

## FAQ - DPD

Importer: My cost of Import is more and it takes a lot of time to get my goods after import clearance procedure. Is there any way out?

Custom officer: Jawaharlal Nehru Customs House (JNCH) has extended a facility to top importers of this Custom House which has substantially reduced the cost of import and also it is time saving.

Importer: Please tell me more about this facility, I am interested in faster import clearance and if my cost of Importer is less, my goods will be export competitive and I'll get more profit. It is a win-win situation for me.

Custom officer: This facility is called 'Direct Port Delivery' in short we call it DPD. In this facility 'out of charge of the Bill of Entry can be obtained from a dedicated section for this purpose i.e: 'RMS/DPD facilitation Center' situated at 2<sup>nd</sup> Floor in JNCH or from any CFS, as per convenience of the importer, and Importer can take delivery of the consignment directly from Port by road or Rail.

Importer: It sounds interesting. Tell me more about this.

Custom officer: DPD facility is available for Full Cargo Load (FCL) consignment which are facilitated by RMS either as 'No assessment no examination' basis or as 'assessment but no examination basis'.

Importer: what if my consignment is either LCL or not facilitated by RMS i.e. my consignment has been marked for examination.

Custom officer: DPD facility is available to FCL consignment only. Therefore, DPD facility is not available for LCL consignment. Also, as the goods cannot be examined at port, therefore, DPD facility is not available to consignments which have been marked by RMS for examination. Therefore, FCL consignment and RMS facilitations are the prerequisite for availing DPD facility. You can continue with regular procedure with your LCL consignments.

Importer: Great! I can take delivery of my FCL consignments which have been facilitated by RMS directly from Port. Wow! It means I can save a lot of money and time as I'll get delivery directly from port and not from CFS. Please tell me how I can avail this facility.

Custom officer: JNCH has issued list of Top Importers, in terms of duty payment and volume of cargo, who have been accorded DPD facility. If your name figures in that list, please make a simple request letter and submit it to the Deputy Commissioner of Customs, Appraising Main (Import) and the permission letter for availing DPD facility is being issued on same day. As of now more than 550 Importers have registered for DPD facility.

Importer: what is the procedure and documents required for registration with Port terminals? I heard that a huge amount is to be kept as security with Port terminals.

Custom Officer: To avail DPD facility, the importer is required to register with Port terminals viz. GTI, NSICT, NSIGT and JNPT. The documents required for registering with Port terminals has been reduced substantially and now documents required to be submitted along with duly filled in registration form are:

2

a) A request letter mentioning the Sr. No. in the list of Public Notice No.161/2016 JNCH dated 28.11.2016 or Public Notice No.180/2016 JNCH dated 19.12.2016 or self- attested copy of permission letter issued by JNCH, Nhava Sheva for DPD facility.

b) Self-attested copies of PAN card.

c) Letter of authorization of Custom Broker for carrying out clearance of containers.

d) List of authorized signatories of the company on the letter head.

e) Name of preferred CFS in case, container of DPD Client is not RMS facilitated.

After registration, Port code will be generated by the Port Terminals and will be informed to the importer and this port code (unique DPD code) will be used in all communication with Shipping lines, Port Terminals and CFS's. Further, No security amount is to deposit with Port terminals now.

Importer: After registration and receipt of the port code, what procedure is required to be followed to avail DPD facility and what is the roles and responsibility of the Importer?

Custom Officer: All the shipping lines have been advised to issue advance E-delivery order and E-Invoices to the importer on request. Importer is required to file Advance/prior Bill of Entry and if the Bill of Entry has been facilitated by RMS (as explained earlier) and the consignment is FCL, the importer are required to inform the shipping line the same and the shipping line while filing IGM will show the unique DPD code against the referred consignment and port terminal will stack the containers in the DPD lot for faster delivery. The importer is required to pay duty within 24 hours and take delivery within 48 hours. Importer may arrange their own transporter or nominate their preferred CFS for delivery by rail through CONCOR or avail facility of nominated transporter arranged by JNPT.

Importer: That is fine but I do not have enough space in my factory to store the goods and I usually take de-stuffed delivery from CFS as I don't have the required machinery at my factory/warehouse, also I get free days from CFS to keep my goods in CFS. In DPD, I have to take delivery on the same day. How DPD is beneficial to me?

Custom Officer: Many of the CFS has demarked some of the space of the CFS as private warehouse and importer after taking delivery from port can utilize this space for temporary storage of the goods and also they can take de-stuffed delivery from there. Also, the charges of these demarked private warehouses are very nominal and cost effective compared to the charges levied by CFS.

Importer: My FCL consignment are being facilitated by RMS, but my goods required compliance or NOC from other Agencies like compliance of RE-44 i.e. labelling of goods, ADC NOC, PQ NOC, AQ NOC, FSSAI NOC etc. How can I avail DPD facility?

Custom Officer: Yes, this category is also covered. The importer is required to file into bond warehouse bill of entry and if the same is facilitated by RMS, Out of charge of the warehouse bill of entry will be given from RMS/DPD facilitation centre and after procedure of warehousing, samples will be drawn, NOC will be obtained and after that goods will be cleared against ex-bond bill of entry. The importer has the option to wait for the NOC of the concerned agency before filing of ex-bond bill of entry or can clear the goods on submission of 'no use' bond without waiting for the NOC, that

means till the NOC of the respective agency is obtained, importer will not dispose of/use the goods in any manner.

