

OFFICE OF THE COMMISSIONER OF CUSTOMS (EXPORT),

JAWAHARLAL NEHRU CUSTOM HOUSE, SHEVA,

TAL URAN, DIST RAIGAD, MAHARASHTRA 400 707.

F. No. S/26-Misc- 86 / 2008 EPCG JCH

Date: 23.02.2011

PUBLIC NOTICE NO. 20 / 2011
(Referred / amended vide P.N.No. 74/2011)

Subject: Post Import Compliance under EPCG scheme reg.

Attention of all Importers / Exporters / CHAs and EPCG Licence Holders and all concerned is invited to Facility Notice No. 79/2009, [Boards Circular No. 25/2003](#), [Boards Circular Nos. 05/2010-Customs](#) dated 16.03.2010 and Boards Instructions dated 18.01.2011 issued vide F. No. 609/119/2010-DBK. In view of the changes brought over by the aforementioned instructions and circulars and in partial modification of Facility Notice No. 79/2009, the following procedure is hence forth prescribed to be followed in respect of post imports compliance under EPCG scheme.

1.2 For the past cases i.e. prior to issuance of the said Boards Circular dated 16th March, 2010, where the exporter had not come forward for verification after the 1st Block and has submitted the final EODC, the EODCs / Scrips issued by the DGFT shall normally be accepted. In such cases, Bond/BG shall be cancelled on the basis of EODC, original license and duty debit sheet and no further verification shall be carried out.

1.2.1 However, in cases where the Regional Licensing Authority has endorsed on the EODC that the customs should verify the shipping bills and other documents, the Monitoring Cell shall call for the following documents for the entire export obligation period and conduct a detailed verification of such EODCs:

- (i) Original EPCG Licence

- (ii) Duty debit sheets in original
- (iii) Self attested copies of Shipping Bills & export invoices along with a statement showing shipping bill wise details, particularly FOB amount.
- (iv) Bank Realization Certificates
- (v) Export Statement as prescribed in [Public Notice No. 106/2010](#) dated 21.10.2010.
- (vi) Any other documents required by Group AC.

1.2.2 Further, random verification in 5% cases shall be carried out. The Assistant / Deputy Commissioner shall randomly select 5% of cases received in a month for detailed verification based on some criteria. After selection, a Public Notice shall be issued by the 10th of the following month calling upon the importer / CHA pertaining to these randomly selected EODCs to submit the documents enlisted at Para 1.2.1 above for detailed verification. The Public Notice would also give details of cases where EODC has been accepted and Bond / BG has been cancelled during the previous month.

1.2.3 The importer / CHA concerned shall be required to submit the said documents to the Monitoring Cell. After receiving these documents, Monitoring Cell shall verify the fulfillment of export obligation, following usual checks & scrutiny. After verification, Bond / BG shall be cancelled and returned to the importer.

1.3 In all other cases i.e. where export obligation period is still continuing, the procedure as stipulated in Boards Circular No. 05/2010-Customs, dated 16.03.2010 shall be implemented rigorously.

1.3.1 The imported capital goods are to be installed in the importers factory or premises. The importer shall produce an Installation Certificate within six months from the date of completion of imports or within such extended period as the Assistant / Deputy Commissioner of Customs may allow. The Installation Certificate should be issued by the jurisdictional Assistant / Deputy Commissioner of Central Excise and should confirm installation and use of capital goods in the importers factory or premises. If the importer is not registered with central excise or if he is a service provider, he may produce a certificate of installation and usage issued by an independent chartered engineer.

1.3.2 In case the importer does not produce the requisite certificate within stipulated period, proceedings would be initiated for recovery of customs duty as applicable on such imports but for the exemption availed under EPCG scheme.

1.3.3 Export Obligation performance for 1st Block: The importers under the EPCG Licence Scheme shall submit evidence of fulfillment of export obligation during 1st block within 30 days from the expiry of the 1st block period or such extended period, as the Assistant / Deputy Commissioner may allow. The importer shall produce following documents as evidence of their export performance.

- (i) Original EPCG Licence
- (ii) Duty debit sheets in original
- (iii) Self attested copies of Shipping Bills & export invoices along with a statement showing shipping bill wise details, particularly FOB amount.
- (iv) Bank Realization Certificates
- (v) Export Statement as prescribed in [Public Notice No. 106/2010](#) dated 21.10.2010.
- (vi) Any other documents required by Group AC.

1.3.4 In the event of failure to produce evidence of export obligation performance by the importer within stipulated period (including the further period that may be allowed by the Assistant/Deputy Commissioner), the importer shall be liable to pay duty in the manner as prescribed in the exemption notification, failing which proceedings would be initiated for recovery of customs duty, as applicable to the imports but for the concession under EPCG scheme.

1.3.5 After completion of Export Obligation, the importer needs to submit only EODC, original license and duty debit sheet. The Monitoring Cell shall not ask for any other documents in normal course and the Bond / BG shall be cancelled on the basis of EODC, original license and duty debit sheet. Details of Shipping Bills and BRC etc. shall not be insisted upon. However, Department would retain the right to carry out a complete verification wherever there is a specific intelligence available suggesting mis-use.

1.3.6 After receiving the EODC, original license and duty debit sheet, Monitoring Cell shall cancel the Bond / BG and return the same to the importer without further verification subject to the condition that detailed verification conducted at the end of the 1st Block is found satisfactory.

2. All pending cases, where export obligation has not yet been fully discharged, would be dealt in the manner as prescribed in this facility notice.

3. Any difficulties faced by the Trade in implementation of this facility notice may be brought to the knowledge of the undersigned immediately.

(Sushil Solanki)

Commissioner of Customs (Exports)

To,

All Trade and Industry Associations

Copy for information to:

1. The Chief Commissioner of Customs, Mumbai-II Zone, JNCH.
2. The Commissioner of Customs (Import), JNCH