

**Circular No. 50/96-Cus.**  
**Dated 22/10/96**  
**F.No. 609/20/96 – DBK**

Government of India  
Ministry of Finance  
Department of Revenue, New Delhi

**Subject: Fixation of brand rate of Drawback without pre-verification – Simplified procedure – Extension of the scheme to other exporters**

“The Simplified brand Rate Fixation Scheme” under which brand rates of drawback can be determined without pre-verification of date was announced vide this Ministry’s letter F.No.609/113/88- DBK dated 11.10.88. Application form and statements were also enclosed with the Ministry’s said letter. To begin with, the scheme was applicable to manufacturer –exporters in engineering, chemical and electronic sectors having regular production of the item for which brand rate is sought. As per the conditions stipulate under the Scheme, these manufacturer- exporters should be corporate bodies having a detailed accounting system,

Which is subject to statutory audit under the Company Law. Under the Scheme, unless there are any special reasons, drawback rates are to be fixed without pre- verification of the date filed, (which should be duly verified by the applicant and Chartered Accountant/ Chartered Engineers / Cost Accountant) and the exporter would be authorized by provisional brand rate letters issued by the Ministry to claim the drawback rate considered admissible from the concerned Customs House (s). The date submitted is subject to *post-facto* checking by the Department for its authenticity and the rates fixed are also subject to revision on the basis of such post-cacto verification.

2. The Scheme was further extended to manufacturers who are exporting through merchant exporters in terms of Ministry’s letter No. 609/188/92-DBK dated 1.10.92 By further letter of same number dated 7th Dec., 1992, the scheme was extended to all sectors and manufacturer exporters of any products proved these manufacturer exporters were corporate bodies having a detailed accounting system, which is subject to statutory audit under the Company Law.

3. The matter has been re- examined. It has now been decided to extend the Simplified Scheme for fixation of brand rates to such manufacturer exporters also who are registered partnership firms and produce a Registration Certificate to the effect. Such registered partnership firms should have been manufacturing export product for at least 2 years and should produce a certificate from the Jurisdictional Asstt. Commissioner of Central Excise to this effect. Such Certificate shall be valid for a period of one year. Such registered partnership firms should also produce a certificate from their bankers confirming the location of the manufacturing premises, their having an account with the bank for at least one year and that the bank is satisfied about the financial soundness of the applicant’s firm.

4. All registered partnership firms opting to avail the benefit of Simplified scheme for fixation of brand rate shall also be governed by all other conditions of the scheme, including execution of bond and post- verification of the data furnished by them. In case they fail to arrange post verification of date within 3 months of the date of filing their application under the Simplified Scheme, the facility under the scheme may be withdrawn in all future cases and normal procedure of pre-verification may be reverted to.

5. The amended scheme will come into force with effect from 23.10.96. The above change in Simplified Scheme for fixation of brand rate may please be brought to notice of exporters through suitable communications.

Sd/-

(A.K. Madan)

(Under Secretary (DBK))