

**GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
CENTRAL BOARD OF REVENUE**

Islamabad, the 18th June, 2001

**NOTIFICATION
(CUSTOMS)**

S.R.O. 450(I)/2001.-¹[In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to make the following rules, namely:-]

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²[**CHAPTER XXVI
SHIPPING AGENTS RULES**

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³[**665]. Action in case of violations.**-(1) The licensing Authority may revoke or suspend a license or permit of any Shipping Agent for one or more than one of following reasons, namely:-

- (a) the licensee has made or cause to be made, in any application for any license or permit under this chapter, or report filed with the customs, any statement which was, at the time and in light of the circumstances under which it was made, false or misleading with respect to any material fact or has omitted to state in any such application or report.
- (b) the licensee has been convicted at any time for larceny, theft, robbery, extortion, forgery, counterfeiting, fraud, concealment, embezzlement, fraudulent conversion, or misappropriation of funds;
- (c) the licensee has knowingly employed or continues to employ any individual who has been convicted of any offence referred to under clause (b);
- (d) the licensee has, in the course of its customs business, with intent to defraud, in any manner, willfully and knowingly deceived, misled or threatened any client or prospective client.
- (e) violation by the licensee of any provision of Act or the rules, regulations, notifications, instructions or orders issued there under;
- (f) aiding or abetting any individual, firm or company, as the case may be, for violation of any provision of the Act or the rules or regulations made there under;
- (g) negligence or inefficiency of the licensee in the discharge of its obligations;
- (h) unsatisfactory conduct of the licensee while transacting customs business or in relation to any person who has entrusted it with any customs business; failure of the licensee to comply with any of the bond executed by him under this chapter;

1 Existing preamble substituted and shall be deemed always to have been so substituted vide SRO 831(I)/2018 dated 2nd July, 2018. At the time of substitution was as under:-

“In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), the Central Board of Revenue is pleased to make the following rules, namely:-”

2 Added vide SRO 1220(I)/2015 dated 4th December, 2015

3 The Rule “604” re-numbered Rule “665” by Notification No. S.R.O. 79(I)/2016, dated 1st February, 2016

- (i) concealing, removing or destroying by the licensee of its financial and customs business records or refusing to allow an officer of customs to inspect them and take extracts therefrom;
- (j) attempt by the licensee to influence the conduct of any employee in the custom house, custom station, port or airport by the use of force, intimidation, false accusation, duress, bribery or by offering any special inducement or gift;
- (k) failure of the licensee to exercise due diligence and due care to apprehend and forestall an untrue declaration in respect of Import General Manifest, Export General Manifest and other relevant customs documents;
- (l) withholding by the licensee of any information, document or other evidence from an officer of customs which is likely to prevent any fraud or evasion of customs duties and other taxes or dues and the circumvention or contravention of any restrictions imposed by any law for the time being in force;
- (m) the licensee has defaulted in making payment of duties and taxes and Government dues received from their client/principal in time, if any;
- (n) the licensee's previous performance has not been satisfactory or has not been true to the customs or towards his clients;
- (o) the licensee's previous record of customs business due to his being concerned in any customs offence is not free from reasonable doubt;
- ⁴[(p) in case of violation in respect of any additional charges other than freight not mutually agreed by shipper and shipping line that are not mentioned in publicly notified or published tariff of the shipping agent or carrier and are not made available to the client or are not specifically written on the bill of lading, airway bill or bill of freight, punitive action envisaged in the Act and these rules shall be initiated against the delinquent licensee following the due process of law; and]
- ⁵[(q) in case of violation in terms of detention charges after lapse of exact free days not mutually agreed by shipper and shipping line that are not mentioned in publicly notified or published tariff of the shipping agent or carrier and are not made available to the client or are not specifically written on bill of lading, airway bill or bill of freight, punitive action as envisaged in the Act and these rules shall be initiated against the delinquent licensee following the due process of law; and]
- ⁶[(r) the licensee shall make arrangements for performing transactions which do not require payment of security deposit and only require payment of security deposit when absolutely necessary. The changeable amount of security deposit shall be reasonable and the licensee shall refund the security deposit within fifteen working days after

4 *Clause (9) was substituted vide SRO 38(I)/2022, dated 3rd January, 2022. At the time of substitution clause (p) was as under:*

“(p) in case of violation in respect of any additional charges other than freight not mutually agreed by shipper and shipping line and not specifically written on the bill of lading, airway bill or bill of freight punitive action envisaged in the Act and these rules shall be initiated against the delinquent licensee following the due process of law;”

5 *Clause (q) was substituted vide SRO 38(I)/2022, dated 3rd January, 2022. At the time of substitution clause (q) was as under:*

“(q) In case of violation in terms of detention charges after lapse of exact free days not mutually agreed by shipper and shipping line and not specifically written on bill of lading, airway bill or bill of freight, punitive action as envisaged in the Act and these rules shall be initiated against the delinquent licensee following the due process of law;”

6 *Clause (r) was substituted vide SRO 38(I)/2022, dated 3rd January, 2022. At the time of substitution clause (r) was as under:*

“(r) The licensee shall refund the security deposit within seven working days after satisfying their accounts. In case of any delay in refund of security deposit beyond the terminal period, punitive action shall be initiated as per law.”

satisfying their accounts. In case of any delay in refund of security deposit beyond the terminal period, punitive action shall be initiated as per law.]

(2) In case of revocation of a licence under sub-rule (1), the Licensing Authority may, after issuing show cause notice to the licensee, forfeit the whole or part of the security deposited by the licensee under rule 596 for the settlement of any duty, taxes or any other charges due from him.

(3) The Collector or the licensing Authority, as the case may be, shall not pass any order under sub-rules (1) and (2) to revoke the license or permit unless the licensee is informed in writing regarding the allegations and opportunity of hearing is afforded. While passing an order for revocation of licence, the Collector or the Licensing Authority, as the case may be, may also direct forfeiture of the security deposited by the licensee under rule 596.

(4) The licensing authority may, in cases where immediate action is considered necessary against the licensee, suspend his licence forthwith after recording reasons in writing pending the final action under the Act and rules made thereunder.