Advisory No. 01/2021
Date: 1st January,2021

Advisory for RoDTEP (*Remission of Duties and Taxes on Exported Products*) Incentive Scheme

A new scheme, RoDTEP (Remission of Duties and Taxes on Exported Products) has been launched by the government for exporters. 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 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 users account at ICEGATE,
IV. User can create RoDTEP credit ledger account under Credit Ledger tab. This can be done by 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.

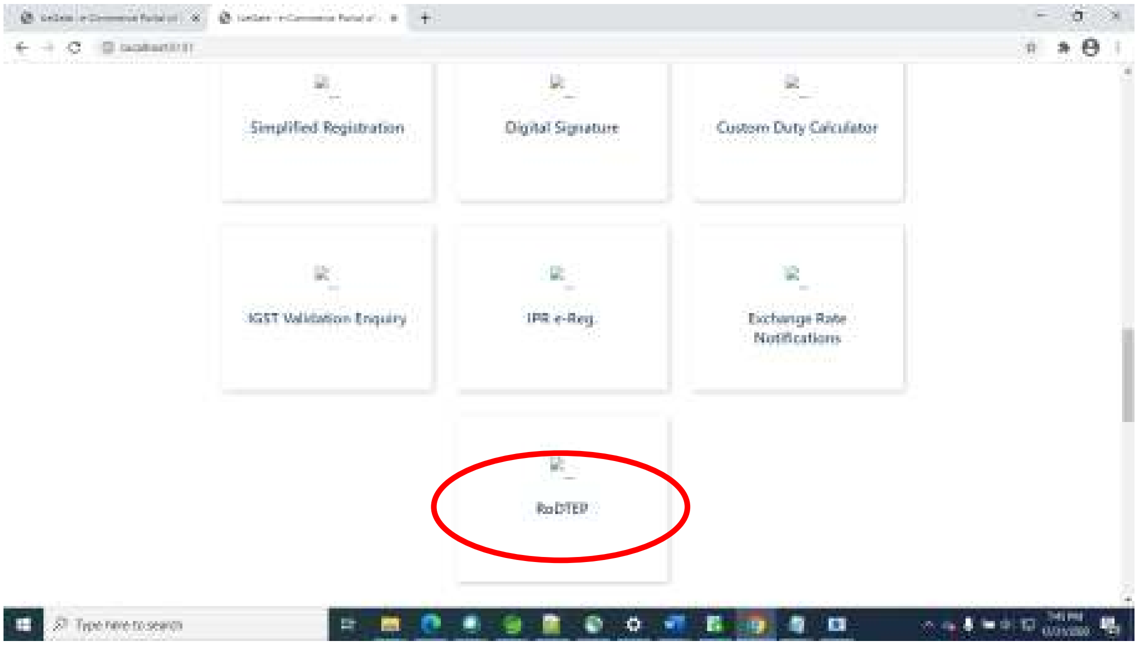
2. As of now the users can log into their ICEGATE account and create the RoDEP Credit Ledger Account, as scrip generation provision will be made functional on the issuance corresponding notification by the department and availability of the budget. Implementation of scheme in Custom Automated System has been developed. Details attached as Annexure A.

3. This advisory is a complete step-by-step guide for the user to create a RoDTEP credit ledger account, generate scrips and transfer the scrips to any other IEC.

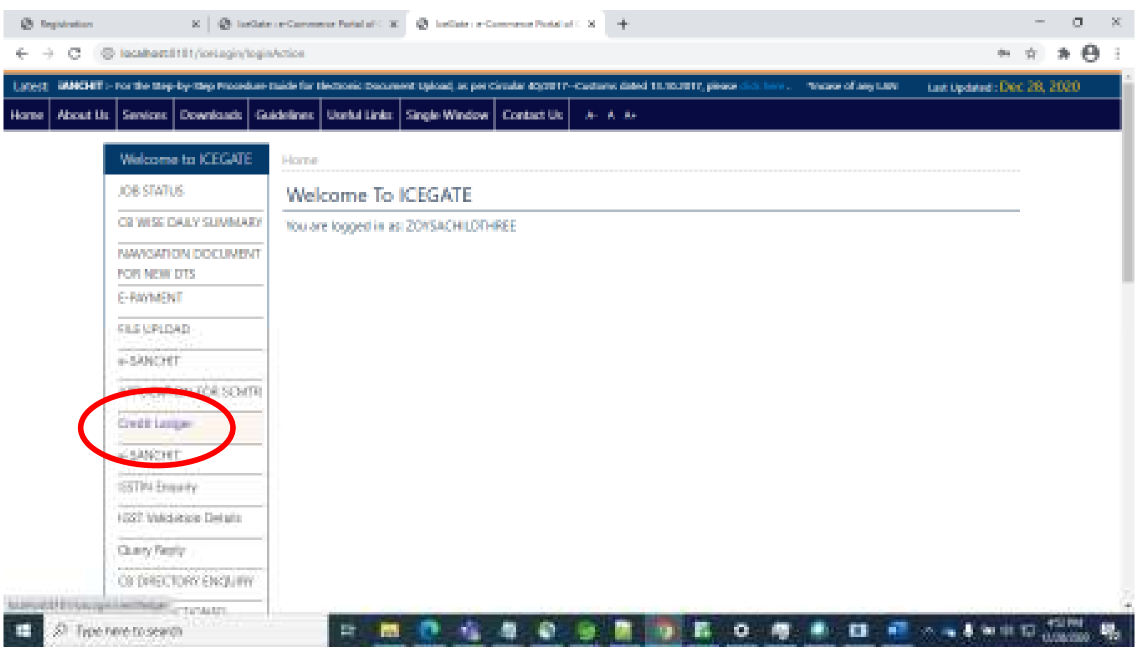
A) RoDTEP (Credit Ledger) Account Creation:

RoDTEP Credit Ledgercan be used by the Importer/Exporter/CHA only after creating a successful credit ledger account at ICEGATE.Below are the steps to create a RoDTEP Credit Ledger Account with ICEGATE.

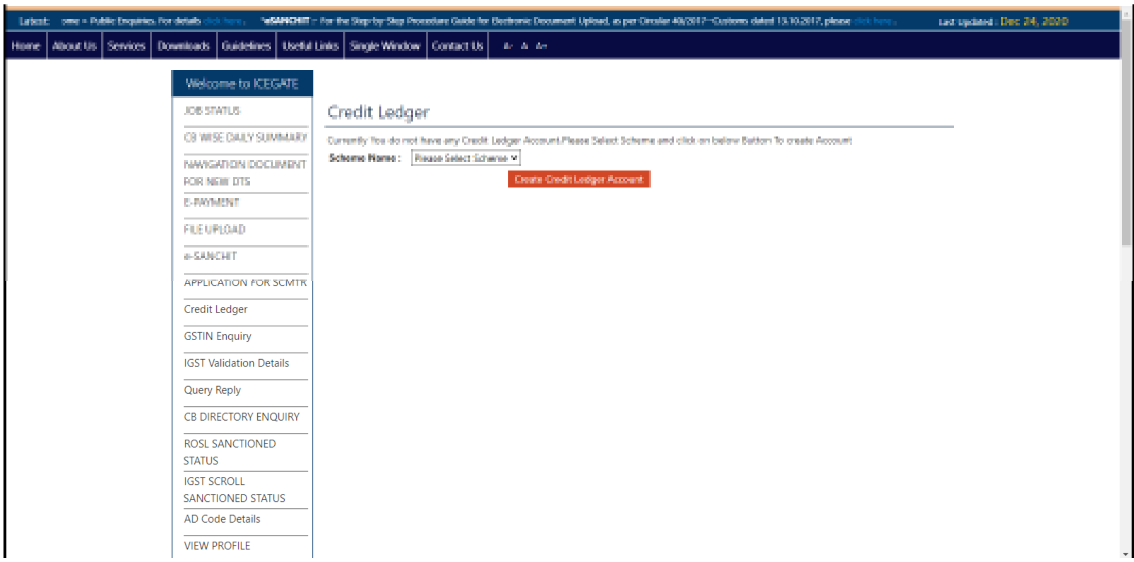
Step 1) User can select the option of RoDTEP (credit ledger) account creation by clicking on the "RoDTEP" tab under the "Our Services" section of https://www.icegate.gov.in/as indicated below.



