Circular No. 66/97-Cus
dated 27/11/ 97

F.No. 502/ 108/ 96-Cus-VI

Government of India
Ministry of Finance
Department of Revenue, New Delhi

Subject : Amendments of provisions of the Customs House Agents Licencing Regulations, 1984.

I am directed to refer to Notn. No. 44/ 97-Customs (N.T.) Dated 15.9.97 amending Customs House Agents Licencing Regulations.

2. These amendments have been made in the light of the deliberations at the Commissioner's Conference, recommendations made by the committee on Subordinate Legislation, -Supreme Court's Judgement dated 15.7.96 in the case of M/s Jagat Bandhu Mukherjee v. UOI, representations made by the Federation of Freight Forwarders Association and current requirements.

3. The effect of the amendments is as under :

(a) Prior to the amendment, the Commissioners were calling for application, whenever considered necessary, and out of the applicants, those who were found eligible were being given the temporary CHA Licences. It has occasionally been found that the number of persons eligible to be given temporary CHA licence has been far in excess of the requirement of the custom House. In that background the amendment has been made to enable the Commissioners to assess the requirement of the number of licences to be granted every year and thereafter call for the application for the same. From out of all the applicants who would be eligible to get the temporary CHA licence, the Commissioner has been granted the authority to restrict the number of licences granted under Sub-Regulation 3 of Regulation 8.

While assessing the number of CHAs to be required for the formation, the norm prescribed by the Board vide its letter No. 502/ 5/ 93-Cus. VI, dt. 18.5.94 may be kept in mind.

(b) Regulation 6 has been amended, considering the complexity ot the work involved and the recommendations received on the subject, to provide for adequate work experience by the employees to enable them to obtain a licence. In addition, regulation 20 has also been amended to fix minimum educational standard for the employees of the agency.

(c) Amendments of Regulations 8 and 10 delegate the power of appeal against the commissioner's Orders to the Chief Commissioner. Hitherto, such appeals were being heard by and decided by the Board.

(d) Amendments to regulations 9 are aimed at ensuring the continuance of old CHA licences (these being proprietory concerns or partnership firms and not companies) which were in danger of being phased out on account of death/ retirement of the persons in whose names the licences were issued.

(e) Amendments in regulation 10(4) gives the Chief Commissioners, the authority to examine records pertaining to any proceedings where the Commissioner has passed any order under Sub-regulation 3 for the purpose of examining the propriety and correctness of such order, if necessary. These have been adopted along the lines of the review powers existing in the Customs Act 1962 and the Central Excises Act, 1944.

(f) Regulation 16 has been amended to enable a limited Company to Change its constitution. Hitherto only a proprietorship or a firm could change its constitution.

4. The amended regulations would apply to licensing of Customs House Agents operating in all Customs Formations like major ports Inland Container Depots, Container Freight Stations and miner-ports land Customs station etc. The Difficulties, if any, observed in implementing the amended regulations may please be brought to the notice of the Board.

Sb /-
(Ranjana Jha)
Under Secretary to the Govt. of India