

THE CARRIAGE

BY ROADS

ACT, 2007

LAW CAPSULE

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Registration & Licence under

The Carriage by Roads Act, 2007

'Common Carrier' defined as per Section 2 (a) of the Act means a person engaged in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorized transport on road, for all persons indiscriminatingly and includes a goods booking company, contractor, agent broker and courier agency engaged in the door to door transportation of documents, goods or articles utilizing the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles, but does not include the Government.

The key provisions of the Act regarding registration and licensing has been discussed as hereunder:

Trans-India Law Associates, Advocates & Legal Consultants

Office: TLA SUITE, JA-120, DLF Tower - A, Jasola, New Delhi-110025

Court Chamber: Chamber No. 555, New Delhi Court Complex, New Delhi-110001

Tel. :91-11-26943664, Fax.: 91-11-26970075

info@tlaindia.org www.tlaindia.org

1. According to Section 3 of the Act, no person shall engage in the business of a common carrier, after the commencement of the Act, unless he has been granted a certificate of registration from the registering authority i.e. the State Transport Authority or Regional Transport Authority constituted under Section 68 of the Motor Vehicles Act, 1988. The applicant must apply for the registration within 90 days from the date of commencement;

2. Details of the Fees to be Paid as per Form 1[Rule 3(1)] :

I. Security Deposit of Rs5000/-For Registration of the Main Officer and Branches

II. Registration Fees for Grant of registration Certificate of Rs 1000/

III. Fee for Renewal of Registration Certificate of Rs 1000/

IV. Processing Fees Rs 250/

3. The following documents are required for the Registration of a Common Carrier as per Form 1[Rule 3(1)]:

(a) Name of the Organization along with its type i.e. sole proprietorship, partnership or others;

(b) Year of Commencement of Operation;

(c) Pan Number;

(d) Details of the Main Office i.e. address, telephone nos. and email id;

(e) Copy of the Ownership Documents/ Copy of the Lease Deed/ Copy of the Rental Agreement;

(f) State under whose jurisdiction the main office is located;

(g) Details of the Authorized Person i.e. name, designation, residential address, telephone numbers, email id, photo identity proof (Passport, Voter ID card, Ration card), authority letter or resolution signed by Partners/Directors/Proprietor;

(h) Number of Branches applied for (if applicable);

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(i) Details of Offices of the Agents and God owns (address, email ID, telephone no., copy of the ownership document/Lease Deed/Rental Agreement);

(j) Registration Certificate of two commercial vehicles in the name of the Organization/Proprietor/Partner/Director or Contract letter or Work Order of any Registered Company or Commercial Organization of repute (Any one of the above);

(k) The Applicant shall establish net worth of Rs. 5 lakhs of the applicant's company or its Proprietor/Partner/Director by submitting either Audited Balance Sheet, CA Certificate, Personal Balance Sheet/IT Return or Bankers Certificate (if the service is to be provided under Section 11 i.e. higher risk rate for certain consignments, the net worth of the applicant shall not be less than Rs. 20 lakhs);

4. The certificate for registration shall be valid for a period of 10 years from the date of issuance;

5. According to Section 18 of the Act, whoever fails to register himself

according to Section 3 of the Act shall be punishable for the first offence with fine which may extend to five thousand rupees, and for the second and subsequent offence with fine which may extend to ten thousand rupees.

For any further details, please contact:

Mr. Raj Singh Niranjn, Counsel for Govt. of India- Supreme Court (9810070075)

Email- raj.singh.niranjn@tlaindia.org

Dr. Rajni Patel, Partner (9818043057)

Email- rajni.patel@tlaindia.org

Ms. Sneha Mukherjee, Junior Partner (08860635075)

Email- sneha.mukherjee@tlaindia.org

Ms. Sonia Bharaj, Joint Partner (08860635071)

E-mail: sonia.bharaj@tlaindia.org

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