

**ANNEX XI: AGREEMENT BETWEEN THE DEPARTMENT AND CUSTOMS  
CLEARING AND FORWARDING AGENT OR COURIER SERVICE AGENT**



**ROYAL GOVERNMENT OF BHUTAN  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE & CUSTOMS**

**AGREEMENT BETWEEN THE DEPARTMENT AND CUSTOMS CLEARING AND  
FORWARDING AGENT OR COURIER SERVICE AGENT**

This agreement is executed on \_\_\_\_\_ between the **Department of Revenue & Customs** ☐ or **Regional Revenue & Customs Office** ☐, \_\_\_\_\_ (Location), Bhutan and M/s \_\_\_\_\_ **Clearing & Forwarding Agent (CFA) or Courier Service Agent (CSA)**, \_\_\_\_\_ (Location) bearing trade license No. .... and CID No. .... (Proprietor) under the following terms & conditions.

**TERMS & CONDITIONS:-**

- (a) Obtain an authorization from each of the consignees from whom it has been appointed to act as agent for clearance of goods through the Customs.
- (b) Advise his clients to comply with the provision of the Act and in case of non-compliance, shall bring the matter to the notice of the Customs authorities.
- (c) Not withhold information relating to assessment and clearance of imported goods communicated by any office of Customs from a client who is entitled to such information.
- (d) Not withhold any information relating to assessment and clearance of imported goods from the assessing officer.
- (e) Not procure or misuse any restricted information from the Department or any other office of the Royal Government.
- (f) Not attempt to influence the conduct of any official or Customs in any matter pending before such official or his subordinates by the use of threat, false execution, duress or offer or any special inducement or promise of advantage of by the bestowing of any gift or favor or other things of value.
- (g) Maintain proper records and accounts in such forms and manner as may be directed by the Customs authorities and submit them for inspection whenever required and not tamper with any official documents.

- (h) Ensure that all documents prepared or presented by him are strictly in accordance with the legal requirements and contain no false or misleading information.
- (i) Ensure that he discharges his duties as clearing agent with integrity and efficiency both to Customs and his client.
- (j) Enter into an agreement with the Department and comply strictly with the conditions laid down in it.
- (k) If the goods are pilfered, lost, damaged or abandoned while in transit to Bhutan, the Customs duty applicable shall be realized from the concerned clearing agent. In addition, any other liabilities payable to the Royal Government of Bhutan and the Government of India shall also be realized from them.
- (l) Any change in the terms of Trade and Commerce Agreement between the Royal Government of Bhutan and the Government of India may automatically entail a change likewise in the terms of these conditions.
- (m) The Clearing Agent shall pay applicable Customs duties, taxes, 0.25% Service charge on the CIF value of goods and other charge if any and furnish the following documents for release of goods from the Customs control.
  - i. Importer's copy of Import license.
  - ii. Bill of lading/airway bill.
  - iii. Invoice attested by the bank through which payment has been made.
  - iv. Packing list.
  - v. Certificate of Origin.
  - vi. Insurance policy documents.
  - vii. Import Duty Exemption Certificate and Bhutan Sales Tax Exemption Certificate wherever applicable; and
  - viii. Import declaration form duly filled up in all respects.

Where a Bhutanese Clearing Agent has appointed or authorized an Indian Clearing Agent having valid clearing agent licenses, the Bhutanese Agent is responsible for all acts of Indian Clearing Agents and also ensure that the Indian agent completes the following formalities.

- (a) A copy of the Agreement between their Indian counterparts is submitted to this office for record along with a copy of Indian Clearing Agent License.
- (b) Authorization for clearance of goods in India shall be issued by the Bhutanese Clearing Agents to the Indian Clearing Agent for each consignment.
- (c) The authorized Indian Clearing agent shall approach the Liaison and Transit Office, Kolkata (LTO) along with the original shipping documents, original import license and a letter of authorization issued by the Bhutanese Clearing Agent.
- (d) If the documents are found to be in order, the LTO or RRCO shall authorize the concerned clearing agent for clearance of goods.

- (e) The clearing agent shall keep the LTO or RRCO fully informed with regard to the progress in the clearance activities.
- (f) The clearing agent shall obtain the road documents from the LTO before the dispatch of the goods to Bhutan.
- (g) In case demurrages are incurred on goods, the same shall be directly settled by the clearing agent with the importer and the Department shall have no arbitration role in the dispute.
- (h) Wherever necessary, the clearing agent shall employ surveyors at port to conduct surveys on the goods before they are dispatched to Bhutan.
- (i) The clearing agent shall produce transit insurance documents to the LTO prior to the dispatch of the goods to Bhutan.
- (j) All goods, which are not of a full truck load, shall be deposited either in the Bhutan Customs warehouse or in the warehouse approved by the Customs authorities of India. The clearings agents, under no circumstances, shall be permitted to store any goods in other storage place. The storage charges shall be realized from the concerned clearing agents as per the rates given in Annex-I of the rules.
- (k) The clearing agent shall complete the cross border formalities with the Indian Customs Authority in keeping with the Protocol to the Trade and Commerce Agreement between Royal Government of Bhutan and the Government of India.
- (l) The clearing agent shall submit to the Liaison and Transit Office, Kolkata the road documents duly signed by the designated Customs Office in Bhutan and Indian Customs authorities within one month from the date of clearance from the Indian Customs.

### **Validity of agreement**

The agreement shall be valid for the period of three years. On expiry of the validity period, the Department of Revenue and Customs, may, renew the agreement for a period of three years provided:

- i. The performance of the authorized Clearing and Forwarding Agent is found to be satisfactory.
- ii. The authorized Clearing and Forwarding Agent has not violated any of the obligation specified in the agreement.
- iii. Renew the bank guarantee for extended contract period.

### **Forfeiture of Security Deposit**

Any violation of the above conditions or any provision of the Customs Act and Trade and Commerce Agreement shall lead to forfeiture of the security deposit, liability for payment of duties and taxes including fines and penalties by the agent as per the relevant sections of the Customs Act of Bhutan 2017.

### **De-registration/Cancellation**

The Department may revoke the registration of an authorized Clearing Agent on any of the following grounds.

- a. Failure to comply with any of the provisions of the Act and these Rules and
- b. Miss-conduct which renders him unfit to act as clearing agents; Provided that no such revocation shall be made unless a notice has been issued to the authorized clearing agent informing him of the grounds.

Both the parties have mutually accepted the above conditions. Defaulters if any shall be penalized in accordance with the laws of the Kingdom. The Agreement is signed on this day ..... in the presence of the following witness.

SIGNATURE:

(Mr./Ms. ....)

M/s .....  
.....

Contact No: .....

Address:.....

SIGNATURE;

(Mr./Ms. ....)

Regional Director  
DRC/RRCO, \_\_\_\_\_  
[OFFICIAL SEAL]

**WITNESS of CFA/CSA:**

(Mr/Ms.....)

CID No: .....

Address:

**WITNESS of DRC/RRCO:**

(Mr/Ms.....)

CID No: .....

Address: