Circular No 8/2014-Customs

F.No. 502/07/2013- Cus VI
Government of India
Ministry of Finance,
Department of Revenue
(Central Board of Excise & Customs)

New Delhi, dated the 13th June, 2014

To
All Chief Commissioners of Customs
All Chief Commissioners of Customs (Preventive)
All Chief Commissioners of Customs and Central Excise
All Commissioners of Customs / Customs (Preventive)
All Commissioners of Customs and Central Excise
All Directors General under CBEC

IndiaCode

Subject:- Customs Broker Licensing Regulations 2013- regarding.

Madam/Sir,

Attention is invited to the Notification No. 65/2013-Cus (N.T.) dated 21.06.2013 on the Customs Brokers Licensing Regulations (CBLR), 2013.

2. Representations have been received in the Board regarding difficulties being faced on account of divergent practices at the time of renewal of Customs Brokers licenses under CBLR, 2013. It is represented that there is a need for clarity in regard to amount of security / bank guarantee that is required for the renewal of a license since some formations are asking for the enhanced security under CBLR, 2013. It is also contended that the documentation requirements at the time of renewal of license varies from one Customs House to another.

3. The matter has been examined by the Board. Regulation 8 of CBLR, 2013 mandates that before granting the licence under regulation 7, the Commissioner of Customs shall require the successful applicant to enter into the bond and where specified a surety bond for due observance of the said Regulations and furnish a security in the form of bank guarantee, a postal security or National Saving Certificate (NSC) in the name of Commissioner of Customs for an amount of Rs. 5 lakhs for carrying out the business as Customs Broker. The amount of security has been enhanced from Rs. 75,000/- under Custom House Agents Licensing Regulations (CHALR), 2004 to Rs. 5 lakh in CBLR 2013. The matter of what security amount is to be furnished at the time of renewal of a license had been examined earlier in 2004 when the security amount had been similarly enhanced in comparison to CHALR, 1984. Accordingly, the Board had issued Circular No.42/2004-Cus dated 10.06.2004 clarifying that at the time of renewal of licenses of Customs Brokers license,

enhanced security will not apply and the same shall apply only to fresh licenses. No new factors have emerged to call for a review of this decision. Hence, it is clarified that the same dispensation shall apply under the present Regulations viz. CBLR, 2013. In other words, the enhanced security amount would not apply to holders of valid licenses issued under erstwhile regulations i.e. CHALR, 2004 or CHALR, 1984 who seek a renewal. Other conditions prescribed under the CBLR, 2013 will have to be satisfied.

5. In regard to the documentation required for the renewal of Customs Brokers License, the Board notes that different Customs Houses have prescribed their own requirements. Moreover, some documents appear unnecessary while some are already in possession of the Customs. Therefore, with the view to ensure uniformity and in the interest of simplification, the Board prescribes the following supporting documents for the renewal of Customs Brokers licenses under CBLR, 2013:

(i) Declaration affirming that there is no change in constitution / address of Customs Broker; that there are no time expired / inoperative cards in Forms G/H pending submission to the Department; that accounts are being maintained as per Regulation 16 of CBLR, 2013; that no judicial/quasi-judicial cases are pending against them (if yes, the details and status of each pending case); and that no arrears are payable to the Department.

(ii) Self- attested copy of Customs Broker Licence in Form B.

(iiii) List of Photo Identity Card holders in Form F/G/H with card number(s) and validity date(s).

(iv) Self-attested copy of valid membership certificate of Custom Brokers Association (if registered in the Customs station and recognized by Commissioner of Customs).

(v) Self-attested PAN card copy in the name of Customs Broker (Attested/Notarized), if not given earlier.

6. Suitable Public Notice for information of the trade and Standing Order for guidance of the staff may be issued on above lines.

7. Difficulty if any, in implementation of these instructions may be brought to the notice of the Board.

Yours faithfully

(R.P. Singh)
Director (Customs)