Customs Brokers Licensing Regulations, 2018.

Notification No. 41/2018-Customs (N.T.)dated 14th May, 2018

In exercise of the powers conferred by sub-section (2) of section 146 of the Customs Act, 1962 (52 of 1962), and in supersession of the Customs Brokers Licensing Regulations, 2013, published *vide* number G.S.R. 395 (E), dated the 21st June, 2013, except as respect things done or omitted to be done before such supersession, the Central Board of Indirect Taxes and Customs hereby makes the following regulations, namely:-

1. Short title, commencement and application. —

(1) These regulations may be called the Customs Brokers Licensing Regulations, 2018.

(2) They shall come into force on the date of publication in the Official Gazette.

(3) These regulations shall apply to, a Customs Broker who has been licensed and such other persons who have been employed or engaged by a licensed Customs Broker under these regulations or the Customs House Agents Licensing Regulations, 1984 or the Customs House Agents Licensing Regulations, 2004 or the Customs Brokers Licensing Regulations, 2013.

(4) Every license granted or renewed under these regulations shall be deemed to have been granted or renewed in favour of the licensee, and no license shall be sold or otherwise transferred.

2. Definitions.— (1) In these regulations, unless the context otherwise requires,

(a) “Aadhaar number” means an identification number issued to an individual under sub-section (3) of section 3 of The Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016);

(b) "Act" means the Customs Act, 1962 (52 of 1962);

(c) "company" means a company as defined in the Companies Act, 2013(18 of 2013);

(d) "Customs Broker " means a person licensed under these regulations to act as an agent on behalf of the importer or an exporter for purposes of transaction of any business relating to the entry or departure of conveyances or the import or export of goods at any Customs Station including audit;

(e) "firm", "firm name", "partner" and "partnership" shall have the same meanings respectively assigned to them in the Indian Partnership Act, 1932 (9 of 1932), but the expression "partner" shall also include any person who, being a minor, has been admitted to the benefits of partnership;

(f) "Form" means the form appended to these regulations;

(g) “F card holder” means a person who has passed the examination referred to in regulation 6 and has been issued a photo identity card in Form F;

(h) “G card holder” means a person who has passed the examination referred to in regulation 13 and has been issued a photo identity card in Form G;

(i) “H card holder” means a person who has not passed the examination referred to in regulation 13 and has been issued a photo identity card in Form H;

(j) “PAN” is the Permanent Account Number issued under section 139A of the Income Tax Act, 1961(43 of 1961);

(k) “GSTIN” means a 15 digit state-wise PAN- based Goods and Services Tax Identification Number assigned at the time of issue of Goods and Services Tax registration certificate.

(l) "section" means a section of the Act.

(2) The words and expressions used herein and not defined in these regulations but defined in the Act shall have the same meanings respectively assigned to them in the said Act.

3. Customs Brokers to be licensed.— No person shall carry on business as a Customs Broker relating to the entry or departure of a conveyance or the import or export of goods including work relating to audit at any Customs Station unless such person holds a license granted under these regulations:

Provided that no license under these regulations shall be required by-

(a) an importer or exporter transacting any business at a Customs Station solely on his own account;

(b) any employee of any person or a firm transacting business generally on behalf of such person or firm, and holding an identity card or a temporary pass issued by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be; and

(c) an agent employed for one or more vessels or aircrafts in order solely to enter or clear such vessels or aircrafts for work incidental to his employment as such agent.

4. Invitation of application.— (1) The Directorate General of Performance Management (DGPM) shall in the month of April of every year invite applications for conducting examination and subsequent grant of license to act as Customs Broker in Form A by publication in two leading national daily newspapers in English and Hindi in addition to disseminating the information on the web portal.

(2) The application for a license to act as a Customs Broker in a Customs Station in Form A along with a fee of five hundred rupees shall be made to the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, having jurisdiction over the area where the applicant intends to carry on his business.

5. Conditions to be fulfilled by the applicants.— (1) The applicant for a license to act as a Customs Broker in a Customs Station, shall before applying to the Principal Commissioner of Customs or Commissioner of Customs, meet the following conditions that: —

(a) he is a citizen of India;

(b) he is a person of sound mind;

(c) he is not adjudicated as insolvent;

(d) he holds an Aadhaar number;

(e) he holds a valid PAN card;

(f) he has not been penalised for any offence under the Act, the Central Excise Act, 1944 (1 of 1944), the Finance Act, 1994(32 of 1994), the Central Goods and Services Act, 2017 (12 of 2017) and Integrated Goods and Services Tax Act, 2017 (13 of 2017);

(g) he has neither been convicted by a competent court for an offence nor any criminal proceeding is pending against him in any court of law;

(h) an individual applicant or in case the applicant is a firm, its partner or in the case of a company, its director or an authorised employee who may handle the Customs work shall —

(i) be a graduate from a recognized University; and

(ii) possess a professional degree such as Masters or equivalent degree in Accounting, Finance or Management, CA/CS/MBA/LLM/ACMA/FCMA or Diploma in Customs Clearance work from any Institutes or University recognised by the Government or is having at least two years' experience in transacting Customs Broker work as G-Card holder;

(i) the applicant has financial viability as evidenced by a certificate issued by a Scheduled Bank or such other proof acceptable to the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, in terms of possession of assets of value of not less than five lakhs rupees.

(2) A retired Group A officer from the Indian Revenue Service (Customs and Central Excise) having a minimum of five years' experience in Group 'A' post shall also be eligible to apply for a license to act as a Customs Broker provided he satisfies the conditions specified at (a), (b), (c), (d), (e), (f), (g) and (i) of sub-regulation (1) above.

