

To be published in the Gazette of India Extraordinary (Part-I, Section-1)

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade

Public Notice No. 21/2015-20
New Delhi: Dated 23rd June 2015

**Subject:- Format of Bank Guarantee, to be executed with DGFT, for recognition as Pre-
Shipment Inspection Agency (PSIA).**

In exercise of powers conferred under paragraph 2.04 of the Foreign Trade Policy, 2015-20, the Director General of Foreign Trade hereby inserts Appendix 2N-1 in the Appendices and Aayat Niryat Forms of the Handbook of Procedures, 2015-20, as annexed to this Public Notice, prescribing a new Bank Guarantee Format, to be executed with DGFT, for recognition as Pre-shipment Inspection Agency.

2. Effect of this Public Notice:

For recognition of PSIA, Bank Guarantee is to be executed with DGFT. Bank Guarantee Format for the same is hereby notified.

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[Issued from File No.01/53/162/Misc/PSIA/AM15/S-5/IC]

Appendix- 2N-1

Bank Guarantee Format to be executed for recognition as Pre-Shipment Inspection Agency
(Refer paragraphs 2.55 and 2.56 of HBP and condition at S.No 9 of ANF-2L)

To,
The President of India
(acting through the Director General of Foreign Trade)

In consideration of the President of India, acting through the Director General of Foreign Trade (which expression shall be deemed to include the Joint Director General of Foreign Trade/Deputy Director General of Foreign Trade), or any other authority for the time being authorised to perform the duties of Joint Director General of Foreign Trade / Deputy Director General of Foreign Trade, Department of Commerce, Ministry of Commerce & Industry, Government of India, New Delhi (hereinafter referred to as the Government) , the Bank Guarantee is submitted by M/s. _____ (full expanded name, e-mail I.D, Phone No. / Fax. No. of the applicant with complete address) for recognition as a Pre-Shipment Inspection Agency (hereinafter referred to as PSIA), by the Government, **under Appendix 2G** of Appendices and Aayat Niryat Forms of FTP, 2015-20 as may be amended from time to time, on the terms and conditions specified in the Handbook of Procedures, 2015-20, which term inter alia stipulates production of a Bank guarantee for Rs.10, 00,000 (Rupees Ten Lakh only) or US\$ 20000 (US dollars twenty thousand only) We _____ (indicate the name, e-mail I.D, Phone No./Fax. No, full address and other particulars of the Bank) (hereinafter referred to as Bank) at the request of the applicant for PSIA do hereby unconditionally and irrevocably undertake to pay the Government an amount not exceeding Rs.10,00,000/US\$ 20000 (indicate the applicable amount) against any loss or damage caused to or suffered by the Government by reason of any failure on the part of the applicant for violation of para 2.55 & 2.56 of the Handbook of Procedures, 2015-20, or any other law in force.

2. We _____ (indicate the name of Bank) do hereby undertake to pay the amounts due and payable under this guarantee without any demur or protest, merely on a demand from the Government stating that the amount claimed is due by way of loss or damage caused or suffered by the Government by reason of breach by applicant for PSIA recognition or for violation of para 2.55 & 2.56 of the Handbook of Procedures, 2015-20, or any other law in force by the PSIA. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under these presents.

3. We undertake to pay to the Government any money so demanded, notwithstanding any dispute or disputes raised by the PSIA, in any suit or proceeding pending before any court or Tribunal relating thereto and our liability under these presents being absolute and unequivocal.

4. We, _____ (indicate the name of Bank) further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said PSIA recognition and that it shall continue to be enforceable till the PSIA recognition by the Government, as notified in Appendix 2G of Appendices and Aayat Niryat Forms of FTP, 2015-20, provided, however, unless a demand or claim under this guarantee is made on us in writing on or before the _____ (period four years from date of recognition) . We shall be discharged from all liability under this guarantee thereafter.

5. We _____ (indicate the name of bank), further agree with the Government that the Government shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder (i) to vary any of the terms and conditions of the duties & responsibilities of the PSIA. That this shall be a continuing Bank Guarantee and shall not be discharged by any change in the constitution of the PSIA or of the Bank. That the guarantor will not revoke the guarantee without prior written consent of the Government.

"Dated the _____ day of _____ year _____ for _____
_____ indicate the name of the Bank)"

(Signature) _____

(Name & Designation of the Bank officer with employee code & complete address)

Accepted by me on behalf of the President of India.

(_____)
Authorised representative of DGFT