Importer: I have registered for the DPD facility but my bill of entry has been marked by RMS for assessment and examination can I take DPD for this consignment.

Custom Officer: No, as explained above DPD facility is only available to the FCL consignment facilitated by RMS. Therefore, if the consignment is LCL or the bill of entry is not facilitated by the RMS, DPD facility is not extended and normal procedure will be followed for such consignments.

Importer: Whether DPD facility is available to the sensitive goods like scrap or for the goods which generally goes for first check like second hand old and used goods, zinc dross, zinc scrap etc i.e. goods which are not facilitated by the RMS.

Custom Officer: No, as explained above DPD facility is only available to the FCL consignment facilitated by RMS. If the consignment is not facilitated by RMS, DPD facility cannot be extended.

Importer: By taking the Direct Port Delivery (DPD) I will be losing my free days available with the CFS for keeping the goods/material, and I don't have enough space in my factory premises for keeping the imported goods.

Custom Officer: CFSs are requested to do normal warehousing and they have earmarked some of their space for out of charged goods which will solve your space problem.

Importer: Sir, I am facing difficulty of not getting my original papers through bank.

Custom Officer: The goods can be warehoused and when the original Papers come that can be ex-bonded after getting the delivery order from the shipping lines.

Importer: I have a problem of cash flow and cannot pay the duty in one-go how do I take care of the DPDs?

Custom Officer: You can warehouse the goods in CFS. They are directed to store in Customs bonded warehouses and on your cash flow, you can clear the goods.

Importer: I have to get clearance from regulatory agencies like Plant Quarantine, Animal Quarantine, FSSAI etc.

Custom Officer: You can bond the goods, take the samples and send for testing Goods may be ex-bonded and taken to your place by giving no-use bond. You can use the goods on receipt of required report from PGAs.

Importer: I import refer containers which I want to get clear in one day after examination done by the respective Government Agency. In DPD how can I avail this facility?

Custom Officer: An advance Bill of Entry for warehousing can be filed and goods can be taken to Bonded warehouse after completing Bond procedure. In warehouse, samples can be drawn by PGAs or labelling can be done or any other legal compliance can be done in accordance with Allied Act. After that, container can be sealed and goods can be cleared against ex-bond Bill of entry on submission of "No-Use Bond" or goods can be cleared after receipt of NOC from PGAs.

Importer: The warehousing the procedure of getting bond is very cumbersome? How is it being taken care of?

Custom Officer: AC Docks is empowered to take the bond and to debit the bond hence the procedure has been made very simple.

Importer: My Company has many divisions on and one IEC. Each division is having separate PAN and separate profit Centre. How do I avail DPD?

Custom Officer: We are only concerned with the IEC and once the IEC is registered it's the good for all the divisions of the company. Each of your division can have separate CHAs and can tie up with separate CFSs for logistic operations.

Importer: But how is it possible, separate CHA and CFSs?

Custom Officer: 72 hours prior to arrival of the vessel, you have to inform the shipping lines and your respective CFS about the containers coming which belong to a difference division of your company. Accordingly, the shipping line will generate the import advance list and the storage will be done as per that. The CFS will either take the out of charge containers directly from the port to destination as required by you or to their yard if it is to be warehoused or to be kept in de bonded area of the CFS as per your requirement.

Importer: I am getting FCL containers loaded with goods destined for different destinations and the track. How do I dyestuff these goods and take it separately? I am following the CFS model, Can I follow the same model?

Custom Officer: Yes, you can utilise the services of your desired CFS as logistics partner. They can pick up delivery of your containers from Port after under DPD and keep the same in their yard as per your requirement.

Importer: I do not have my transporter in place. How can I take the delivery of the goods?

Custom Officer- You can utilise the services of your desired CFS as logistics. In your prior intimation to Shipping Line and terminals, you can mention the code of your desired CFS as well as your DPD code. Based on the same, the stacking of containers will be done by the terminals as per CFS. The CFS will evacuate the containers on best pick basis and it will be your responsibility to obtain OOC of the RMS facilitated BE before the containers are removed from Terminals.

Importer: Do my CFS need to clear my containers within 48 hours?

Custom Officer- No. There is no such condition on CFS to clear containers within 48 hours. Also, the terminal will neither shift these containers to Speedy(designated CFS) after 48 hours nor will demand shifting charges once CFS code is provided with DPD code and CFS is evacuating the containers.

Importer: What if I do not provide CFS code to the shipping line and terminal?

Custom Officer: In such case, your container will be stacked based on your DPD code and you have to clear it within 48 hours from terminal failing which it will be shifted to Speedy yard.

Importer: I have my CFS code as well as my DPD code. But I could not give the same to Shipping line in advance.

Custom Officer: Your containers will be automatically stacked as per DPD code available with the terminals. Also, shifting charges may be applicable in DPD stacking.

Importer: How this time of 48 hours will be calculated?

Custom Officer: It will be calculated from the time of landing of containers in the yard or entry inwards granted by Customs whichever is later. However, if the vehicle/Trailer has been allotted PIN by the terminal, the condition of 48 hours will not be applicable even if at the time of picking up of the containers it has exceeded.

Importer: Can I take services of Customs Broker for completion of my procedure?

Custom Officer: Yes. You are at liberty to take services of CB for completion of procedure on your behalf.