

**F.No.209/34/2001-CX.6**

Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise & Customs

**Subject: Board's Circular No.586/23/2001-CX dated 12.9.2001 - furnishing of security/surety by Merchant Exporters - regarding.**

I am directed to refer to Circular of even number dated 24<sup>th</sup> January, 2002 and to say that it has been represented to the Board that field formations are insisting on surety of full bond amount from Merchant Exporters registered with Recognised Export Promotion Councils as the Board's Circular (supra) directs keeping in abeyance the instructions relating to security of 25% of bond amount from such Merchant Exporters.

2. In this regard, it is further clarified that the intention of the Board is that the position prior to 1.9.2001 in respect of Merchant Exporters registered with Recognised Export Promotion Council be restored in so far as relating to furnishing security/surety with bond executed for the purpose of export . Accordingly, no security/surety is required in respect of Merchant Exporters who are registered with Recognised Export Promotion Councils.

3. The field formations may suitably be informed.
4. Receipt of this Circular may please be acknowledged.
5. Hindi version will follow.