(3) The Principal Commissioner or Commissioner of Customs, as the case may be, may for the purpose of this regulation, make such enquiries to verify the eligibility of the applicant as he may deem fit before forwarding the application to Directorate General of Performance Management.

6. Examination of the applicant. — (1) An applicant, who satisfies the requirements of regulation 5, shall be required to appear for a written (preferably online) as well as oral examination conducted by the Directorate General of Performance Management:

Provided that an applicant who has already passed the examination referred to in regulation 9 of the Custom House Agents Licensing Regulation, 1984 or regulation 8 of the Custom House Agents Licensing Regulation, 2004 or regulation 6 of the Customs Brokers Licensing Regulations, 2013 shall not be required to appear for any further examination.

(2) The written examination shall be conducted on specified dates in the month of January of each year for which intimation shall be sent individually to applicants in advance before the date of examination and the result of the said examination shall be declared by end of May each year.

(3) The applicant who is declared successful in the written examination shall be called for an oral examination on specified dates in the month of June of each year, the result of which shall be declared in the month of July of each year.

(4)The applicant shall be required to clear both the written examination as well as corresponding oral examination.

(5) An attempt at the written exam shall be deemed to be an attempt and notwithstanding the disqualification/ cancellation of application, the fact of appearance of the applicant at the examination will count as an attempt.

(6) An applicant shall be allowed a maximum of six attempts to clear the examination**.**

(7) The examination may include questions on the following:

(a) preparation of various kinds of bills of entry, bills of export, shipping bills, and other clearance documents;

(b) arrival entry and clearance of vessels;

(c) tariff classification and rates of duty;

(d) determination of value of imported and export goods;

(e) conversion of currency;

(f) nature and description of documents to be filed with various kinds of bills of entry, shipping bills and other clearance documents;

(g) procedure for assessment and payment of duty including refund of duty paid;

(h) examination of goods at Customs Stations;

(i) prohibitions on import and export;

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(j) bonding procedure and clearance from bond;

(k) re-importation and conditions for free re-entry;

(l) drawback and export promotion schemes including the Special Economic Zone scheme;

(m) offences under the Act;

(n) provisions of the allied Acts including the Central Goods and Services Act, 2017 (12 of 2017) and section 5 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), the Indian Explosives Act, 1884 (4 of 1884), the Destructive Insects and Pests Act 1914 (2 of 1914), the Dangerous Drugs Act, 1930 (2 of 1930), the Drugs and Cosmetics Act, 1940 (23 of 1940), the Central Excise Act, 1944 (1 of 1944), the Copy Right Act, 1957 (14 of 1957), the Trade and Merchandise Marks Act 1958 (43 of 1958), the Arms Act 1959 (54 of 1959), the Patents Act, 1970 (39 of 1970), the Narcotics Drugs and Psychotropic Substances Act, 1985 (61 of 1985), the Environment (Protection) Act, 1986 (29 of 1986), the Foreign Trade (Development and Regulations) Act, 1992 (22 of 1992), the Foreign Exchange Management Act, 1999 (42 of 1999), the Design Act, 2000 (16 of 2000) and the Food Safety and Standard Act, 2006 (No. 34 of 2006) and other laws for the time being in force applicable to EXIM trade and the rules and regulations made under these Acts in so far as they are relevant to clearance of goods through Customs;

(o) provisions of the Prevention of Corruption Act, 1988 (49 of 1998);

(p) procedure for appeal and revision applications under the Act; and

(q) online filing of electronic bills of entry and shipping bills vide the Indian Customs and Central Excise Electronic Commerce or Electronic data interchange gateway (ICEGATE) and Indian Customs Electronic data Interchange System (ICES).

(r) knowledge of regulations, rules, notifications, etc. under the Customs Act and other Allied Acts.

(8) The Principal Commissioner of Customs or Commissioner of Customs shall satisfy himself that the individual applicant or in cases where applicant is a firm or company, its partner or Director or authorised employees who may be engaged for handling the customs work shall possess satisfactory knowledge of English and the local language of the Customs Station:

Provided that in case of a person deputed to work extensively in the docks, knowledge of English shall not be compulsory and knowledge of Hindi shall be considered as desirable qualification.

7. Grant of License.— (1) The applicant who has passed the written as well as oral examination shall make a payment of a fee of five thousand rupees within two months of the declaration of the results of the oral examination and inform the payment particulars to the Principal Commissioner or Commissioner of Customs referred to in sub-regulation (2) of regulation 4 and the said Principal Commissioner or Commissioner shall, on verification of the payment particulars grant license to the applicant within one month of the payment of the said fee:

Provided that where the successful applicant fails to make the payment of the said fee within the stipulated period, the right to be granted a license to an applicant shall be forfeited.

(2) The applicant who has paid the fee referred to in sub-regulation (1) shall be granted a license by the Principal Commissioner or Commissioner of Customs**,** as below:—

(a) An individual shall be granted the license in Form B1 if that individual has passed the examination referred to in regulation 6.

(b) A customs broker's license may be granted to any company, firm or association in Form B2 if at least one director, partner, or an authorised employee, as the case may be, has passed the examination referred to in regulation 6:

Provided that at any given time such director, partner or an authorised employee shall not engage himself for transacting business under these regulations on behalf of more than one such firm or company:

Provided further that where a company or a firm which has been granted a license under this regulation undergoes any change in the directors, or managing director or partner, such change shall forthwith be communicated by such licensee to the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, within one month of such change:

Provided also that where a company or a firm which has been granted a license under this regulation undergoes any change whereby there is a change in the PAN, the licensee shall apply for a fresh license to the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, within sixty days of such change.