Step 2) User will be directed to the login page. After log in using valid credentials, user will be able to see the Credit Ledger option on the left panel as shown below. If user is not registered they can get themselves registered as per advisory through this link:
https://icegate.gov.in/Download/JavaSetupForDSC.pdf



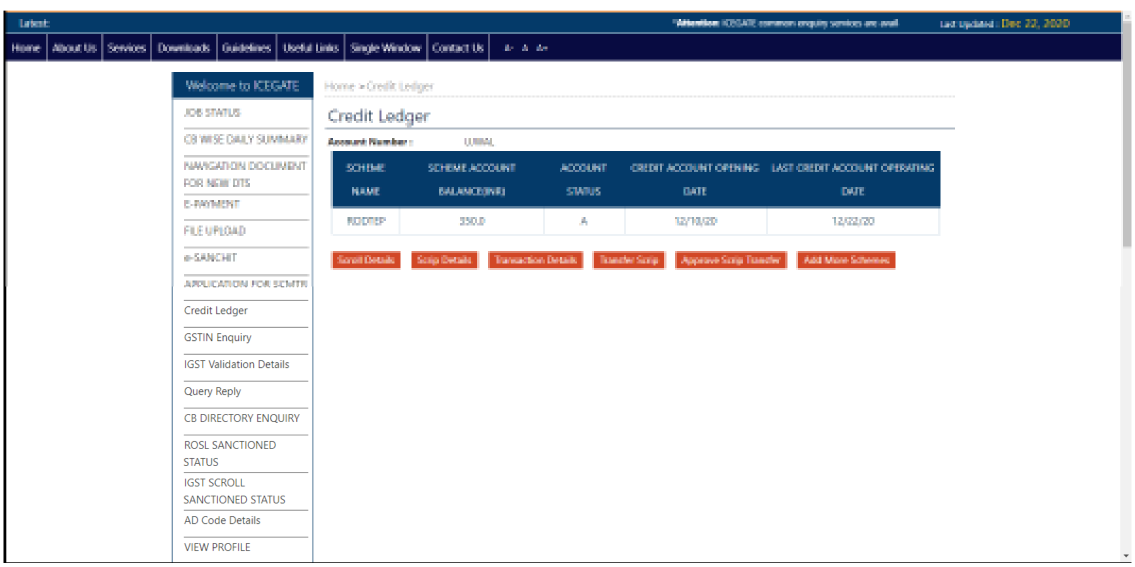
Step 3) Since the user has not created a credit ledger account initially, the following page will be displayed. The user can select the scheme name from the drop-down as RoDTEP.



Step 4) After Credit Ledger account creation is done by the user, a grid view with the following details will be displayed to the user.

User can perform various operations mentioned as follows from this Home Page:

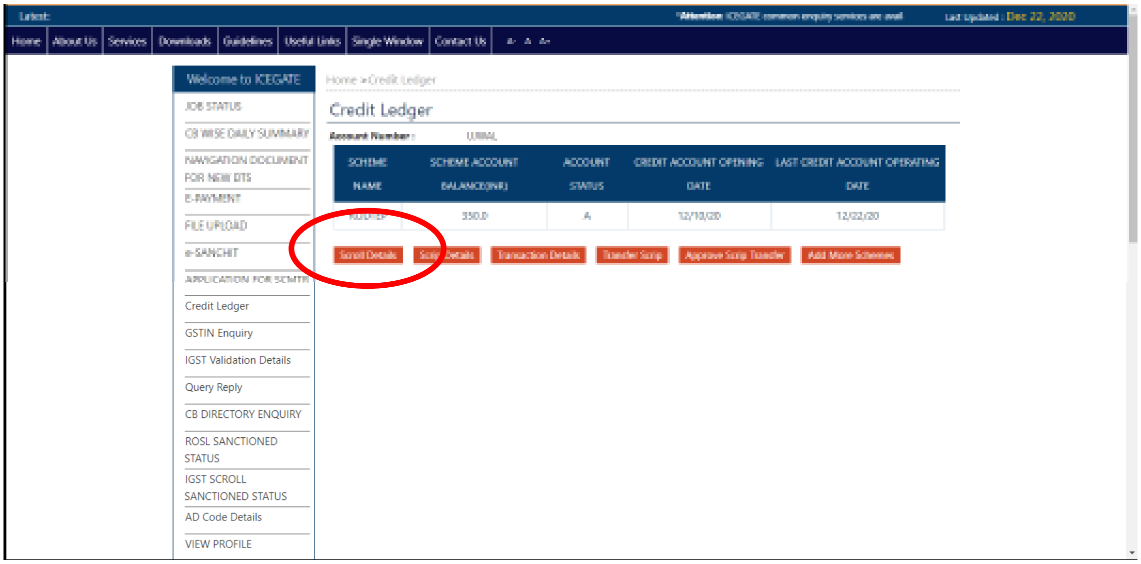
- Scroll Details
- Scrip Details
- Transaction Details
- Transfer Scrip
- Approve Scrip Transfer



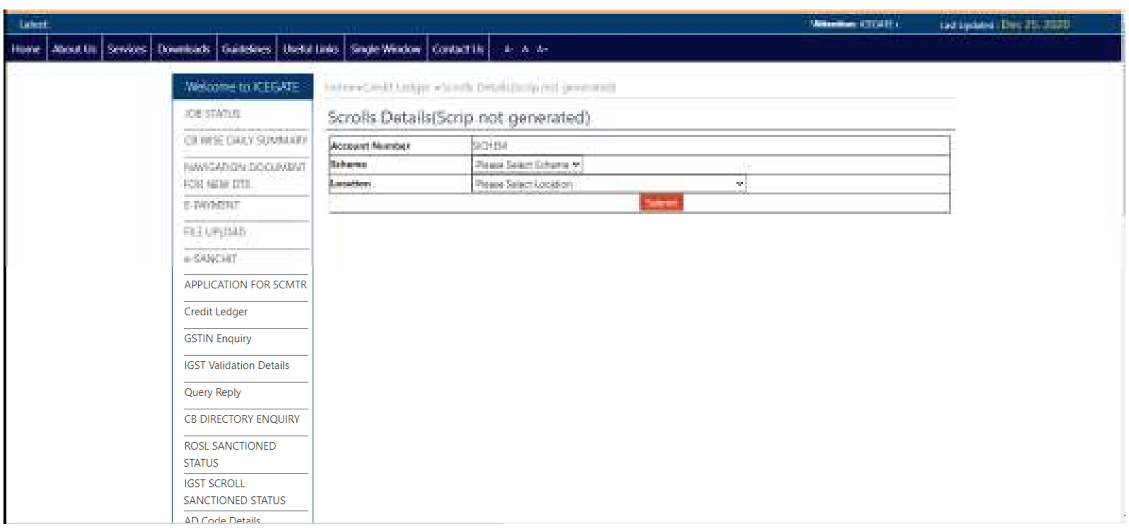
B) Scrip Management Module:

1) Scrip Generation

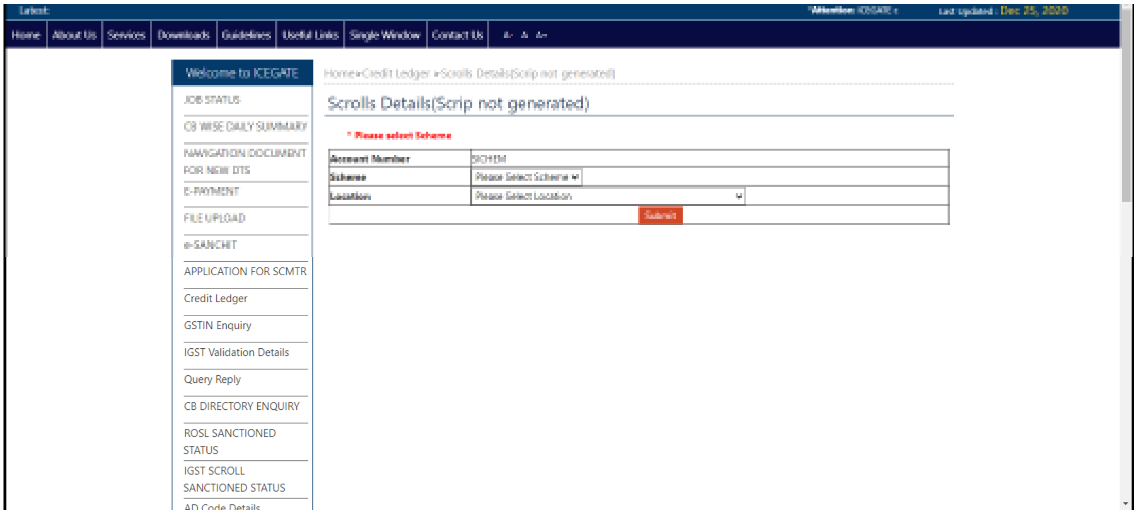
Step 1) From the credit ledger Home Page as shown below, user has to select Scroll Details Tab for scrip generation.



