New Duty Drawback Rates will boost Cotton textiles exports – Chairman, TEXPROCIL

The Government has announced the revised Duty Drawback rates vide CBIC Notification No. 95/2018 – CUSTOMS (N.T) dated December 6, 2018. The All Industry Rates of Duty Drawback re-imburses the incidence of duties of Customs on inputs and remnant Central Excise Duty on specified petroleum products used for generation of captive power for manufacture or processing of export goods.

The Drawback rates for Cotton textiles products such has Yarn, Fabrics and Made ups have been increased. Welcoming the announcement of the new rates, Dr. K.V.Srinivasan, Chairman of The Cotton Textiles Export Promotion Council (TEXPROCIL) said" The Revised Drawback rates will lead to increase in the exports of Cotton textiles".

There is a significant increase in the Drawback rates for Cotton Made ups which will encourage export of value added products like home textiles, according to the Chairman, TEXPROCIL. Further, the removal of Drawback Caps in the case of those export products where the Drawback rates are less than 2% will benefit the Cotton textiles exporters, said Shri Srinivasan.

The Chairman, TEXPROCIL extended his thanks to Smt Smriti Zubin Irani, Hon'ble Union Textiles Minister for her support in getting the Drawback rates increased. He also thanked the Department of Revenue and the Drawback Committee headed by Dr.G.K.Pillai for the increase in the Drawback rates.

Dr. K.V.Srinivasan urged the Government to increase the MEIS rate for fabrics from 2% to 4% and also to cover Cotton yarn under the MIES and 3% Interest Equalization Scheme so that exports of Cotton textiles can achieve its true potential.