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(3) The applicant who has been granted license under sub- regulation (2) shall be eligible to work as Customs Broker in all Customs Stations subject to intimation in Form C to the Principal Commissioner or Commissioner of Customs of the Customs Station where he intends to transact business and a copy of this intimation shall also be sent to the Principal Commissioner or Commissioner of Customs who has issued the license in Form B1 or Form B2, as the case may be.

(4) A customs broker shall be eligible to transact business under these regulations at a customs station which requires intimation under the said Form C, subject to the condition that such customs broker shall be able to transact such business only after a period of two years from the date of issue of license in Form B1 or Form B2:

Provided that the said period of two years shall be waived in respect of a license issued to a customs broker under the respective provisions of the Customs House Agents Licensing Regulations, 1984 or the Customs House Agents Licensing Regulations, 2004 or the Customs Brokers Licensing Regulations, 2013:

Provided further that the period of two years referred to in sub-regulation (4) shall not be applicable where the intimation under the said Form C is to the Principal Commissioner or the Commissioner of Customs, as the case may be, referred to in sub-regulation (2) of regulation 4.

8. Execution of bond and furnishing of security.— (1) Before granting the license under regulation 7, the Principal Commissioner or Commissioner of Customs shall require the successful applicant to enter into a bond in Form D and where specified a surety bond in Form E for due observance of these regulations and furnish a bank guarantee, or a postal security or National Saving Certificate or a

fixed deposit receipt issued by a nationalised bank, in the name of the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, for an amount of five lakhs rupees for carrying out the business as a Customs Broker.

(2) In cases where a postal security or National Saving Certificate or a fixed deposit receipt is furnished, the benefit of interest on the instrument shall accrue to the Customs Broker concerned.

9. Period of validity of a license.— (1) A license granted under regulation 7 shall be valid for a period of ten years from the date of issue and shall be renewed from time to time in accordance with the procedure specified in sub-regulation (2):

Provided that the renewal procedure and fees for licenses issued under the Customs House Agents Licensing Regulations, 1984 or the Customs House Agents Licensing Regulations, 2004 or the Customs Brokers Licensing Regulations, 2013 shall be in accordance with the procedure specified in sub-regulation (2) and fees specified in sub-regulation (3) respectively:

Provided further that a license granted to a Customs Broker, authorised under the Authorised Economic Operator Programme referred to in Board's Circular No. 28/2012-Customs dated 16.11.2012 or 33/2016-Customs dated 22.7.16, shall not require renewal till such time the said authorisation is valid.

(2) Subject to the provisions of regulation 7, the Principal Commissioner of Commissioner of Customs may, on an application made by the licensee before the expiry of the validity of the license under sub-regulation (1), renew the license for a further period of ten years from the date of expiration, if the performance of the licensee is found to be satisfactory with reference, *inter alia*, to the obligations specified in this regulation including the absence of instances of any complaints of misconduct within one month of the date of receipt of application.

Provided that where the Customs Broker fails to submit the application for renewal before the expiry of the validity of the license, the Principal Commissioner or Commissioner of Customs may after satisfying himself to the genuineness of the reasons of delay, renew the license upon payment of two thousand rupees as late fee by the Customs broker in addition to the fee for renewal within one month of the date of receipt of application.

(3) The fee for renewal of the license shall be fifteen thousand rupees.

10. Obligations of Customs Broker.— A Customs Broker shall —

(a) obtain an authorisation from each of the companies, firms or individuals by whom he is for the time being employed as a Customs Broker and produce such authorisation whenever required by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(b) transact business in the Customs Station either personally or through an authorised employee duly approved by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(c) not represent a client in any matter to which the Customs Broker, as a former employee of the Central Board of Indirect taxes and Customs gave personal consideration, or as to the facts of which he gained knowledge, while in Government service;

(d) advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(e) exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage;

(f) not withhold information contained in any order, instruction or public notice relating to clearance of cargo or baggage issued by the Customs authorities, as the case may be, from a client who is entitled to such information;

(g) promptly pay over to the Government, when due, sums received for payment of any duty, tax or other debt or obligations owing to the Government and promptly account to his client for funds received for him from the Government or received from him in excess of Governmental or other charges payable in respect of cargo or baggage on behalf of the client;

(h) not procure or attempt to procure directly or indirectly, information from the Government records or other Government sources of any kind to which access is not granted by the proper officer;

(i) not attempt to influence the conduct of any official of the Customs Station in any matter pending before such official or his subordinates by the use of threat, false accusation, duress or the offer of any special inducement or promise of advantage or by the bestowing of any gift or favour or other thing of value;

(j) not refuse access to, conceal, remove or destroy the whole or any part of any book, paper or other record, relating to his transactions as a Customs Broker which is sought or may be sought by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be;

(k) maintain up to date records such as bill of entry, shipping bill, transhipment application, etc., all correspondence, other papers relating to his business as Customs Broker and accounts including financial transactions in an orderly and itemised manner as may be specified by the Principal Commissioner of Customs or Commissioner of Customs or the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(l) immediately report the loss of license granted to him to the Principal Commissioner of Customs or Commissioner of Customs, as the case may be;

(m) discharge his duties as a Customs Broker with utmost speed and efficiency and without any delay;

(n) verify correctness of Importer Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN), identity of his client and functioning of his client at the declared address by using reliable, independent, authentic documents, data or information;

(o) inform any change of postal address, telephone number, e-mail etc. to the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, of all Customs Stations including the concerned Deputy Commissioner or Assistant Commissioner of the Commissionerate who has granted the license immediately within two days;

(p) maintain all records and accounts that are required to be maintained under these regulations and preserve for at least five years and all such records and accounts shall be made available at any time for the inspection of officers authorised for this purpose; and

(q) co-operate with the Customs authorities and shall join investigations promptly in the event of an inquiry against them or their employees.