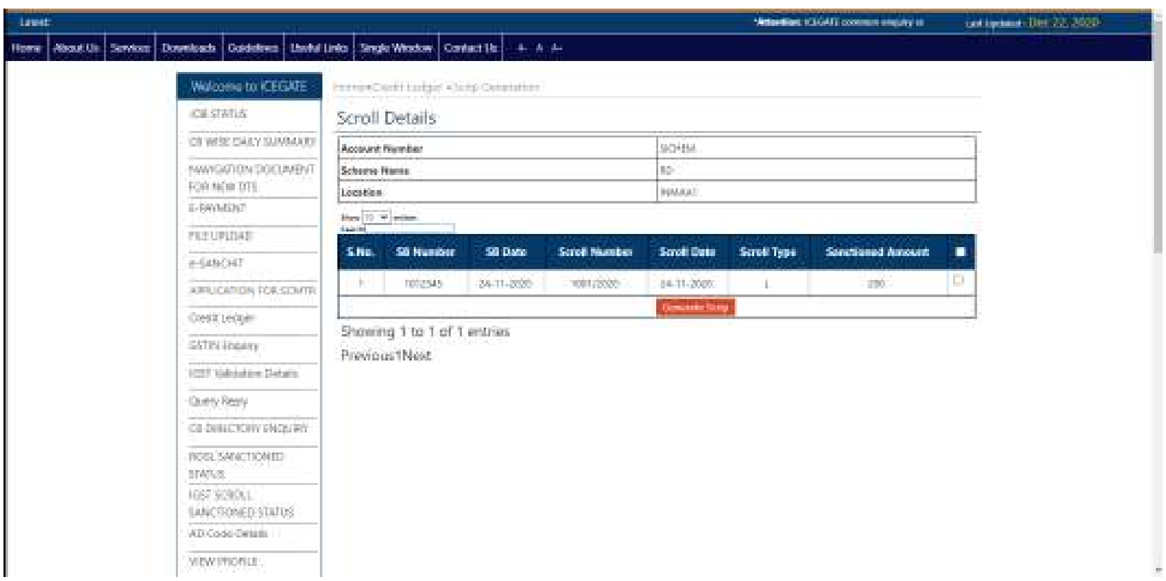
Step 2) User is provided with the feature of selecting Shipping bills/scrolls for which the scrips are to be generated. User has to select RoDTEP under scheme name and location as mentioned below:



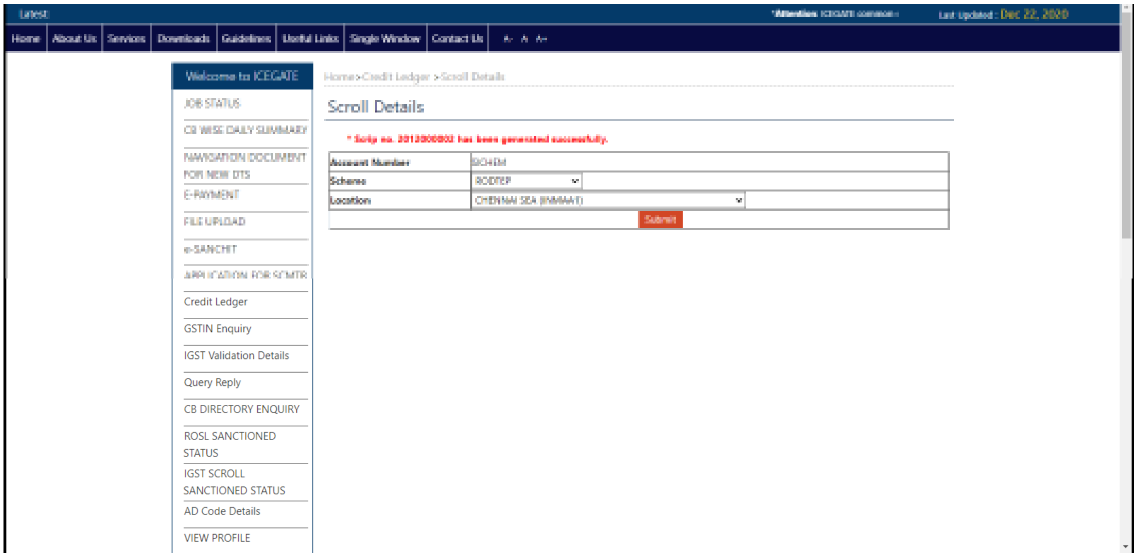
Step 3) An error message will be displayed if the scheme (mandatory) is not selected.



Step 4) User can view and select the shipping bills and can generate the scrip.

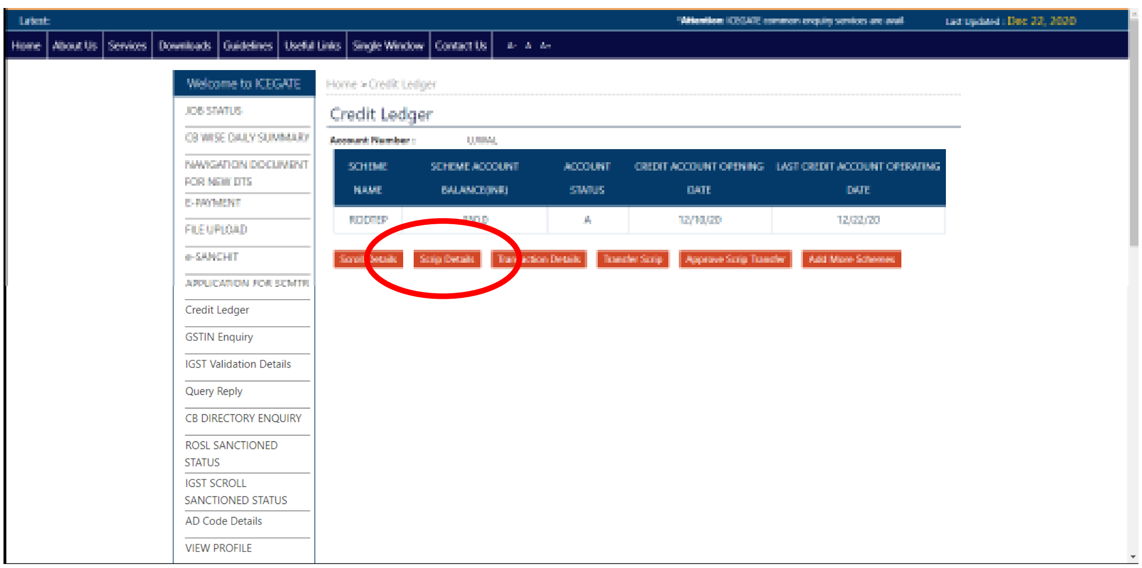


Step 5) Scrip will be generated for the selected shipping bill/ scroll. After successful Scrip Creation the following message will be displayed on the screen.



