

filing of GR/PP forms for exports of value below US\$ 25000 under Foreign Exchange Management Regulations is no longer required.

2. The Duty Drawback is being sanctioned and paid immediately after Let Export and filing of EGM in the EDI system and amount is credited in the Exporters account without insistence of BRC.
3. As per the Rule 16A of the Customs and Central Excise Duty Drawback Rules, 1995 read with Foreign Exchange Management (Exports of Goods and Services) Regulations, 2000, if the export proceeds are not realized within time specified (presently ♦ six months) in Regulation 9 of the Foreign Exchange Management (Exports of Goods and Services) Regulations 2000, the duty drawback sanctioned and paid shall be recovered in the manner specified in the Customs Act and the Rules made thereunder.
4. Reserve Bank of India did the monitoring of the realizations of Export proceeds. ♦ There was no regular system of monitoring of the realizations of export proceeds by the Customs.
5. Consequent to amendments made in Regulation 4(d) and 4(e) of Foreign Exchange Management (Exports of Goods and Services) Regulations,

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2000 Reserve Bank of India shall not be monitoring the realization of the export proceeds where the export value is below US\$ 25000.

6. Therefore, to ensure that the provisions of the Customs and Central Excise Duty Drawback Rules, 1995 are complied with in respect of unrealized export proceeds in the changed circumstances, BRC (Bank Realization Certificate) verification module for drawback cases has been developed by the department.
7. The practice of sanction and payment drawback shall continue to be in the same manner as it exists now. ♦ However, the Customs shall monitor the realization of Export proceeds in respect of all shipping bills where drawback has been sanctioned and paid.

8. Therefore, the exporters are requested to furnish the BRCs details of all the drawback shipping bills filed on or after 1.4.2004 by 08.07.2005 in respect of which the exporters should have realized the export proceeds as per the Foreign Exchange Management (Exports of Goods and Services) Regulations, 2000 at the service centre in the format prescribed in the annexure enclosed so that such details would be entered in the new module (original BRC or bank attested BRC to be produced).
9. Checklist shall be generated at the service centre, which is required to be approved by the exporter/their representative. Thereafter job number shall be given to the exporter (either original BRC or BRC attested by concerned Bank).
10. The BRCs shall be verified by the Superintendent (Drawback). The Superintendent (Drawback) will select a job verification by entering/selecting its job number. The BRC wise data captured for the selected job will be displayed by the system. The correctness of this data against the hard (original) copies of corresponding BRCs provided by the exporter will be verified. He will register his consent for acceptance/rejection against each BRC.

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11. The BRCs which obtained the consent of the Superintendent (Drawback) in the system on verification of hard copies will be considered for drawback release/stop purposed.
12. The system will start alerting the AC/DC (Exports) for all cases of Drawback shipping bills from 1.6.2005, where BRC is not submitted within six months of date of shipment.
13. **The exporters should submit the BRC within the stipulated time of six months from the date of export. If the exporters fail to submit the BRC, it will be presumed that the exports proceeds have not been realized and the customs shall take necessary action for recovery of the drawback.**

14. If the BRCs are not submitted by the exporter within the stipulated time of six months, then the system shall alert the AC/DC Exports about the drawback SB where either the BRC is not submitted or the BRC is not for the full realization. ♦
The system shall simultaneously block the sanction of drawback amount to the exporter to the extent of the **FULL DRAWBACK INVOLVED IN THE UNREALIZED SHIPPING BILL.**
15. The AC/DC Exports shall free the blocked drawback amount either fully or partially after recovering the drawback in respect of the pending BRCs.
16. The furnishing of BRC within six months shall also be applicable for all exports, if any, done in the manual shipping bills.
17. The above instructions shall be followed by all the concerned officers strictly.

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