11. Change in constitution of any firm or a company.— (1) In the case of any firm or a company, granted a license under these regulations, any change in the constitution which makes the holding of such license invalid in view of the conditions specified in clause (b) of sub-regulation (2) of regulation 7 notwithstanding the continued engagement or employment of the person who has passed the examination referred to in regulation 6, then such change shall be reported by such firm or company, as the case may be, to the Principal Commissioner or Commissioner of Customs forthwith, and any such firm or a company undergoing such change shall make a fresh application to the said Principal Commissioner or Commissioner of Customs within a period of sixty days from the date of such change for the grant of license under regulation 7, and the Principal Commissioner or Commissioner of Customs may, if there is nothing adverse against such firm or company, as the case may be, grant a fresh license.

(2) The firm or company making an application as referred to in sub-regulation (1) above shall be similarly subject to condition referred to in clause (b) of sub-regulation (2) of regulation 7:

Provided that if the licensee firm or company moves an application for such changes, then such firm or company may be allowed to carry on business of Customs Broker with the approval of the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, till such time a decision is taken on the fresh application of such firm or company.

(3) Notwithstanding anything contained in sub-regulation (1), in case of any firm or a company where a license has ceased to be in force because of the death or retirement of any partner or director or an authorised employee, who has passed the examination referred to in regulation 6, the firm or the company may apply for replacement of the name of the demised person by the name of another partner, director or authorised employee who has passed the examination referred to in regulation 6:

Provided that if there is no such person in the firm or company, then such firm or company, as the case may be, may authorise any other partner, director or authorised employee who is a G card holder, referred to in sub-regulation (5) of regulation 13, to pass the examination referred to in regulation 6 within a period of two years from the date of the demise or retirement of such person, and the firm or company may be permitted to carry on the business of a Customs Broker with the approval of the Principal Commissioner of Customs or Commissioner of Customs, as the case may be till such time such partner, director or authorized employee passes the said examination.

Provided that where the G-card holder of the firm or company or association has appeared in the written examination referred to in regulation 6 within the said two years, then notwithstanding the expiry of the said two years, the time period to clear the examination shall be deemed to be extended till the declaration of the result of the examination.

12. Change in the constitution of a concern.— (1) Where a license granted or renewed under these regulations in favour of a person, not being a firm or a company, changes constitution of his concern to a firm or a company, such new firm or new company may, pending the grant of a license in accordance with these regulations, be permitted to act as Customs Broker through an employee duly qualified as per regulation 6, with the approval of the Principal Commissioner of Customs or Commissioner of Customs, as the case may be.

(2) Notwithstanding anything contained in sub-regulation (1), where a license granted or renewed under these regulations in favour of a person which has ceased to be in force because of the death of that person, his legal heir, who is a major and a G card holder, referred to in sub-regulation (5) of regulation 13, may be permitted to work as a Customs Broker with the approval of the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, and such legal heir shall be required to pass the examination referred to in regulation 6 within a period of two years from the date of demise of the original licensee:

Provided that where the G-card holder of the firm or company or association has appeared in the written examination referred to in regulation 6 within the said two years, then notwithstanding the expiry of the said two years, the time period to clear the examination shall be deemed to be extended till the declaration of the result of the examination:

Provided further that where such G card holder does not meet the requisite educational qualification as specified in regulation 5, then relaxation shall be allowed only if he has been holding the G card for a minimum of five years prior to the date of demise of the original licensee.

13. Engagement or employment of persons.— (1) A person who has qualified the examination referred to in regulation 6 may engage himself in the work relating to the clearance of goods through customs on behalf of a firm or a company licensed under these regulations.

(2) A Customs broker who has been issued a license under sub-regulation (2) of regulation 7 shall be issued a photo-identity card in Form F by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be:

Provided that in the case of the license issued under clause (b) of sub-regulation (2) of regulation 7, the photo-identity card in Form F shall be issued to the person or persons who has actually passed the examination referred to in regulation 6.

(3) A Customs Broker may, having regard to the volume of business transacted by him, employ any number of persons other than an F card holder to assist him after verifying their antecedents and identity at the declared address by using reliable, independent, authentic documents, data or information:

Provided that such an employed person shall possess the Aadhaar number issued to him and that the minimum educational qualification of such persons so employed shall be 10+2, or equivalent.

(4) Employment of a person referred to in sub-regulation (3) shall be made only after obtaining the approval of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, who shall in granting approval, take into consideration the antecedents and any other information pertaining to the character of such person.

(5) The person referred to in sub-regulation (3) shall, within four attempts from the date of his appointment, pass a written examination conducted by the said Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, and the examination shall be such as to ascertain the adequacy of knowledge of such person regarding the provisions of the Act subject to which goods and baggage are cleared through Customs and the person shall, on passing the examination, be issued a photo-identity card in Form G by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be.

(6) Notwithstanding anything contained in sub-regulation (5), a G card holder who is employed under a Customs Broker may, on his employment under any other Customs Broker, with the approval or no objection of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, be exempted from passing of such examination.