2) Viewing Scrip details:

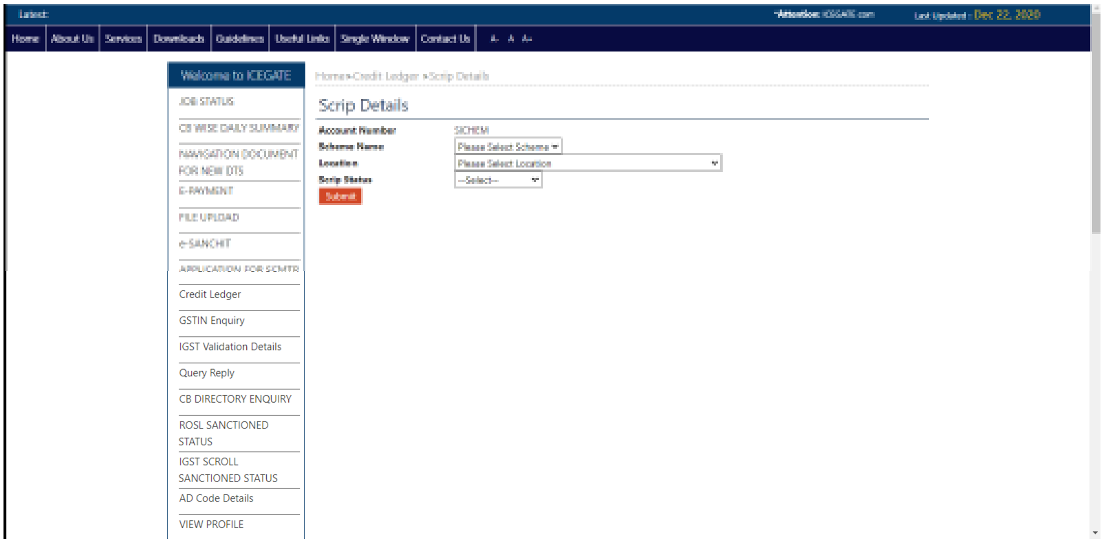
Step 1) In the credit Ledger home page, user can select on the Scrip Details Tab to view the scrip details which has been generated.



Step 2)A unique Scrip Number will be generated and tagged to every user. A credit entry will be made in the credit Ledger for that user. User can view scrip details after selecting from the following options in the scrip status drop down:

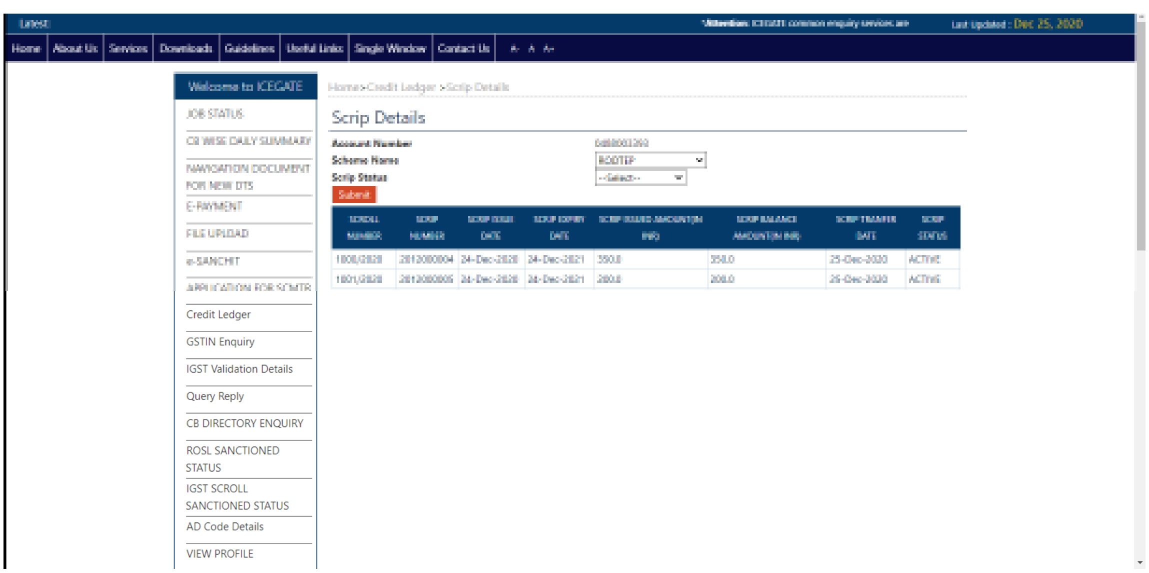
1. Active- Scrip which is still in active state
2. Utilize- Scrip which is utilized by the user
3. Transferred- Scrip for which the transfer request is approved by the transferee to whom the user has initiated transfer
4. Transfer Pending- Scrip which is transferred by the user to another IEC holder but the latter has not approved the transfer request.
5. Expired- Scrip which is expired

6. Transfer Rejected- Scrip which is rejected by the transferor (who has initiated the scrip transfer request) or the transferee (to whom scrip transfer request is sent)
7. All- All scrips generated



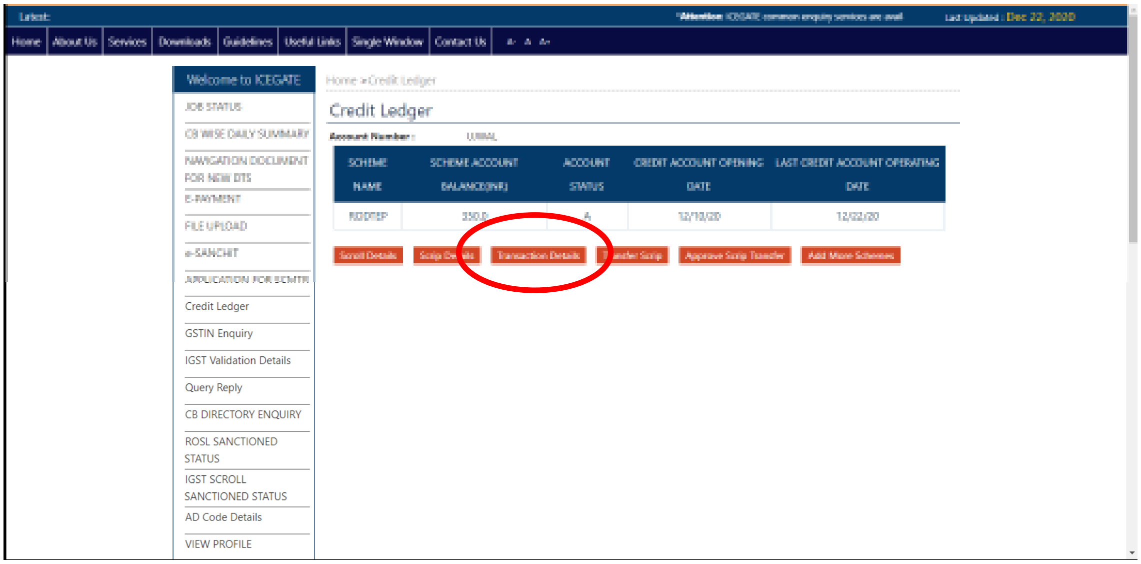
Step 3) Once the mandatory fields are selected, thedata can be viewed in grid.User should be able to view the last 10 entriesby default from the credit ledger. The user can click on next or previous link in case of more than 10 entries.The description of the data is given below:

1. Scroll Number: Unique scroll number
2. Scrip Number: Unique scrip number
3. Scrip Issue Date: Date on which scrip is generated
4. Scrip Expiry Date: Date on which the scrip will expire
5. Scrip Issued Amount: Amount for which the scrip is issued.
6. Scrip Balance Amount: Total balance after the scrip has been utilized.
7. Scrip Transfer Date: Date on which the transfer has been approved by the IEC to whom the scrip is transferred. This will be blank if transfer is not initiated.
8. Scrip Status: based on what scrip status user has previously selected as explained in the previous step (step 2)



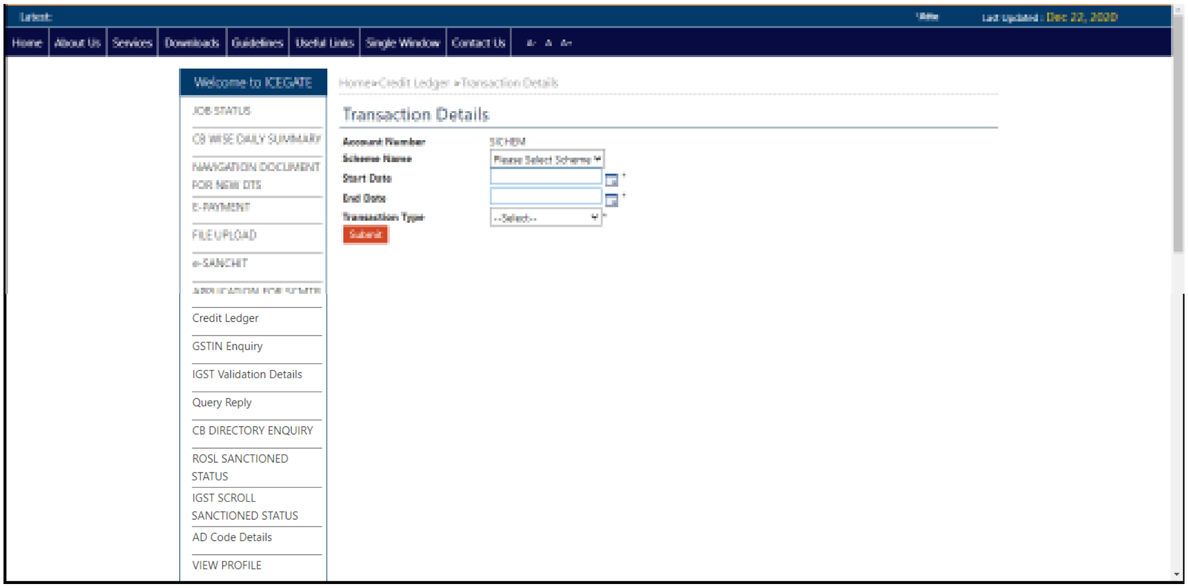
3) Transaction Details:

