

 सत्यमेव जयते	
सीमा शुल्क आयुक्त का कार्यालय OFFICE OF THE COMMISSIONER OF CUSTOMS बेंगलुरु शहर सीमा शुल्क आयुक्तालय BENGALURU CITY CUSTOMS सेंट्रल रेवेन्यू बिल्डिंग, नंबर 1 क्वीन्स रोड, बेंगलुरु- 560001 CENTRAL REVENUE BUILDING, No. 1 QUEEN'S ROAD, BENGALURU- 560001	
E Comp. No.: 1391437 File No.: GEN/TECH/PN/31/2024-Tech-O/o-Commr-Cus-City-Bengaluru	
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DIN: 20240972MR0000721669	Date: As per the E-sign date

PUBLIC NOTICE No. 15/2024

Subject: Streamlining the Procedure of Processing Brand Rate Drawback Claims under Section 75 of the Customs Act, 1962 - Reg.

Attention is invited to all Importers, Exporters, Freight Forwarders, Custodians, Customs Brokers, and other stakeholders working under Bengaluru City Customs regarding the procedure for processing claims for fixation of Brand Rate Drawback under **Section 75** of the **Customs Act, 1962** read with **Rule 6** and **Rule 7** of the **Customs and Central Excise Duties Drawback Rules, 2017**.

1. Filing of Brand Rate Applications:

In regards to Brand Rate Applications report received in Drawback Section under **Rule 6 (Cases where amount or rate of drawback has not been determined)** and **Rule 7 (Cases where amount or rate of drawback determined is low)** of the Drawback Rules, all Brand Rate applications must be submitted with the required documents to avoid delays. Incomplete applications will be returned to the exporter along with a **Deficiency Memo (DM)** as per **Rule:**

- a. **Rule 12(3)** for goods exported by post; and
- b. **Rule 14(3)(a)** for goods exported other than by post.

Note: According to Rule 7(1), the applicant **may**, except where a claim for drawback under **Rule 3** (All Industry Rate) or **Rule 4** (Revised Drawback Rate) has been made, apply for determination of the brand rate under **Rule 7**.

Time Limits and Extension Procedures for Drawback Claims

Under Rule 6 and Rule 7 of the Customs and Central Excise Duties Drawback Rules, 2017, exporters must adhere to specific timelines for submitting drawback claims and seeking extensions.

Rule 6:

- **Initial Application:** Exporters must apply **within three months** from the relevant date (i.e. first date of LEO) for determining the amount or rate of drawback. (Rule 6(1)(a)).
- **Extensions:**
 - The Assistant Commissioner or Deputy Commissioner of Customs can extend this period by three months.
 - The Principal Commissioner or Commissioner of Customs can grant a further extension of six months.
 - Extensions are granted based on an application, which may involve an inquiry, and reasons for refusal must be recorded in writing.
 - Application fees for extensions are 1% of the FOB value or ₹1,000 (whichever is lower) for the Assistant or Deputy Commissioner, and 2% of the FOB value or ₹2,000 (whichever is lower) for the Principal Commissioner or Commissioner. (Rule 6(1)(a)(ii) and (iv))
- **Bond Requirements:**
 - If provisional drawback is requested, exporters must enter into a general bond or a specific bond for the full amount claimed, with conditions to refund any excess or adjust for deficiencies. (Rule 6(2)(b))

Rule 7:

- **Initial Application:** Where, in respect of any goods, the exporter finds that the amount or rate of drawback determined under rule 3 or, as the case may be, revised under rule 4, for the class of goods is **less than eighty per cent** of the duties paid on the materials or components used in the production or manufacture of the said goods. Exporters must apply within **three months** from the relevant date (i.e. first date of LEO) for the drawback determination, except where a claim under Rule 3 or Rule 4 has already been made. (Rule 7(1))

- **Extensions:**

- The Assistant Commissioner or Deputy Commissioner of Customs can extend this period by three months.
- The Principal Commissioner or Commissioner of Customs can further extend it by six months.
- Extensions require an application, may involve an inquiry, and reasons for refusal must be documented.
- Application fees for extensions are the same as under Rule 6: 1% of the FOB value or ₹1,000 (whichever is lower) for the Assistant or Deputy Commissioner, and 2% of the FOB value or ₹2,000 (whichever is lower) for the Principal Commissioner or Commissioner. (Rule 7(1)(ii) and (iv)).

