
 सत्यमेव जयते	भारत सरकार / Government of India वित्त मंत्रालय / Ministry of Finance आयुक्त सीमाशुल्क एन.एस.-II का कार्यालय Office of Commissioner of Customs NS-II जवाहरलाल नेहरू कस्टम हाउस, न्हावा शेवा, जिला- रायगढ़, महाराष्ट्र - 400 707 Jawaharlal Nehru Custom House, Nhava Sheva, Dist- Raigad, Maharashtra - 400 707	
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F.No.CUS/EPCG/MISC/117/2025-EPSMMC

Dated: 06.10.2025

STANDING ORDER NO. 17/2025

Subject: Random Address / Installation /Utilization Verification of Authorization Holders under EPCG / Advance Authorization / DFIA Schemes - reg.

Attention of all officers and concerned staff is invited to the Board's Circular No. 05/2010-Customs, dated 16.03.2010 Instruction vide F. No.609/119/2010-DBK dated 18.01.2011, Circular No. 25/2012-Customs, dated 06.09.2012 and Board's letter F.No. 140605/11/2025 – DBK dated 03.09.2025 for random Verification of Authorization Holders under EPCG / Advance Authorization (AA) / DFIA Schemes to confirm the correctness of Address declared in the authorization, the Installation of the capital goods, and the availability /Utilization of inputs imported duty free under the above named export promotion schemes.

2. Para 2 c. of the Circular No.05/2010 dated 16.03.2010 states that the jurisdictional Commissioner of Customs may cause random verification for some of the authorizations issued under EPCG / DFIA / AA schemes registered at their port to check the correctness of the address shown on the Authorization. This is important, as the EPCG notification requires installation of the capital goods and the AA scheme (and DFIA scheme in some cases) contemplates actual usage of the imported goods. Such verification may be carried out during the validity of the Authorisation and preferably through the Central Excise divisions.

3. Para 7(iv) of Board's instruction issued vide F. No. F.NO.609/119/2010-DBK dated 18.01.2011 states at least 5% of the EODCs / installation of capital goods / availability of inputs imported duty free under the AA.

4. Para 2 of the Circular No.25/2012 dated 06.09.2012, states that the C&AG of India in Audit Report No. 22 of 2011-12 observed that authentication of licensee premises is an important check which makes it possible to verify at any time that imported goods are installed and operated at the declared location. In this connection, the Audit has noted that utility bills containing the address can also be used for checks relating to installation and operation of the imported Capital goods.

4.1. Further Para 3 of the said Circular states that Board has decided to prescribe that when address verifications or Installation Certificate verifications are requested by the Customs authorities in respect of EPCG authorizations, the Central Excise authorities should include, in their verification, a check of the periodical utility bills (containing the address) as one of the means enabling verification of installation/ operation/ licensee premises.

5. Keeping the foregoing in view, the following mechanism for random verification of Authorization Holders under EPCG / AA / DFIA Schemes to confirm the correctness of address declared in the authorization, installation of the capital goods, and the availability /utilization of inputs imported duty free under the subject export promotion schemes is prescribed. **This exercise shall be repeated every month.**

6. In order to select the licences issued under EPCG / AA / DFIA Schemes, in the beginning of the month, the EPSMMC section shall initiate the following actions:

- i. **For verification of address declared in the Advance Authorization / EPCG / DFIA:** A list shall be prepared of all the licenses registered at JNCH (INSSA1) in the month preceding the month in which it is proposed to take up random verification of address declared in the AA / EPCG / DFIA.
 - ii. **For verification of the installation of the capital goods imported under EPCG Scheme:** A list shall be prepared of all the installation certificates received on the X-MAS portal as well as through email / hard copy in the month preceding the month in which it is proposed to take up random verification of installation of the capital goods imported under EPCG licences registered at JNCH (INSSA1).
 - iii. **For verification of the availability /Utilization of inputs of AA licences:** A list shall be prepared of all the AA licenses registered at JNCH (INSSA1) in the month of the preceding year which precedes the month of the current year i.e., for selection in the month of October 2025, licences registered in the month of September 2024 may be considered.
7. For selection of the licences from the aforesaid lists, the following criteria shall be adopted:
- (i) Authorisation Holder who is Sole proprietor, LLP, Partnership or private limited company;
 - (ii) Authorisation Holder having maximum number of EOP Over Category licence for verification of the availability /Utilization of inputs imported duty free under AA;
 - (iii) Authorisation Holder having maximum number of EOP Over Category licence for verification of installation of capital goods under EPCG;
 - (iv) Quantum of duty saved amount;
 - (v) Cases in which any specific intelligence is received from any investigating agency/other sources;
 - (vi) Cases where original licence is issued to one entity where EODC is submitted by other entity (successor/merged entity due to change in ownership etc.).
8. The selection shall be done by Superintendent/AO and Dy/ Assistant Commissioner of EPSMMC and the same shall be approved by the Joint/Additional Commissioner incharge of EPSMMC section. The criteria may be modified / expanded with the prior approval of the Commissioner of Customs NS-II.
9. After selection of the licences for verification, the EPSMMC section shall write a letter to the jurisdictional AC/DC of the Customs / GST/Central Excise where the premises of the Authorization holder and the factory premises are situated for verification of the correctness of address declared in the authorization, the installation of the capital goods, and the availability /utilization of inputs imported duty free under the respective export promotion schemes. Such verifications may be carried out preferably through jurisdictional customs authority of the premises where the goods are installed or inputs are utilized, wherever possible. Follow up action may be initiated wherever discrepancies are noticed.
10. The above instructions are brought to the notice of all the Officers, concerned staff and field formations for information, guidance and strict compliance.
11. Difficulties faced, if any, in implementation of the Standing Order may be brought to the notice of Additional/Joint Commissioner, EPCG Monitoring Cell, JNCH.

Digitally signed by
GIRIDHAR GOPALKRISHNA PAI
Date: 06-10-2025 15:56:37
(GIRIDHAR G. PAI)
Commissioner of Customs
NS (II), JNCH

Copy to: -

1. The Chief Commissioner of Customs, Mumbai Zone II.
2. The Pr. Commissioner of Customs NS I

3. The Commissioners of Customs, NS-Gen, III, IV & V
4. All the Additional/Joint Commissioners of Customs, NS-Gen, I, II, III, IV & V
5. All the Dy. /Assistant Commissioners of Customs, NS-Gen, II.
6. Notice Board and website.