Circular No. 59/2016-Customs

F. No. 450/178/2015-Cus IV
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Excise and Customs)
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New Delhi, dated the 2nd December, 2016.

To,

All Pr. Chief Commissioners/Chief Commissioners of Customs / Customs (Preventive)
All Pr. Chief Commissioners/ Chief Commissioners of Customs and Central Excise
All Pr. Commissioners/Commissioners of Customs / Customs (Preventive)
All Pr. Commissioners/Commissioners of Customs and Central Excise

Sir /Madam

Subject: Outsourcing by an authorized Courier-reg.

Kind reference is drawn to regulation 13(j) of Courier Imports and Exports (Clearance) Regulations, 1998 wherein an authorized Courier is obligated not to sub-contract/ outsource functions permitted or required to be carried out by him in terms of the said regulations to any other person, without the written permission of the Commissioner of Customs.

2. In this regard, Express Industry Council of India has represented to the Board that it is experiencing difficulty in obtaining permission each time if they want to outsource any of the components in the door to door supply chain. EICI has further elaborated on the subject by saying that it is not viable and efficient for a courier operator to own entire supply chain and seek permission each time.

3. Board has examined the issue in the light of the comments received from the field formations. As per the said regulations, an authorised courier means a person engaged in the international transportation of the goods on express door to door delivery basis and is registered in this behalf by the Principal Commissioner of Customs or Commissioner of Customs. The condition of taking permission for outsourcing activities in the sub-regulation (j) of the Regulation 13 is to ensure the integrity of the supply chain and also to protect the interests of the revenue.

4. An authorised courier performs varieties of activities during the process of assessment and clearance of the goods followed by delivery at the door. Some of these are core activities and critical to his role as an authorised courier whereas some are non-core activities. Like other sectors, it is understandable that an authorised courier would like to outsource some its non-core activities without the rigour of obtaining permission each time.

5. In view of this, Board is of the view that relaxation from such permission merits consideration with regard to certain components of the supply chain before entry

inwards/after clearance of the imported courier shipments and before carting in/after 'Let Export' of the export shipments. Accordingly, Board has decided that for functions namely pick-up or local delivery of export/imported courier packages/shipments, transportation for officials and housekeeping activities permission will not be required. Prior intimation would suffice. Needless to add, the authorised courier will ensure that due diligence is exercised and necessary checks carried out before outsourcing these activities.

Yours faithfully,

(Zubair Riaz)
Director (Customs)

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