

## **CURRENT STATUS OF REBATE CLAIMS**

The DRP invoices as received from various Land Customs Stations are processed in this Directorate as per prescribed procedure described previously. The amount of rebate is determined as per conditions of various Notifications as stated earlier. One of the conditions of these Notifications is that the rebate amount does not exceed the aggregate of the duty of Customs and additional duty of Customs levied by HMGN on such goods when they are imported into Nepal from any country other than India. During the visit of a delegation from this Directorate to Nepal in November, 1998 it was observed that the Customs Tariff in Nepal prescribes rebate in Customs duty when goods are imported from various most favoured nations viz., SAARC countries, third world countries etc. In light of these rebates the effective rate of Customs duty leviable on the goods imported from any country other than India is further lowered than prescribed in the Customs Tariff read with other Notifications. It was therefore observed that the rebate of Excise duty sanctioned to HMGN since October, 1994 till October 1998 has to be redetermined after considering the effect of rebate in Customs Tariff in Nepal. It was also decided that the rebate of Excise duty from November 1998 onwards should be determined provisionally and a part of that may be disbursed to HMGN. Subsequently various DG Level talks were initiated to sort out the problem and to evolve a procedure so as to arrive at accurate determination of the amount of rebate against DRP invoices. As per Agreement arrived at, a suitable change in the DRP invoice format was prescribed and which was notified by the Notification 21/2001-CE(NT) dated 14.5.2002. Therefore, from May, 2002 the DRP invoices are processed finally and amount of rebate is determined accordingly. It has further been observed during the processing of the DRP invoices that certain items of import in Bhutan attract further concession on account of end-use conditions. However, the DRP invoices do not reflect as to whether the goods mentioned therein were granted such concessional duty amount. Therefore, the rebate amount in respect of these invoices cannot be determined and a clarification therefore has to be given by the Customs authorities of HMGN. Such invoices are being referred back to Customs authorities of HMGN for giving suitable certificate regarding end-use conditions.

In view of the facts stated above the additional work which has generated in Nepal Rebate Section are categorized as below:-

- (a) Re-determination of amount of rebate from the period October'94 till October'98
- (b) Finalisation of rebate amount in case of provisionally processed DRP invoices from November'98 till April, 2002.
- (c) Determination of actual rebate amount in respect of DRP invoices referred back to the Customs authorities of HMGN on account of end-use conditions on import.

In respect of (a) stated above the re-accountal of rebate amount has been initiated by deputing part of staff available in this Directorate for the specific purpose and till date the actual amount of rebate has been calculated upto the invoices pertaining to Bill No.2/96-97.

In respect of invoices covered under para(b) as stated above the endorsements from Customs authorities of HMGN are being received from Bill No.9/98 and till date this Directorate has received such endorsements upto Bill No.8/99. In respect of these endorsed invoices the work on finalisation of rebate amount will be initiated with the help of NIC as the existing computers are unable to calculate the actual amount because of limitation. The Directorate has, however, already initiated the action for purchase of new computers which will be installed in near future and the work could be done on such computers immediately.

Considering the delay in processing of DRP invoices on the existing computer system, it has been decided that a suitable programme be developed which involves minimum human intervention in processing of rebate claims. The work has been entrusted to NIC and it is expected that in near future after installation of new computers considerable time will be reduced in processing of DRP invoices than otherwise being consumed at present.

**ANNEXURE-I**

S.NO.	BILL NO.	MONTH	AMOUNT OF REBATE PAID IN EXCESS(IN Rs.)
1.	7/94-95	October, 94	1293979
2.	8/94-95	November,94	1296481
3.	9/94-95	December,94	1009910
4.	10/94-95	January,95	1079507
5.	11/94-95	February,95	2001969
6.	12/94-95	March,95	1042307
7.	1/95-96	April,95	1270443
8.	2/95-96	May,95	1144114
9.	3/95-96	June,95	1172338
10.	4/95-96	July,95	839635
11.	5/95-96	August,95	960406
12.	6/95-96	September,95	1165391
13.	7/95-96	October,95	846756
14.	8/95-96	November,95	928057
15.	9/95-96	December,95	1027557
16.	10/95-96	January,96	3304695
17.	11/95-96	February,96	1000246
18.	12/95-96	March,96	219456
19.	1/96-97	April,96	1885575
20.	1/96-97 (Supplementary Bill)	April,96	1165800
21.	2/96-97	May,96	1207613
	TOTAL		25862235