.

For detailed information, please go through the concerned circulars/ advisory for compliance and procedures.

With warm regards,

Yours sincerely,

Dr. L.B. Singhal
Secretary General
AEPC

[Advisory Attachment](#)