- **Bond Requirements:**

- If provisional drawback is requested, the bond required is only for the difference between the amount determined under Rule 3 or Rule 4 and the provisional drawback authorized. (Rule 7(3))

2. Required Documents and Declarations:

The application for fixation of the Brand Rate of Drawback under **Rule 6** or **Rule 7** shall be accompanied by the following documents:

Sl. No.	Documents and Declarations	Remarks
1	Brand Rate Application (under Rule 6 or Rule 7)	
2	Letter seeking condonation of delay beyond Three Months from the first LEO	
3	Indemnity Bond (for provisional Brand Rate letter)	
4	Declaration regarding availment/non-availment of ITC benefits	
5	DBK-I statement (signed by Chartered Engineer)	
6	DBK-II statement (signed by Chartered Accountant)	
7	DBK-IIA statement (signed by Chartered Accountant)	
8	DBK-III statement (signed by Chartered Accountant)	
9	DBK-IIIA statement (signed by Chartered Accountant)	
10	Brief description of the manufacturing process (Flowchart, Literature, Brochure etc.)	
11	Drawback Working Sheet in PDF & Excel	
12	Export statement (for Rule 7(1) claims)	
13	Value addition statement (FOB value > CIF)	
14	Attested photocopies of shipping bills	
15	Declaration for 9807/9801 for claim of Brand Rate (As per Circular No. 29/2015-Cus., dated 16-11-2015)	
16	Separate workings for each item in case of multiple	

	items under one shipping bill in PDF & Excell	
17	Sale price invoices for scrap (if applicable)	
18	Soft copy of Bills of Entry (if numerous)	
19	Declaration regarding provisional Bills of Entry	
20	All attested photocopies of SB and BEs	

3. Processing of Brand Rate Applications:

3.1 Initial Scrutiny:

Upon receipt of the Brand Rate application, the Examiner/Superintendent/Appraiser of Drawback Section, ICD will scrutinize the application for completeness and availability of all relevant documents. If the application is found incomplete or lacking required documents, it shall be returned to the claimant along with a **Deficiency Memo (DM)** within:

- **Fifteen days** for goods exported by post (as per **Rule 12(3)**), or
- **Ten days** for goods exported other than by post (as per **Rule 14(3)(a)**).

The format of the Deficiency Memo is provided in **Annexure A**. If deficiencies are not rectified within **30 days**, the claim will be deemed **not filed** as per **Rule 12(4)** for goods exported by post or **Rule 14(3)(b)** for goods exported other than by post.

3.2 Completion and Acknowledgement:

Once the claim is complete or the exporter rectifies deficiencies within the prescribed time, an acknowledgment, as per **Rule 12(4)** or **Rule 14(3)(b)**, will be issued to the exporter/Customs House Agent (CHA) as per the format in **Annexure B**. The claim will be registered and assigned a reference/file number from the concerned Section i.e. Drawback Section, ICD, City Customs, Bengaluru. The claim will be processed for fixation of Brand Rate Drawback under **Section 75** of the **Customs Act, 1962**.

3.3 Failure to Respond to Deficiency Memo:

If the exporter fails to reply to the **Deficiency Memo (DM)** within **30 days** (or any other time prescribed in the rules), the following will be applied:

(a) For Goods Exported by Post:

In accordance with Rule 12(3) of the **Customs and Central Excise Duties Drawback Rules, 2017**, if the exporter failed to respond to the Deficiency Memo within **30 days period**, the claim shall be **deemed not to have been received**. This applies specifically to goods exported by post.

