

## **F.No. 609/119/2010-DBK**

**Government of India  
Ministry of Finance  
Department of Revenue**

New Delhi, the 18th January, 2011

**Sub: Progress in the implementation of the Bank Realization Certificate (BRC) Module.**

I am directed to invite your attention to Board's circular No. 5/2009-Cus dated 02.02.2009 whereby the Bank Realization Certificate (BRC) module for monitoring export realizations against shipments made under the Drawback scheme was implemented. The circular required that the export realizations in respect of all drawback shipments made during 01.01.2004 to 31.12.2007 should be checked and for exports during the subsequent period such verification/checking should be done for drawback shipments every six months.

2. The Public Accounts Committee (PAC) has on more than one occasion expressed concerns about the lack of action being taken in the case of non-realization of foreign exchange in respect of consignments exported under the Drawback Scheme. Keeping in view the statutory requirement of monitoring realization of export proceeds and the concerns of PAC, a review of the implementation of the said circular was conducted by the Board.

3. It is desired that the aforesaid module should be implemented by all Custom Houses earnestly. Complete and effective implementation would mean that there should not remain any cases in the Custom Houses where the realization has become due but the exporter has not submitted BRC /negative statement and the SCN for such non submission has not been issued within a reasonable time. Thus, the work of feeding the details of BRCs/negative statements into the system and of issuing Show Cause Notices (SCNs) to exporters wherever they are not submitted and taking further action including adjudication of the cases for recovery of drawback has to be accomplished in a methodical and time bound manner.

4. It has been reported by some Custom Houses that in many cases, the show cause notices, which have been issued for non-submission of BRCs/negative statements, have returned undelivered as the recipient/address was non-existent. In this regard, it is desired that the Commissionerates should set up an institutional mechanism to liaise regularly with Regional Licensing Authorities (RLAs). The names of such exporters should be reported to the RLAs at regular intervals or during joint review meetings so that action can be taken against them and their IE Codes got cancelled for furnishing wrong addresses to DGFT / Customs. The Board may also be kept informed so that the matter can also be taken up with the DGFT.

5. These instructions may be brought to the notice of the officers by issuing suitable instructions for the guidance of the assessing officers. Difficulties faced, if any in implementation of the Instructions may please be brought to the notice of the Board at an early date.

6. Receipt of this Instruction may kindly be acknowledged.

Yours faithfully,

**(PRAMOD KUMAR)  
(TECHNICAL OFFICER)**