Step 1) In the credit Ledger Home Page, User can view the Transaction Details by clicking the tab as shown below:

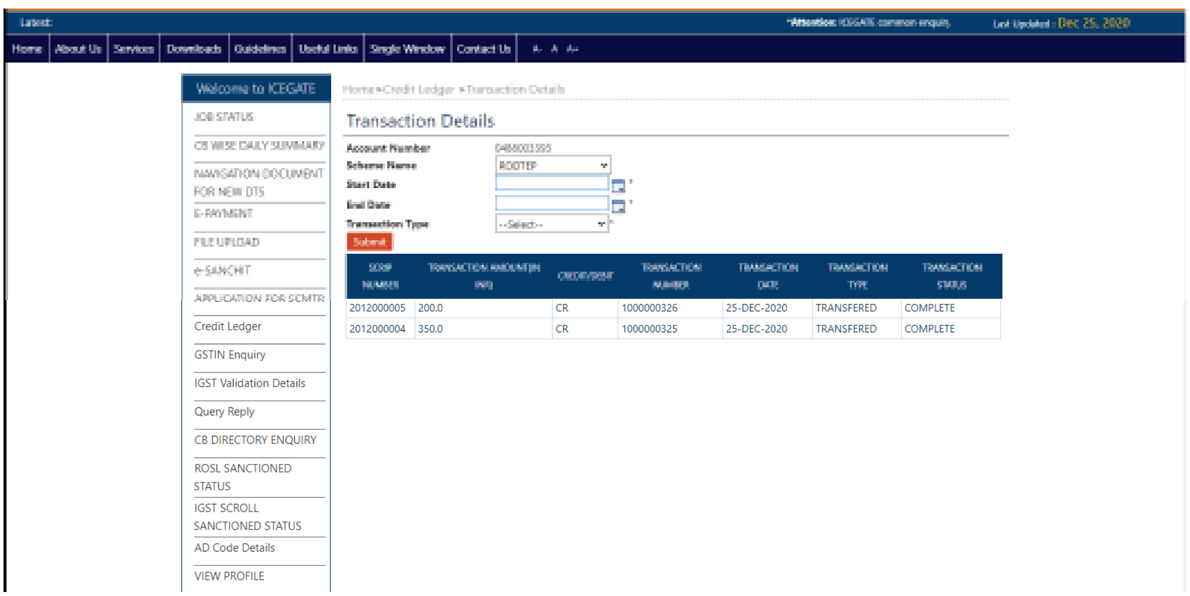


Step 2) User should be able to view the transactions basis multiple search criteria like start date, end date and transaction type.The Transaction Type field has a drop down with the following options to select. User can select the appropriate field:

1. Issued: To view the scrips been generated. The transaction status will be Complete for this transaction type.
2. Utilized: To view the scrips which are utilized. The transaction status will be Complete for this transaction type.
3. Transferred: To view the scrips which are transferred to another IEC holder. The transaction status will be Complete for this transaction type.
4. Transfer Pending: To view the scrips for which the approval for transfer is pending. The transaction status will be Pending for this transaction type.
5. All: To view all types of scrips.



Step 3) After selecting the appropriate fields, data will be displayed in a grid format as shown below:

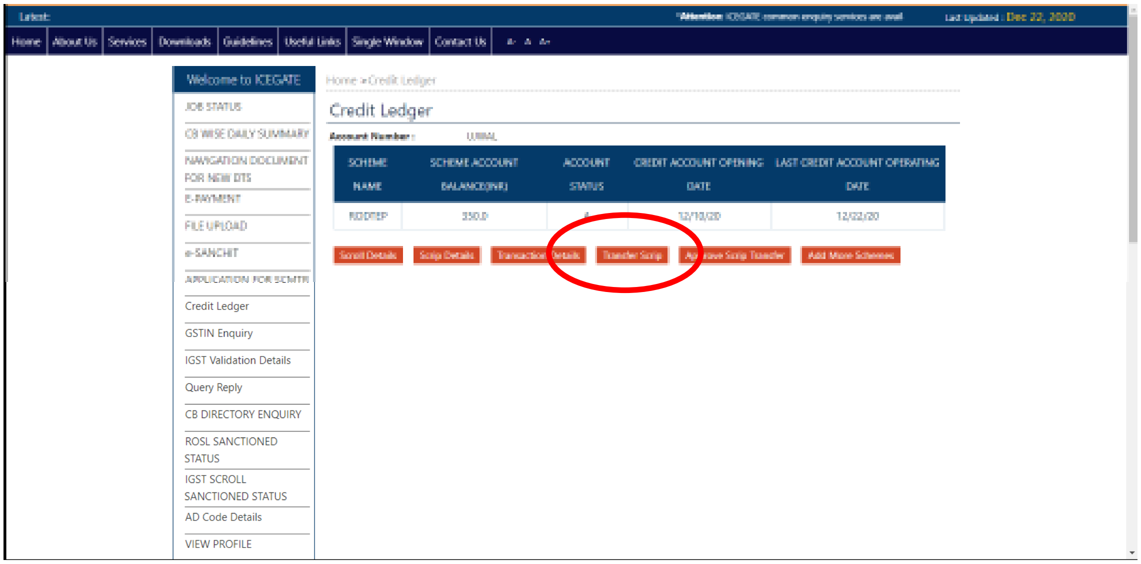


4) Scrip Transfer:

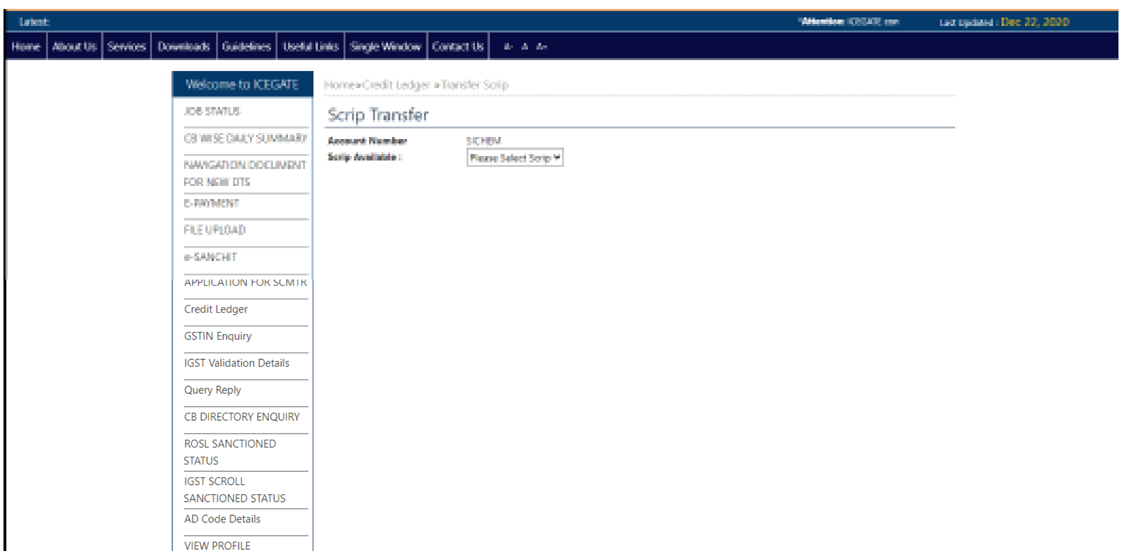
Any user who has created a credit ledger account can transfer a scrip to another user. The user to which the scrip is to be transferred also needs to have a valid credit ledger account.