(7) A Customs Broker shall authorise only such employee who has been issued a photo identity card in Form F or Form G as the case may be to sign the declaration on the bills of entry, shipping bills, annexure thereof or any other document generated in connection with the proceedings under the Act or the rules or regulations made thereunder.

(8) Where the Customs Broker has authorised any person employed by him in accordance with sub-regulation (7) to sign documents relating to his business on his behalf, he shall file with the Deputy Commissioner of Customs or Assistant Commissioner of Customs of each Customs Station, as the case may be, a written authority in this behalf and give prompt notice in writing if such authorisation is modified or withdrawn.

(9) The Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, shall issue a photo-identity card to every person employed by a Customs Broker in Form H in case he has not passed the examination referred to in sub-regulation (4) for a period of five years:

Provided that the minimum educational qualification of such a person shall be 10+2.

(10) Any person who has been issued a photo identity card under this regulation shall, at all times when he transacts the work at the Customs Station, carry photo identity card with him and produce it for inspection on demand by any officer of the Customs Station.

(11) Any change in the persons issued a F card or G card or H card and actually engaged in the work in the Customs Station on behalf of a licensee firm or company shall be communicated forthwith by the firm or the company, as the case may be, to the Deputy Commissioner of Customs or Assistant Commissioner of Customs, and no new person other than 'F', 'G' or 'H' card holders, shall be allowed to work in the Customs Station as a duly authorised employee on behalf of that firm or company.

(12) The Customs Broker shall exercise such supervision as may be necessary to ensure proper conduct of his employees in the transaction of business and he shall be held responsible for all acts or omissions of his employees during their employment.

14. Revocation of licence or imposition of penalty— The Principal Commissioner or Commissioner of Customs may, subject to the provisions of regulation 17, revoke the license of a Customs Broker and order for forfeiture of part or whole of security, on any of the following grounds, namely:—

(a) failure to comply with any of the conditions of the bond executed by him under regulation 8;

(b) failure to comply with any of the provisions of these regulations, within his jurisdiction or anywhere else;

(c) commits any misconduct, whether within his jurisdiction or anywhere else which in the opinion of the Principal Commissioner or Commissioner of Customs renders him unfit to transact any business in the Customs Station;

(d) adjudicated as an insolvent;

(e) of unsound mind; and

(f) convicted by a competent court for an offence involving moral turpitude or otherwise.

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15. Prohibition.— Notwithstanding anything contained in these regulations, the Principal Commissioner or Commissioner of Customs other than those referred to in regulation 7 may prohibit any Customs Broker from working in one or more sections of the Customs Station, if he is satisfied that such Customs Broker has not fulfilled his obligations as laid down under regulation 10 in relation to work in that section or sections:

Provided that the period for which any Customs Broker may be prohibited from transacting business in one or more of the Customs Stations shall not exceed one month from the date of such prohibition:

Provided further that where the license of the Customs broker is suspended as a consequence to prohibition, the time period specified in regulation 16, shall be reckoned from the date of such suspension**.**

16. Suspension of license.— (1) Notwithstanding anything contained in regulation 14, the Principal Commissioner or Commissioner of Customs may, in appropriate cases where immediate action is necessary, suspend the license of a Customs Broker where an enquiry against such Customs Broker is pending or contemplated:

Provided that where the Principal Commissioner or Commissioner of Customs may deem fit for reasons to be recorded in writing, he may suspend the license for a specified number of Customs Stations.

(2) Where a license is suspended under sub-regulation (1), the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, shall, within fifteen days from the date of such suspension, give an opportunity of hearing to the Customs Broker whose license is suspended and

may pass such order as he deems fit either revoking the suspension or continuing it, as the case may be, within fifteen days from the date of hearing granted to the Customs Broker:

Provided that in case the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, passes an order for continuing the suspension, further procedure thereafter shall be as provided in regulation 17.

17. Procedure for revoking license or imposing penalty.— (1) The Principal Commissioner or Commissioner of Customs shall issue a notice in writing to the Customs Broker within a period of ninety days from the date of receipt of an offence report, stating the grounds on which it is proposed to revoke the license or impose penalty requiring the said Customs Broker to submit within thirty days to the Deputy Commissioner of Customs or Assistant Commissioner of Customs nominated by him, a written statement of defense and also to specify in the said statement whether the Customs Broker desires to be heard in person by the said Deputy Commissioner of Customs or Assistant Commissioner of Customs.

(2) The Commissioner of Customs may, on receipt of the written statement from the Customs Broker, or where no such statement has been received within the time-limit specified in the notice referred to in sub-regulation (1), direct the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, to inquire into the grounds which are not admitted by the Customs Broker.

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(3) The Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, shall, in the course of inquiry, consider such documentary evidence and take such oral evidence as may be relevant or material to the inquiry in regard to the grounds forming the basis of the proceedings, and he may also put any question to any person tendering evidence for or against the Customs Broker, for the purpose of ascertaining the correct position.

(4) The Customs Broker shall be entitled to cross-examine the persons examined in support of the grounds forming the basis of the proceedings, and where the Deputy Commissioner of Customs or Assistant Commissioner of Customs declines permission to examine any person on the grounds that his evidence is not relevant or material, he shall record his reasons in writing for so doing.

(5) At the conclusion of the inquiry, the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, shall prepare a report of the inquiry and after recording his findings thereon submit the report within a period of ninety days from the date of issue of a notice under sub-regulation (1).

