

# Remission of Duties and Taxes on Exported Products (RoDTEP) scheme

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**In news-** In order to boost exports, the Ministry of Commerce & Industry has notified RoDTEP Scheme Guidelines and Rates (Remission of Duties and Taxes on Exported Products).

## Key features of RoDTEP Scheme

- Under the RoDTEP, various Central and State duties, taxes, and levies imposed on input products, among others, would be refunded to exporters.
- **It replaced the ongoing Merchandise Exports from India Scheme (MEIS).**
  - The scheme for zero rating of exports will **boost our exports & competitiveness in the global markets.**
  - The government has **set aside Rs.12,454 crore for refunds under the Remission of Duties** and Taxes on Exported Products (RoDTEP) scheme for the current fiscal.
- **The rebate under the Scheme shall not be available in respect of** duties and taxes already exempted or remitted or credited.
- RoDTEP is going to give a boost to Indian exports by providing **a level playing field to domestic industry abroad.**
- RoDTEP **support will be available to eligible exporters at a notified rate as a percentage of Freight On Board (FOB) value.**

- **Rebate** on certain export products will also be **subject to value cap per unit** of the exported product.
- Scheme is to be **implemented by** Customs through a simplified IT System.
- **Rebate will be issued in the form of a transferable duty credit/ electronic scrip (e-scrip)** which will be **maintained** in an electronic ledger **by** the Central Board of Indirect Taxes & Customs (**CBIC**).
- Identified **export sectors and rates under RoDTEP cover 8555 tariff lines** in addition to similar support being extended to apparel and made-ups exports under Rebate of State and Central Taxes and Levies (RoSCTL) scheme of Ministry of Textiles.
- Employment Oriented Sectors like Marine, Agriculture, Leather, Gems & Jewellery etc. are covered under the Scheme.
- Other sectors like Automobile, Plastics, Electrical / Electronics, Machinery etc. also get support.
- However **three sectors of steel, chemicals and pharmaceuticals would not get the benefit of RoDTEP.**
- Products manufactured or exported at export-oriented units and special economic zones have been excluded from the scheme for the time being.
- Both RoDTEP and RoSCTL will remain in effect for three years till March 2024.
- The new scheme is not like the MEIS, which was an export incentive scheme, and is considered to be in violation of multilateral trade rules at WTO.