Below are the steps for scrip transfer:

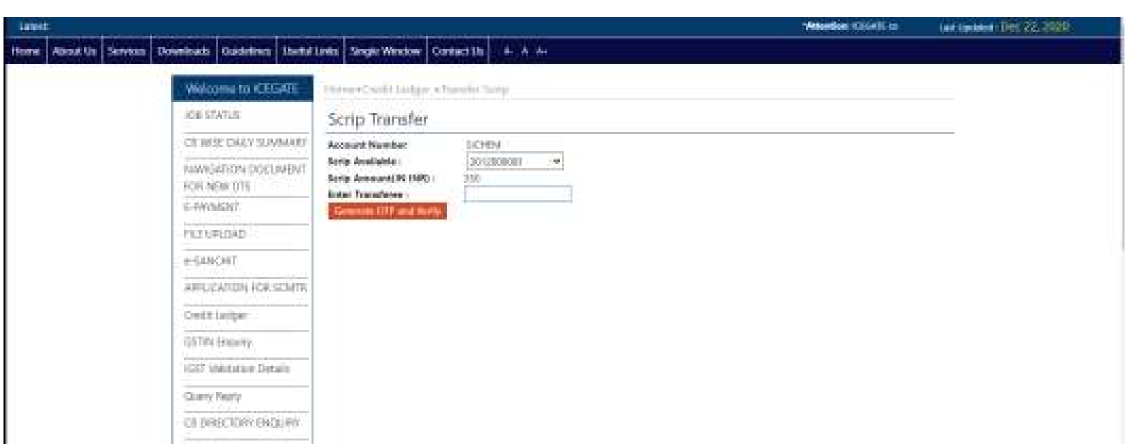
Step 1) From the credit ledger Home page, user can select the “Transfer scrip” tab to transfer a particular scrip to any other user.



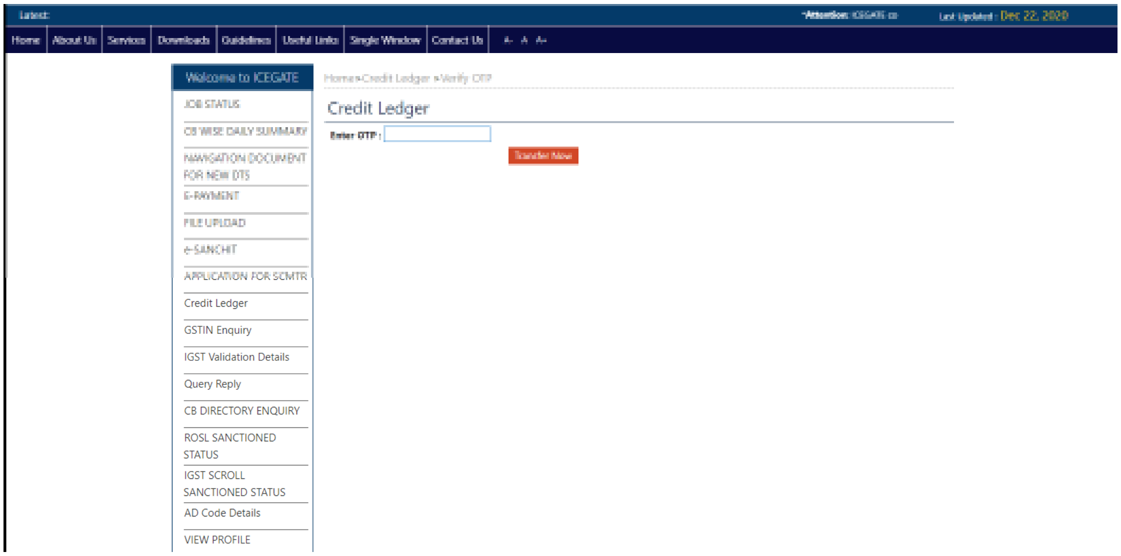
Step 2) The user can select the appropriate scrip to be transferred from the generated scrips. The list of the generated scrips is available in the drop-down menu along the "Scrip Available" Option.



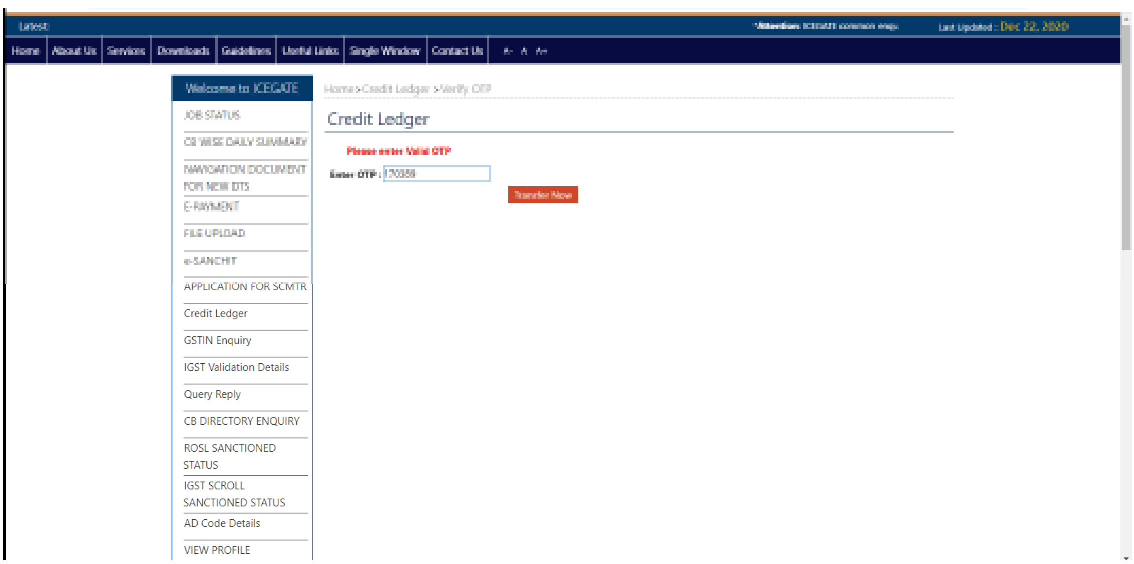
Step 3) After appropriate scrip selection, user can view scrip amount and enter IEC of the user to which the scrip is to be transferred. These details, of the IEC holder to whom the user wants to make transfer, can be entered in the textbox alongside "Enter Transferee" option.



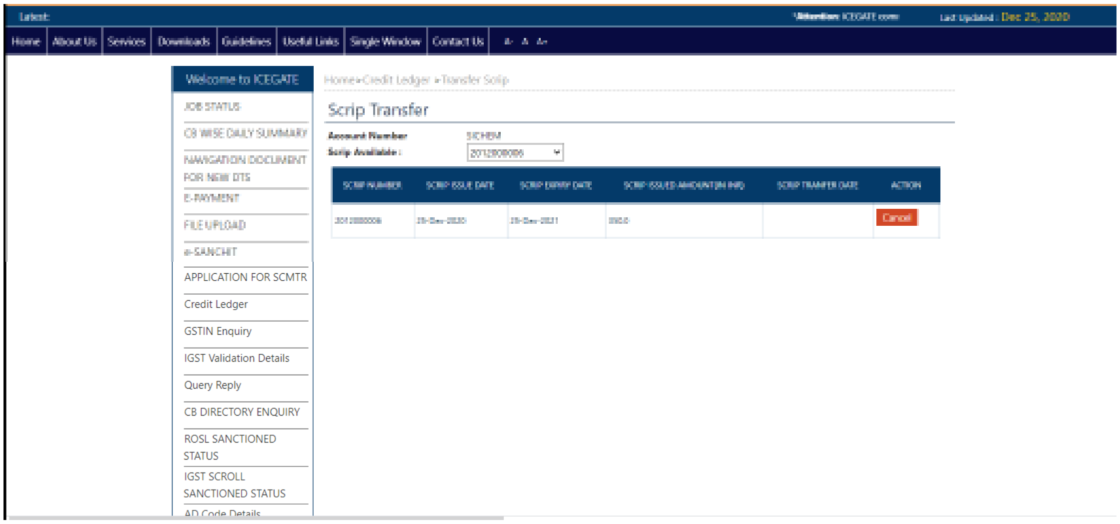
Step 4) OTP is generatedand sent to the user who has initiated the transfer on the registered mobile number and email ID.It has to be entered by that user to transfer the scrip successfully. This OTP is valid for a window of 15 minutes only.