(6) The Principal Commissioner or Commissioner of Customs shall furnish to the Customs Broker a copy of the report of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, and shall require the Customs Broker to submit, within the specified period not being less than thirty days, any representation that he may wish to make against the said report.

(7) The Principal Commissioner or Commissioner of Customs shall, after considering the report of the inquiry and the representation thereon, if any, made by the Customs Broker, pass such orders as he deems fit either revoking the suspension of the license or revoking the license of the Customs Broker within ninety days from the date of submission of the report by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, under sub-regulation (5) :

Provided that no order for revoking the license shall be passed unless an opportunity is given to the Customs Broker to be heard in person by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be.

(8) Where in the proceedings under these regulations, the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, comes to a conclusion that the F card holder is guilty of grounds specified in regulation 14 or incapacitated in the meaning of the said regulation, then the Principal Commissioner of Customs or Commissioner of Customs may pass an order imposing penalty as provided in regulation 18:

Provided that where an order is passed against an F card holder, he shall surrender the photo identity card issued in Form F forthwith to the Deputy Commissioner of Customs or Assistant Commissioner of Customs.

(9) Where in an offence report, charges have been framed against an F card holder in addition to the Customs Broker who has been issued a license under regulation 7, then procedure prescribed in regulations 16 and 17 shall be followed *mutatis mutandis* in so far as the prescribed procedure is relevant to the F card holder:

Provided that where any action is contemplated against a G card holder alone under these regulations, then instead of authority referred to in sub-regulation (8), a Deputy Commissioner or Assistant Commissioner rank officer shall pass such order as mentioned in the said sub-regulation along with debarring such G card holder from transacting the business under these regulations for a period of six months from such order.

Provided further that where an order is passed against a G card holder, then he shall surrender the photo identity card issued in Form G forthwith to the Deputy Commissioner of Customs or Assistant Commissioner of Customs.

Explanation.— Offence report for the purposes of this regulation means a summary of investigation and prima facie framing of charges into the allegation of acts of commission or omission of the Customs Broker or a F card holder or a G card holder, as the case may be, under these regulations thereunder which would render him unfit to transact business under these regulations.

18. Penalty.— (1) The Principal Commissioner or Commissioner of Customs may impose penalty not exceeding fifty thousand rupees on a Customs Broker or F card holder who contravenes any provisions of these regulations or who fails to comply with any provision of these regulations.

(2) The Deputy Commissioner or an Assistant Commissioner of Customs may impose penalty not exceeding ten thousand rupees on a G card holder who contravenes any provisions of these regulations in connection with the proceedings against the Customs Broker.

(3) The imposition of penalty or any action taken under these regulations shall be without prejudice to the action that may be taken against the Customs Broker or F card holder or G card holder under the provisions of the Customs Act, 1962 (52 of 1962) or any other law for the time being in force.

19. Appeal.— A Customs Broker or F card holder, who is aggrieved by any order passed by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, under regulation 16 or regulation 17, may prefer an appeal under section 129A of the Act to the Customs, Central Excise and Service Tax Appellate Tribunal established under sub-section (1) of section 129 of the Act:

Provided that a G card holder aggrieved by any order passed by the Deputy Commissioner or Assistant Commissioner of Customs under these regulations may prefer an appeal under section 128

of the Act to the Commissioner of Customs (Appeals) against the orders of the Deputy Commissioner or Assistant Commissioner of Customs, as the case may be, who shall proceed to decide the appeal expeditiously within two months of the filing of the appeal.

20. Membership of associations. — (1) Each Customs Broker shall enroll himself as a member of the Customs Brokers' Association, if there is one registered in the Customs Station under the Parent Customs Zone and recognised by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be.

(2) No Customs Broker shall enroll himself in more than one Association at a given time.

(3) The Principal Commissioner of Customs or Commissioner of Customs, as the case may be, at any Customs Station, may recognise more than one Customs Broker association provided that the minimum number of members of each such association shall not be less than thirty percent of the total licenses issued in Form B1 or Form B2 or intimation received in the Form C.

FORM - A
[see sub-regulation (2) of regulation 4]

Application Form for Grant of Customs Broker's License under section 146 of the Customs Act, 1962

IndiaCode

1.	Name of the applicant :-
2.	Full address of the applicant :-
3.	Aadhaar Number:-
4.	Names, Permanent Account Numbers (PAN) and address of each of the partners of the firm or the directors of the company, as the case may be, in case the applicant is a firm or a company :-
5.	Name and Permanent Account Numbers (PAN) of its partner/partners or director/directors who will actually be engaged in the work as Customs Broker, in case the applicant is a firm or a company:-
6.	Educational qualification of each of the persons, who may be engaged as Customs Broker :-
7	Total number of attempts the applicant has made in the examination referred to in regulation 9 of the Custom House Agents Licensing Regulation, 1984 or regulation 8 of the Custom House Agents Licensing Regulation, 2004 or regulation 6 of the Customs Brokers Licensing Regulations, 2013 or regulation 6 of the Customs Brokers Licensing Regulations, 2018:-
	Declaration :
(a)	I have working knowledge of English/local language (……)/Hindi.
(b)	I have not earlier applied for a license to act as Customs Broker and no such application was rejected/ accepted.
(c)	The firm or company by whom the undersigned is employed have earlier held a Customs House Agent or Customs Broker's License under the Customs House Licensing Regulation, 1984, the Customs House Licensing Regulation, 2004 or the Customs House Licensing Regulation, 2013 or these regulations and it was

	cancelled or suspended/not cancelled or suspended.
(d)	The undersigned/the person proposed to be employed by me have been/have not been penalised, convicted or prosecuted under any of the provisions of the Customs Act, 1962 (52 of 1962), the Central Excise Act 1944 (1 of 1944), and the Finance Act, 1994.

