



THE COTTON TEXTILES EXPORT PROMOTION COUNCIL  
(Sponsored By Government of INDIA)

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**E Serve No. 138 of 2015**

**December 08, 2015**

**Circular No.EPS/44/2015-16**

**To: Members of the Council**

**Sub: Cancellation of Bond executed with Customs under  
Advance Authorization Scheme**

**Dear Member,**

As you are aware, exporters face delays in getting their Bonds/BGs cancelled by the Customs while operating under the Advance Authorization Scheme. Much of this time is associated with retrieval of bond file and re-verifying the documents submitted by the exporters with the Regional offices of DGFT for obtaining the Export Obligation Discharge Certificate (EODC).

The Council had taken up this matter with the CBEC based on representations received from its members. In its representation, the Council had pointed out to the Board that one of the reasons due to which the Customs follows this course of action leading to delays is that as per the FTP 2004-09, 2009-14 and 2015-20, RA may issue EODC if the export obligation has been fulfilled and it further specifies that this does not preclude the Customs from conducting random checks and also from taking action for any mis-representation, mis-declaration and default detected subsequently as per the Customs Act.

We are glad to inform you that the CBEC has accepted the Council's representation and has put in place a system for the timely cancellation of bonds / bank guarantees executed with the Customs under the Advance Licence Scheme vide Instruction dated December 2, 2015.

According to this instruction:

1. Exporter will not be asked to routinely furnish information that can be sourced from the Customs EDI system.
2. An initial special drive has been launched to dispose previous pending work of bond cancellation.

A copy of the above Board's instruction is enclosed herewith for your ready reference.

In case you have any pending cases of bond / bank guarantee cancellation under the Advance Authorization Scheme, please approach the Customs with your application and if you face any difficulty please get in touch with us.

Regards,

**Siddhartha Rajagopal**  
**Executive Director**  
**TEXPROCIL**