Step 5) If the user has entered wrongOTP to transfer the scrip, an error message to select a valid OTP will be generated on the screen as shown below.



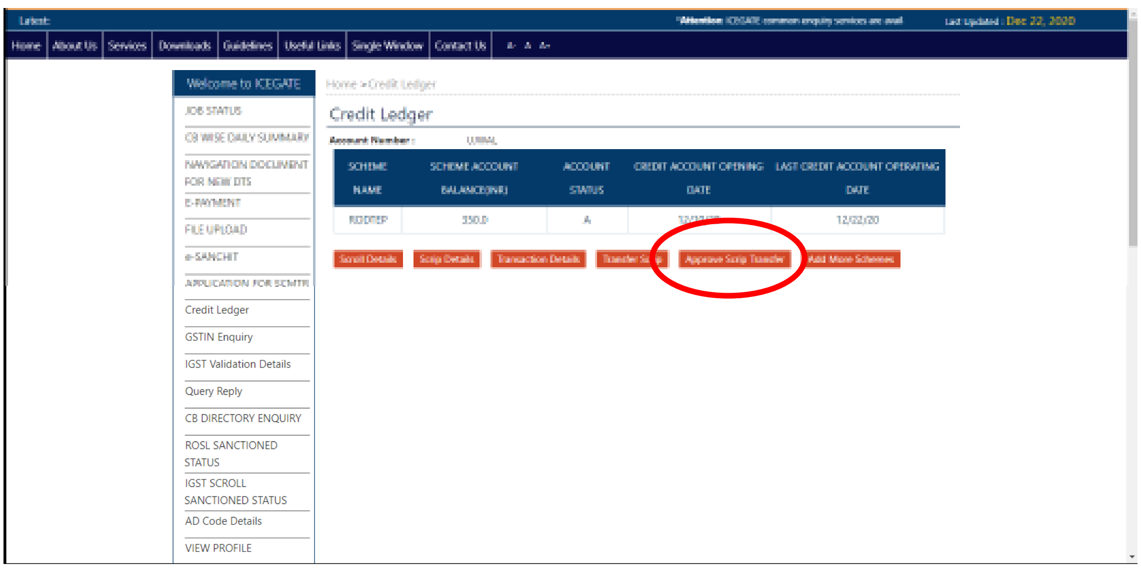
Step 6) After successfully transferring the request, Scrip will be viewed in a grid on the same page. User who has initiated the transfer scrip requestcan cancelthe request at this stage using the cancel button as shown below.



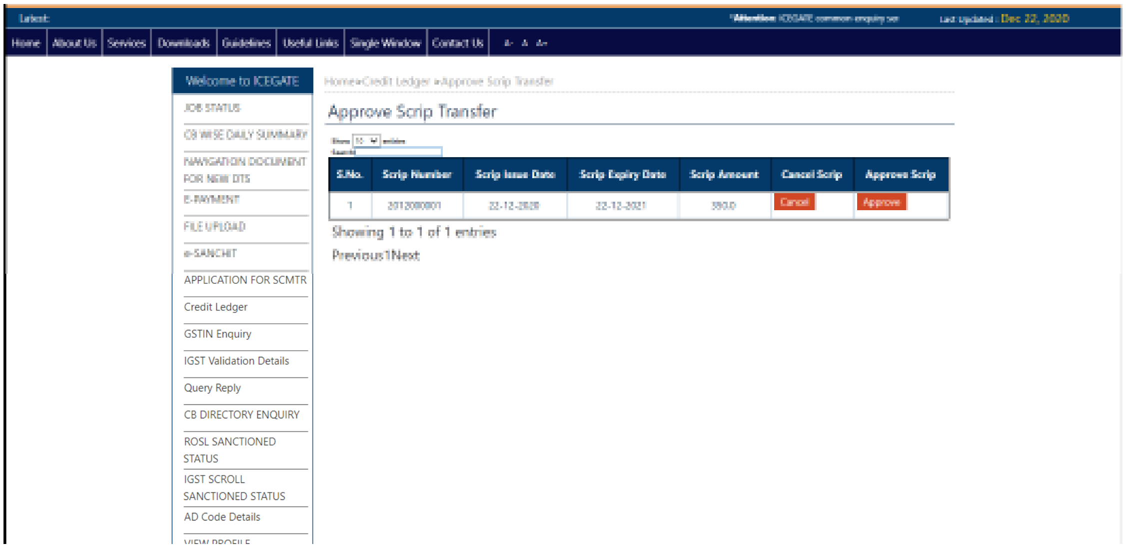
5) Approve Scrip Transfer Request

Step 1)A approval request is sent to the IEC for whom transfer request has been initiated by the user. This IEC holder who has to approve the request needs to login, select credit ledger tab from the left panel. He will have to create a Credit ledger account if not already created as mentioned in the 3 step process of Part A (RoDTEP (Credit Ledger) Account Creation) of this module.

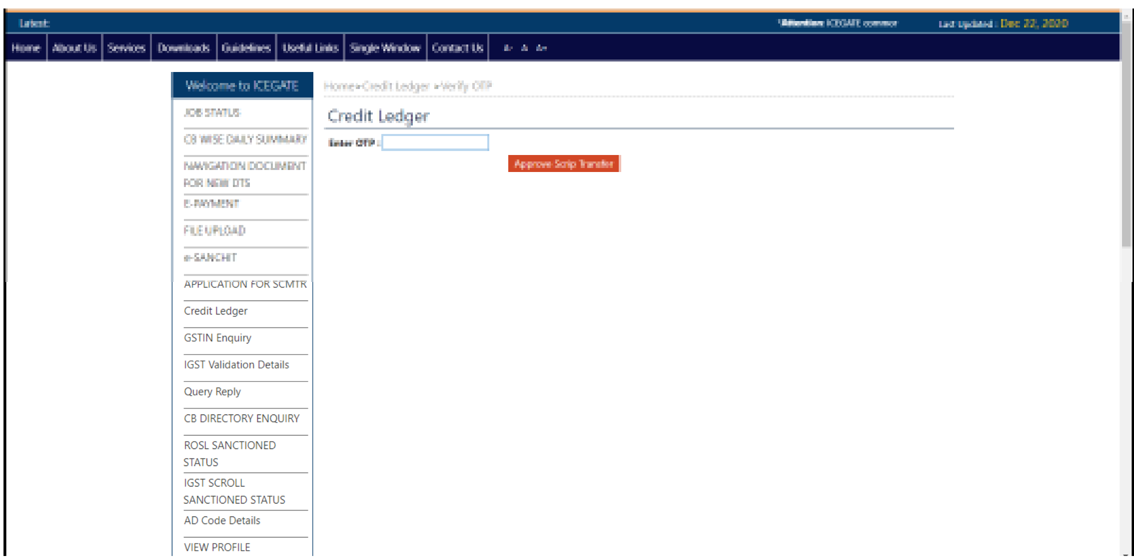
Step 2) From the credit ledger Home page, the user to whom a scrip is transferred can approve/cancel the transfer scrip request by clicking on the "Approve Scrip" tab as shown below:



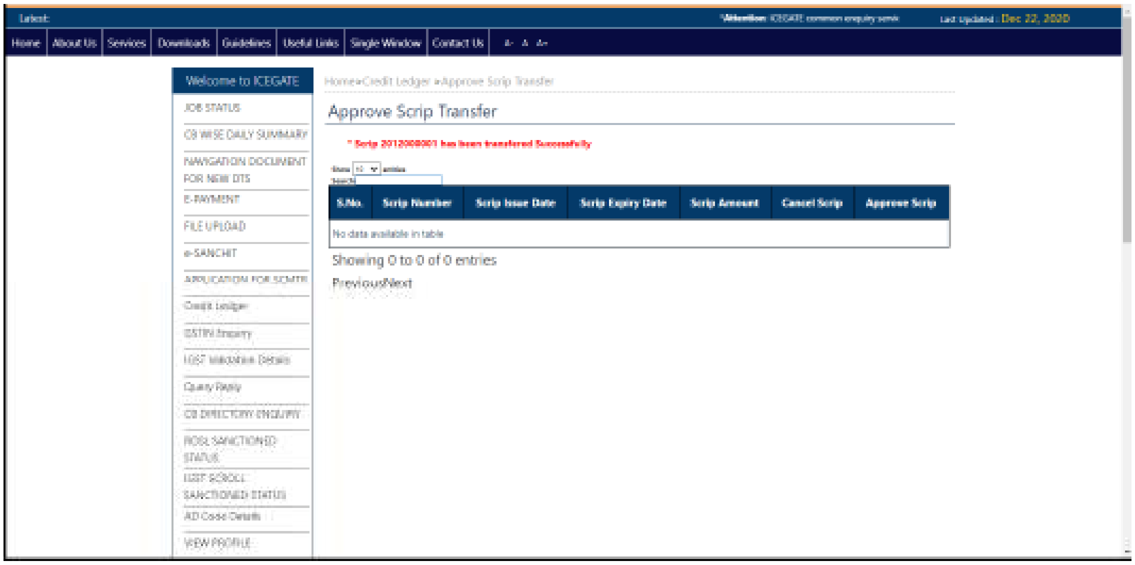
Step 3) User can view all scrips,which are transfered to him.User can cancel the request as well by clicking on the cancel button, if does not wish to accept the scrip.



Step 4) The transferee wants to approve the transfer scrip request after clicking the approve button, Transfree has to fill a valid OTP.After clicking the Approve button, the transferee is directed to fill OTP as shown below.This OTP is generated and sent to the transferee over registered Mobile number and email ID and is valid only for 15 minutes. Incase the user fails to enter a valid OTP in 15 minutes, the user is redirected to generate a new OTP.



Step 5) TheScrip will be transffered to Transfree after successful OTP validation. Message is also generated and displayed on the screen as shown below.



Annexure A:

Implementation of RoDTEP Scheme in Customs Automated System – Declarations in Shipping Bill and further processing

Kind reference is drawn to the press note dated 31.12.2020 (copy enclosed) issued by CBIC on the new RoDTEP scheme being operationalized from 01.01.2021. Necessary changes in the System have also been made to accept and process RoDTEP claims. Below is a detailed explanation on the provisions enabled in System in relation to the new scheme:

I. Claim in the Shipping Bill:

a. W.e.f. 01.01.2021, it is mandatory for the exporters to indicate in their Shipping Bill whether or not they intend to claim RoDTEP on the export items. This claim is mandatory for the items (RITC codes) notified under the new scheme. Since the final list of RITC codes eligible for RoDTEP scheme and the corresponding rates are yet to be notified by the Government, this declaration has been made mandatory for all items in the Shipping Bill starting 01.01.2021.

b. Unlike Drawback, there is no separate serial numbers based on a schedule for claiming RoDTEP. RoDTEP rates will be notified as per the RITC Code and therefore, there will be no need to declare any separate code or schedule serial number for RoDTEP.

c. The exporter will have to make following declarations is the <u>SW_INFO_TYPE Table</u> of the Shipping Bill for each item:

INFO TYPE = **DTY**

INFO QFR = **RDT**

INFO CODE = **RODTEPY** - If RoDTEP is availed

RODTEPN - if not availed.

INFO MSR = **Quantity** of the items **in Statistical UQC as per the Customs Tariff Act** for that item RITC

INFO UQC = **UQC** for the Quantity indicated in INFO_MSR

Additionally, for every item where RODTEPY is claimed in INFO CODE, a declaration has to be submitted in the <u>Statement Table</u> of the Shipping Bill as below.

STATEMENT TYPE = **DEC**

STATEMENT CODE = **RD001**

Submission of the above statement code for RoDTEP availed items would indicate that the exporter has made the necessary declaration as enclosed in **Annexure B**, while claiming RoDTEP benefit.

d. <u>It may be noted that if RODTEPY is not specifically claimed in the Shipping Bill, no RoDTEP would accrue to the exporter</u>. Even though the items and rates are not notified the Government for RoDTEP yet, the exporters must indicate their intent for claim at the time of Shipping Bill filing itself. Once the rates are notified, System would automatically calculate the RoDTEP amounts for all the items where RODTEPY was claimed. <u>No changes in the claim will be allowed after the filing of the EGM.</u>

e. There are some checks built in the System to disallow RoDTEP benefit where the benefit of certain other schemes like Advance Authorization, EOU, Jobbing etc. has been availed. While some checks have been built in within the System at the time of filing the Shipping Bill, it is assumed that if the exporter (or the authorized Customs Broker) has submitted the statement as mentioned in para 2(b) with the Shipping Bill, the claim to RoDTEP has been made with the undertaking that no undue benefit would be availed.

II. Processing of the Claim:

a. Based on the declarations as per Para I above, System will be processed the eligible RoDTEP.

b. The Shipping Bills with RoDTEP and/or Drawback claim will now be routed for officer intervention based on Risk based targeting by RMS. All the Shipping Bills will be sent to RMS after the EGM is filed. Based on the input by RMS, Shipping Bills will either come to officer for processing of RoDTEP/DBK benefits or will directly be facilitated to the scroll queue without any officer intervention.

c. Once the Shipping Bill is processed for DBK and/or RoDTEP either by the officer or as per facilitation by RMS, it will move to the respective scroll queues. In case a suspension is placed on any exporter/Shipping Bill for Drawback, the same will also be applicable for the purpose of scrolling out of RoDTEP benefits.

III. Generation of Scroll:

a. Options have been made available in System for officers to generate RoDTEP scrolls. However, till the final rates are notified by the Government, these options will remain disabled in System.

b. Once the scroll is generated, the respective amounts would be available with the exporter as credits on the ICEGATE portal.

IV. Claiming of Credits and Generation of Credit Scrips:

a. Once the RoDTEP scroll is generated, the credits allowed will be available within their ICEGATE login of the exporter to claim and covert into a credit scrips. In case the exporters have not registered on ICEGATE already with their digital signatures, they may refer to this advisory (v1.2_Advisory_Registration_APPROVED.pdf (icegate.gov.in)) and complete registration in order to avail the benefits of RoDTEP.

b. The exporter will be able to club the credits allowed for any number of Shipping Bills at a port and generate a credit scrip for the same on ICEGATE portal. Scrips once generated will reflect in the exporter's ledger and will be available for utilization in paying eligible duties during imports or for transfer to any other entity having IEC and a valid ICEGATE registration. A detailed advisory for the benefit of the exporter on the scrip generation, ledger maintenance and transfer facilities will be published soon on ICEGATE. These facilities will be made available once the final RoDTEP rates are notified and scroll generation is enabled.

V. <u>Utilization of Scrips in Imports:</u>

a. These scrips can be used for the payment of import duties as would be notified by CBIC.

b. The owner of the scrip (either the original exporter beneficiary or any other IEC to whom the scrip was transferred on ICEGATE portal) will be able to use the scrip in the Bills of Entry the same way as any other duty credit scrips issued by DGFT, by giving the details in the license table of the Bill of Entry. The scheme code to be used for these scrips would be "RD" along with the applicable Notification Number.

c. An option to suspend any RoDTEP scrip will also be made available with the Customs officer once the scroll generation is enabled. If a scrip is under suspension, its utilization or transfer will not be allowed by System.

<u>Annexure B</u>

DECLARATION TO BE FILED AS PART OF SHIPPING BILL OR BILL OF EXPORT FOR EXPORT OF GOODS UNDER RoDTEP SCHEME

"I/We, in regard to my/our claim under RoDTEP scheme made in this Shipping Bill or Bill of Export, hereby declare that:

1. I/ We undertake to abide by the provisions, including conditions, restrictions, exclusions and time-limits as provided under RoDTEP scheme, and relevant notifications, regulations, etc., as amended from time to time.
2. Any claim made in this shipping bill or bill of export is not with respect to any duties or taxes or levies which are exempted or remitted or credited under any other mechanism outside RoDTEP.

3. I/We undertake to preserve and make available relevant documents relating to the exported goods for the purposes of audit in the manner and for the time period prescribed in the Customs Audit Regulations, 2018.”