List of documents furnished in accordance with regulation 6 of Customs Brokers Licensing Regulations, 2018:

S. No.	Educational	Financial
1.		
2.		
3.		
4.		

I/We hereby affirm that I/we have read the Customs Brokers Licensing Regulations, 2018 and agree to abide by them.

Date : **Signature of applicant**

IndiaCode

FORM – B1
[see regulation 7(2)(a)]

License for Customs Broker (L-I)

License No. ……

Valid up to ……

Shri/ Shrimati……..……..……address……..……... is hereby authorised to transact business as Customs Broker all over India subject to the conditions laid down in this license.

Specimen signature of the Customs Broker: …….

Customs Station of issue :

Signature of the Principal Commissioner of Customs/
Commissioner of Customs (with seal)

Date of issue :

Conditions of the License

This license is issued subject to the following conditions:

(A) The Licensee shall, -

1. not sell or transfer license to any other person.

2. obtain an authorization from each of the companies, firms or individuals by whom he is for the time being employed as Customs Broker and produce such authorisation whenever required by the Deputy Commissioner or Assistant Commissioner of Customs.

3. transact business in the Customs Station either personally or through an employee duly approved by the Deputy Commissioner or Assistant Commissioner of Customs, designated by the Commissioner of Customs.

4. in the event of the license being lost, report the same immediately to the Commissioner of Customs.

5. ensure that he discharges his duties as Customs Broker with utmost speed and efficiency and without any delay.

6. comply with the obligations specified in regulation 10 of the Customs Brokers Licensing Regulations, 2018.

(B). This licence shall be valid for a period of ten years from the date of issue and shall be renewed from time to time in accordance with the procedure provided in sub-regulation (2) of regulation 9 of the Customs Brokers Licensing Regulations, 2018.

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FORM – B2
[see regulation 7(2)(b)]

License for Customs Broker (L-O)

License No. ……

Valid up to ……

M/s./Shri/Ms. ……..……..……address…….…….... is/are hereby authorised to transact business as Customs Broker all over India subject to the conditions laid down in this license. Further, in the case of firm or a company, the Customs Broker's work shall be transacted through one of the following persons:-

	Name of person(s)	Specimen Signature(s)
1.		
2.		
3.		

4.
5.

Customs Station of Issue

Signature of the Principal Commissioner of
Customs/Commissioner of Customs (with seal)

Date of issue :

Conditions of the License

This license is issued subject to the following conditions:—

(A) The Licensee shall, -

1. not sell or transfer license to any other person.

2. obtain an authorisation from each of the companies, firms or individuals by whom he is for the time being employed as Customs Broker and produce such authorisation whenever required by the Deputy Commissioner or Assistant Commissioner of Customs.

3. transact business in the Customs Station either personally or through an employee duly approved by the Deputy Commissioner or Assistant Commissioner of Customs, designated by the Commissioner of Customs.

4. in the event of the license being lost, report the same immediately to the Commissioner of Customs.

5. ensure that he discharges his duties as Customs Broker with utmost speed and efficiency and without any delay.

6. comply with the obligations specified in regulation 10 of the Customs Brokers Licensing Regulations, 2018.

(B). This license shall be valid for a period of ten years from the date of issue and shall be renewed from time to time in accordance with the procedure provided in sub-regulation (2) of regulation 9 of the Customs Brokers Licensing Regulations, 2018.

FORM - C
[see sub-regulation (3) of regulation 7]

Intimation by Customs Broker to work at another Customs Station

1.	Name of the Customs Broker :-
2.	Aadhaar Number:-
3.	Permanent Account Number (PAN):-
4.	Full address of the Customs Broker :-
5.	Customs Broker License No. and Custom House of issue :-
6.	Name, Permanent Account Numbers (PAN) and address of each of the partners of the firm or the directors of the company, as the case may be, in case the applicant is a firm or a company :-
7.	Name(s) of its partner/partners or director/directors and Permanent Account Numbers (PAN) who will actually be engaged in the work as Customs Brokers, in case the applicant is a firm or a company :-
8.	Educational qualifications of each of the persons, who will actually be engaged in the work as Customs Broker:-

I/We hereby affirm that I/we have read the Customs Brokers Licensing Regulations, 2018 and agree to abide by them.

Signature of the applicant(s)

……..

……..

Date: ……

IndiaCode

FORM - D
[see regulation 8]

BOND No…….of 20....

Know all men by these present that we are held and firmly bound to the President of India in the sum of Rs. ……(……..) for payment whereof we hereby bind ourselves, and each of us bind himself and each of our heirs, executors and administrators firmly by these present dated this …….. day of ……..in the year two thousand……..

Whereas the said …….. has been authorized to act as a Customs Broker under section 146 of the Customs Act, 1962 (52 of 1962), and the said …….. has agreed to enter into this bond as required by the Customs Brokers Licensing Regulations, 2018 (hereafter referred to as the said regulations).

And whereas the said …….. has deposited the sum of Rs. 5,00,000/- (Rupees Five Lakhs) only with the President of India as security for his faithful behavior and that of his employees as regard the said regulations.

