

F. No. 450/10/2016-CusIV  
Government of India  
Ministry of Finance  
Department of Revenue  
(Central Board of Indirect Taxes & Customs)

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Room No. 227B, North Block  
Dated the 5<sup>th</sup> September, 2019

To,

All Principal Chief Commissioners / Chief Commissioners of Customs/ Customs  
(Preventive)

All Principal Chief Commissioners/ Chief Commissioners of Customs & Central Tax

All Principal Commissioners/ Commissioners of Customs/ Customs (Prev.)

All Principal Commissioners/ Commissioners of Customs and Central Tax

Madam / Sir,

**Subject: Eligibility Criteria for availing of DPD Scheme by Importers-reg**

CBIC has taken various steps which have had the impact of reducing the dwell time as well as bringing down the logistics cost of EXIM clearances. One of the flagship initiatives in this regard has been the Direct Port Delivery (DPD) of containers to the importers thus obviating the need of routing the clearance through the Container Freight Stations (CFSs). The initiative was first launched at JNPT and thereafter extended to other ports. This one single reform alone has played a critical role in improving our ranking in the Doing Business Report 2019. Not surprising, therefore, has been the wide appreciation for this step amongst the importers and its acknowledgement by World Bank.

2. Although this initiative is in operation at all the ports , however, Board has felt the need for providing general guidelines / eligibility criteria so that reach of DPD could be made maximized. Importers who have so far not availed the benefit of DPD for reasons including lack of awareness, may now join this program with certainty.

3. Ideally, any fully facilitated Bill of Entry (BoE) filed at the gateway port ought to get the DPD benefit. However, feedback from the field has suggested that factors like *non-receipt of original documents from abroad and consequent delay in issuance of Delivery Order, financial and credit woes, delay in settlement of dues of shipping lines, opening PD Account with the terminals* are some of the reasons inhibiting a larger section of importers to opt for

DPD. CBIC by promoting DPD has raised the bar of efficiency. It is, therefore, but natural that other players in the EXIM logistics chain get their act together so that this successful reform measure could be made even more widespread.

4. Taking all the factors into consideration, following guidelines are being prescribed for implementation of DPD across all the formations

(i) **Inclusions:** The following categories of importers may opt for facility of DPD:

- (a) importers who have already been accorded either AEO Tier I, II or III status;
- (b) importers with a clear track record of compliance and an import volume of 25 Full Container Load (FCL) TEUs through a particular port or otherwise in the preceding financial year;

Importers falling under the said categories shall furnish information prescribed in application format i.e. Annexure-A (copy enclosed). While the criterion at (b) is desirable, Chief Commissioner may, however, in deserving cases of importers, relax the TEU benchmark. Such importers could be the ones whose imports have enjoyed a *consistent pattern of customs risk facilitation / who provide an assurance that they would be in a position to pick up containers directly from the terminal*. This dispensation may be particularly considered for the MSME sector.

(ii) **Exclusions:** The following categories of importers however would be excluded from facility of DPD: -

- (a) importers against whom a case of mis-declaration of description of goods or of concealment / diversion of imported goods / evasion of duty has been made in the preceding five years;
- (b) importers facing prosecution proceedings in a matter under the Customs Act, 1962;
- (c) those importing goods that are subjected to 100% examination in terms of extant policy;
- (d) importers importing mostly LCL consignments.

(iii) **Conditions:** The facility of DPD shall only be extended only to such consignments

- (a) which have either been fully facilitated or not subjected to examination; and
- (b) importers open a PD account with the terminals and arrange for their own transport to take delivery of containers from the terminal; and
- (c) any other procedural formality prescribed by the zone for better administration of

## DPD scheme

5. In view of the above guidelines for availing DPD, Customs field formations at sea ports where containerized cargo is received are advised to issue/re-issue Public Notices for the benefit of importers so that they could avail DPD. In order to monitor the DPD percentages, all customs formation incharge of gateway ports shall publish the monthly percentage data related to DPD on their websites. Each zone shall also send a consolidated month/ port wise report of DPD percentage every quarter to the Board at [jscus@nic.in](mailto:jscus@nic.in) and [dircus@nic.in](mailto:dircus@nic.in).
6. Difficulties, if any, may be brought to the knowledge of Board.

**Yours sincerely,**



**(Zubair Riaz)  
Director (Customs)**

## ANNEXURE-A

(ON THE LETTER HEAD OF THE IMPORTER)

### APPLICATION FOR DPD (DIRECT PORT DELIVERY)

1. Name and Address of the Importer: .....
2. Whether the Importer is a Manufacture or a Trader: .....
3. IEC: ..... (Copy Enclosed)
4. GST No: .....
5. Container Details / Details of imports made at \_\_\_\_\_ (port name)/port code: -

<b>YEAR</b>	<b>No. RMS Containers / TEUs</b>	<b>Value of Imports</b>	<b>Duty Paid</b>	<b>Major Commodities imported</b>
<b>2016-17</b>				
<b>2017-18</b>				
<b>2018-19</b>				

6. Details of Tests / NOCs required (if any):  
for clearance of any commodity (details commodity wise)
7. Details of Commodities where: .....  
Assessment is provisional .....  
(details commodity wise) .....
8. Whether commodities are facilitated through RMS .....
9. Authorised Person –  
Name -.....  
Contact No. -.....  
Self/CHA No .....
10. Director/CEO  
Name.....  
Contact No.....  
Email id.....
11. Factory  
Address.....
12. Jurisdictional GST Address.....
13. I hereby undertake to-
  - (i) Arrange container trailers for clearance of DPD containers from the port.
  - (ii) Clear all the containers within 24 hrs of landing in the port under DPD.
  - (iii) File advance bill of entry and pay Customs duty for containers to be cleared in DPD prior to arrival of the vessel.
  - (iv) Provide details of the containers to be cleared in DPD, to the Customs and port authorities, prior to the arrival of the vessel.
  - (v) Produce all the containers selected by customs for scanning and for any investigation, as informed at any time.
  - (vi) Inform any change in the status of AEO/ IEC to the concerned Commissioner of Customs in writing and the port authorities immediately.

**14. Self-Declaration-**

- (a) I hereby, solemnly declare that the information furnished above is true and correct to the best of my knowledge. I understand that in the event of any information found to be incorrect, my application is liable to be reject and I am liable to penal action.
- (b) We do not have any case of mis-declaration or duty evasion booked against us by Customs, Goods and Service Tax Authorities in last five years.

**Date:-**

**Signatory:**

**Signature of Authorized**

**Name:**

**Designation:**

**Stamp:**

**Encl: IEC Co, C Ex. Registration copy, Pan card Copy, GST copy & Year wise (Last three FYs) list of Bs/E vide which RMS containers are cleared.**