

PUBLIC NOTICE NO.03/2015

OFFICE OF THE COMMISSIONER OF CUSTOMS (N.S-IV)
JAWAHARLAL NEHRU CUSTOM HOUSE, SHEVA
TAL: URAN, DIST: RAIGAD, MAHARASHTRA-400 707.

F. No. S/12-Gen-53/2013-14 AM(X)

Date: 09.01.2015

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Sub: Norms for Execution of Bank Guarantee in respect of Advance License/Export Promotion Capital Goods (EPCG) Schemes-reg.

1. Attention of all Exporters, Importers, CHAs, Members of Trade and Public is invited to [Board's Circular No. 58/2004-Cus](#) dated 21.10.2004 on the above subject as amended by [Circular No. 17/2009-Cus](#), [32/2009-Cus](#), [6/2011-Cus](#), [8/2013-Cus](#) and [15/2014-Cus](#) dated 18.12.2014.

2. Para 3.2 of the [Circular No. 58/2004-Cus](#) prescribes that the bank guarantee (BG) exemption specified in para 3.1 of the Circular shall be admissible subject to certain conditions. One of the conditions (amongst others) for the admissibility of the Nil or 15% or 25% BG is in para 3.2(c) of the Circular. It prescribes that the license holder should not have been penalized during the previous three financial years in certain types of cases booked against him under statutes specified therein. If this condition is not satisfied, i.e. the license holder has been penalized, the exemption (Nil or 15% or 25%) from BG becomes inadmissible and 100% BG becomes applicable to the relevant category of importer specified in para 3.1 of the Circular.

3. It was brought to notice of the Board that in the above situation the exemption from BG becomes inapplicable (i.e. trade facilitation gets affected) even if there is absence of risk to revenue.

4. In order to redress the above position, the Board has decided to add sub-para (d) below sub-para (c) in para 3.2 of [Circular No. 58/2004-Cus](#) (as amended) as follows -

“(d) Where the condition (c) above is not fulfilled, the jurisdictional Commissioner of Customs is satisfied, for reasons recorded in the file, that 100% BG is not justified on account of absence of risk to revenue.”

5. Difficulties faced, if any, in implementation of the above may be brought to the notice of Appraising Main (Export) Section.

Sd/- 09.01.2015

(SUBHASH AGRAWAL)
COMMISSIONER OF CUSTOMS (N.S-IV),
JNCH, NHAVA SHEVA.

To,

All Exporters, Importers, CHAs, Members of Trade and Public.

Copy to:

1. Chief Commissioner of Customs, JNCH, Mumbai-II.
2. Commissioner of Customs (N.S- (Gen), I, II, III, V)
3. All Addl./Joint Commissioner of Customs, JNCH, Mumbai-II.
4. All Dy./Asstt. Commissioner of Customs, JNCH, Mumbai-II.
5. Website of JNCH.