Now the condition of the above written bond is such that if the said …….. and his employees do at all times, whilst holding, such license as aforesaid, behave themselves in a faithful manner as regards the said regulations and if the said …….. and their executors or administrators do at all times make good to the President of India all and every sums of money which being due to the Government shall be reason of the misfeasance or negligence of the said …….. or of his employees have not been paid to the President of India then the above written bond shall be void; otherwise the same shall be and remain in full force and virtue and it is

hereby agreed and declared that the President of India may apply the said sum of Rs. 5,00,000/- (Rupees Five Lakh) only deposited as aforesaid in making good to the President of India all and every sums due to the Government by reason of the misfeasance or negligence of the said …….. or his employees as aforesaid.

And it is hereby agreed that the said sum of Rs. 5,00,000/- (Rupees Five Lakh) only shall remain with the President of India for twelve calendar months after the date upon which the said …….. shall cease to act as Customs Broker as security for the payment of any sums due to the Government by any reason of any misfeasance or negligence of the said …….. or his employees which may not be discovered until after the said date and that this bond shall be and remain in full force and virtue until the expiration of the said term of twelve months.It is also agreed and declared that the President of India may apply the above sum of Rs. 5,00,000/- (Rupees Five Lakh) only in making good wholly or in part any short collection of duty or other charges in respect of any transaction made by the said …….. on behalf of importers or exporters in the event of such sums remaining unpaid, even after issue of demands under section 28 of the Customs Act, 1962 (52 of 1962).

Signed, sealed and delivered by the above named on this day, the …….. of 20……..in the presence of witnesses.

1. ……..……..

2. ……..……..

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Accepted for and on behalf of the President of India

Signature of the Principal Commissioner of Customs/
Commissioner of Customs
(with seal)

Date :……

FORM - E
[see regulation 8]

SURETY BOND No. ……of 20....

Know all men by these presents that we …….. (A) …… and …… (B) …… are held and firmly bound to the President of India in the sum of Rs. 5,00,000/- (Rupees Five Lakh) only for payment whereof we hereby bind ourselves and each of us binds himself and each of our heirs, executors and

administrators firmly by these presents dated this day …… of ……. in the year two thousand and ……

Whereas the said …… (A) …… has been authorized to act as a Customs Broker under section 146 of the Customs Act, 1962 (52 of 1962) and the said …… (B) …… has agreed to enter into this bond as required by rules made under the said section:

Now the condition of the above written bond is such that if the said ……. (A) …… both at all times whilst holding such authorization as aforesaid behave himself in a faithful and incorrupt manner as regards the Customs Brokers Licensing Regulations, 2018 and the officers, and if the said …… (A) and …… (B) …… their executors, or administrators some or one of them do, and shall at all-time make good to the President of India all and every sums of money which being due to the Government shall by reason of the misfeasance or negligence of the said …… (A) …… have not been paid to the President of India then the above written bond shall be void; otherwise the same shall remain in full force and virtue.

Signed, sealed and delivered by the above named in the presence of witnesses.

1 ……..…..

2 ……..…..

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Executed before me this……..of …….20...

Signature of the Principal Commissioner of Customs/
Commissioner of Customs
(with seal)

FORM - F
[see sub-regulation (2) of regulation 13]

Identity Card

Customs Broker Licence No. ……

M/s./Shri/Ms.: Identity Card
Designation (Proprietor, Partner, Director, Employee) : Photo with signature

Permanent Account Number (PAN):
Aadhaar Number:
Issued at :
Valid up to :
Name of the Customs Broker :
Type of Customs Broker:
(Proprietorship/Firm/Pvt./ Public Ltd./Others)

and seal of Deputy/ Assistant

Commissioner of Customs

Specimen signature of the Customs Broker:

I…….. have passed the examination conducted under regulation 6 of the Customs Brokers Licensing Regulations, 2018.

Signature of the Deputy/
Assistant Commissioner of Customs
(With seal)

(Photo to be supplied by the Customs Broker)

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FORM - G
[see sub-regulation (5) of regulation 13]

Valid up to……..

Identity Card

Photo with signature and seal of Deputy/ Assistant Commissioner of Customs

Shri/Ms. ……. of ……. having been registered in the books of this office as an authorized employee of Shri/Sarvashri/Ms./ M/s ……. of ……. having been authorized by him/them to transact business at the ……. Custom House on his/their behalf is hereby permitted to do so for a period of ……. years with effect from ……. or until the cancellation of the license issued to his principal, whichever is earlier.

He has passed the examination conducted under sub-regulation (5) of regulation 13 of the Customs Brokers Licensing Regulations 2018.

Specimen Signature of employee: …….
Permanent Account Number (PAN) of employee: …….
Name of the Customs Broker: …….
Customs Broker License No: …….

Customs Station: …….

Dated the …… 20....

Signature of the Deputy Commissioner/
Assistant Commissioner of Customs

(With seal)

(Photo to be supplied by the Customs Broker)

FORM - H
[see sub-regulation (9) of regulation 13]

Valid upto……..

IDENTITY-CUM-AUTHORITY CARD

Photo with signature and seal of Deputy/ Assistant Commissioner of Customs

IndiaCode

Shri/Ms. ……. of ……. having been registered in the books of this office as employee of Shri/Sarvashri/Ms./M/s. ……. (Customs Broker License No. …….) for assisting the Customs Broker or his authorized employee(s).

This identity card is valid for a period of five years from the date of issuance or until the cancellation of the license issued to his principal, whichever is earlier.

Specimen Signature of employee: ……..

Name of the Customs Broker: ……..

Customs Station: ……..

Dated the …….. 20....

Signature of the Deputy Commissioner/
Assistant Commissioner of Customs
(With seal)

(Photo to be supplied by the Customs Broker)