However, if the exporter complies with the deficiency memo requirements within **30 days**, an acknowledgment will be issued by the Drawback Section, ICD, City Customs, Bengaluru, and the date of this acknowledgment will be deemed the **date of filing the claim** for the purpose of **Section 75** of the **Customs Act, 1962**

(b) For Goods Exported other than by Post:

In accordance with Rule 14(3)(a) of the **Customs and Central Excise Duties Drawback Rules, 2017**, if the claim for drawback is incomplete in any material particular or lacks the required documents specified under **Rule 14(2)**, the claim will be returned to the exporter along with a **Deficiency Memo**. The exporter is required to rectify the deficiencies and resubmit the claim within **30 days**. If the exporter failed to do so, the claim shall be deemed not to have been filed.

In case where the exporter complies with the requirements specified in the Deficiency Memo and resubmit the claim within the prescribed period, an acknowledgment will be issued by the Drawback Section, ICD, City Customs, Bengaluru, and the date of this acknowledgment will be deemed the **date of filing the claim** for the purpose of **Section 75** of the **Customs Act, 1962**.

4. Instructions for Exporters:

All brand rate applications must include a covering letter listing all enclosures with page numbers, and each enclosure must be flagged appropriately. If any document is not applicable, it should be marked as "N.A."

5. Effective Date:

This procedure shall be effective immediately and must be strictly adhered to by all officers and staff concerned.

6. Difficulty Resolution:

Any difficulty encountered in the implementation of this Public Notice should be reported to the undersigned for resolution.

अमितेश भरत सिंह/**AMITESH BHARAT SINGH**
शहर सीमा शुल्क आयुक्त/**COMMISSIONER OF CITY CUSTOMS**
बेंगलुरु/**BENGALURU**

Enclosures: Annexures A & B

To:

All Trade Associations

Copy to:

1. The Principal Chief Commissioner of Central Tax, Bengaluru Zone, Bengaluru.
2. The Chief Commissioner of Customs, Bengaluru Zone, Bengaluru.
3. The Principal Commissioner of Customs, AP & ACC, Bengaluru
4. The Commissioner of Customs, Mangaluru.
5. The Commissioner of Customs (Appeals), Bengaluru
6. The Additional Commissioners of Customs, City Customs Hqrs & ICD, Bengaluru
7. Bengaluru Customs Website
8. Notice Board

ANNEXURE - A

Office of the Commissioner of Customs, City Customs Commissionerate
C.R. Building, Queen's Road, Bengaluru-560 001

File No.....

Date:

DIN No.

DEFICIENCY MEMO

To

M/s. _____

Subject: Deficiency Memo for Brand Rate Application under Rule [6 or 7] of Drawback Rules, 2017 against Shipping Bill No____ dated _____Regarding.

Dear Sir/Madam,

With reference to your Brand Rate application filed under **Rule [6/7]** of the **Customs and Central Excise Duties Drawback Rules, 2017**, the application is found deficient or missing the following documents:

[List of deficiencies]

2. As per **Rule 12(3)** (for goods exported by post) or **Rule 14(3)(a)** (for goods exported other than by post), you are requested to submit the required documents within **30 days**. Failure to comply will result in the application being considered **not filed** under **Section 75** of the **Customs Act, 1962**, read with **Rule 6 or 7** of the Drawback Rules.

**Assistant/Deputy Commissioner of Customs
Drawback Section,
City Customs Commissionerate, Bengaluru**

Enclosure: Your drawback claim submitted on _____

ANNEXURE - B

Office of the Commissioner of Customs, City Customs Commissionerate

File No.: _____

E. Comp. No: _____

Date: _____

ACKNOWLEDGEMENT SLIP

This is to acknowledge receipt of the Brand Rate Drawback application under **Section 75** of the **Customs Act, 1962**, filed by:

M/s. [Exporter Name]

against _____ (number) of Shipping Bills.

Claim registered at **Sl. No.** _____ on **[Date]**. Please refer to this number in all future correspondence.

(Signature)
Customs Officer, Bengaluru City Customs