

## Scheme for Rebate of State and Central Taxes and Levies (RoSCTL) for export of apparel/garments and made-ups extended up to 31 March 2026

The scheme for Rebate of State and Central Taxes and Levies (RoSCTL) for the export of apparel/garments and made-ups was introduced with an objective to compensate for the state and central taxes and levies, in addition to the duty drawback scheme on the export of apparel/garments and made-ups by way of rebate. It is based on an internationally acceptable principle that taxes and duties should not be exported, to enable a level playing field in the international market for exports. Hence, not only indirect taxes on inputs are to be rebated or reimbursed but also other un-refunded state and central taxes and levies are to be rebated. It makes apparel/garments and made-ups products cost-competitive and adopt the principle of zero-rated exports.

The Union Cabinet had given approval for the scheme up to 31 March 2020, and further approval was given for continuation till **31 March 2024**. The Union Cabinet has now approved the continuation of the scheme up to **31 March 2026**.

The continuation of this scheme for the proposed duration of two years will provide a stable policy regime, which is essential for long-term trade planning, more so in the textiles sector where orders can be placed in advance for long-term delivery. The continuation of the RoSCTL will ensure predictability and stability in policy regime, help remove the burden of taxes and levies, and provide a level playing field on the principle that goods are exported and not domestic taxes.

