

Standard Operating Procedure (SOP)

Goods Customs & Clearance: AHC - TBLE

Company: Al Hashar & Company LLC

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1. Purpose

The purpose of this Standard Operating Procedure (SOP) **is to outline the step-by-step process for Customs and Clearance of imported goods, ensuring full compliance with customs laws and tax regulations.** The SOP defines responsibilities, timelines, and documentation flow between departments to enable timely clearance, cost control, and process transparency. **The primary goal is to eliminate demurrage costs and enhance the customer experience** by ensuring that goods are delivered **consistently, efficiently, and on time**, while upholding the **integrity and reputation of the Al Hashar name.**

2. Scope

This SOP applies to all AHC imported goods including vehicles, tyres, and spare parts (paid for by way of Bank Letter of Credit 'LC' payment instrument). It covers all stages from supplier order receipt through to the final release of goods from port and handover to the business unit.

3. Definitions

- LC – Letter of Credit
- DAN – Documentation Arrival Notice
- ETA – Estimated Time of Arrival
- AHC – Al Hashar & Company LLC
- PPR – Primary Person Responsible

- KPI – Key Performance Indicator
- APR – Alternate Person Responsible
- C&C – Customs & Clearance Department

4. Roles & Responsibilities

- **Business Unit** – Responsible for initiating shipment details, updating supplier information, and coordinating with Finance for funds required and submission of 'damaged goods' report/s for insurance claim purposes.
- **Finance** – Handles LC and bank documentation, ensures proper processing of DANs, and coordinates with banks for fund releases and document collection.
- **Customs & Clearance (C&C)** – Manages the clearance process at port, ensures customs duties, VAT, and insurance are settled, and coordinates with Finance for release authorizations.

5. Step-by-Step Process (Table Version). *Refer to Appendix A for the Text Version.*

The table below (Table#1) outlines the detailed process for customs and clearance, identifying each step, its timing relative to the ETA, responsible department, and responsible individuals. The color coding of each row in the table corresponds to the color coding used in the Customs & Clearance Excel Tracker Tool ("CCTT").

Additional Guidance for navigating the Excel Tracker;

- **The Target Completion Date ('TCD') for each data column cannot be changed** and has been fixed according to the respective department's input and agreement. The date is set according to no. of days BEFORE (-) or AFTER (+) the ETA date (only the Business Unit can update the ETA date field in the Tracker).
- **Today's Date (cell C1)** – not to be tampered with, automated and a key variable for calculating the TCD.
- **Target Dates ('KPI')** – is applicable to every step for each individual shipment. No user (other than 'owner/custodian' of the tracker) should attempt to change these data cells/rows. They are automated.

6. Other – User Access Permissions for TBLE CCTT Tracker

1. Macro-Level Permissions

- Define whether a user has “**Read Only**” or “**Edit**” rights within the Excel Tracker.
- These permissions are managed by the **ITC Department**, as the tracker is hosted on the **SharePoint cloud environment**.
- ITC serves as the **SharePoint Administrator** and is responsible for granting and revoking macro-level access.

2. Micro-Level Permissions

- Govern the specific **cell ranges** or **data zones** within the tracker that each user is authorised to edit.
- These permissions are controlled via **local password protection** within Excel.
- The passwords and edit permissions are managed by the **Excel Tracker Administrator (“ExTrA”)**, who serves as the **custodian of the Tracker**.
- The **Finance Department** will likely assume this ExTrA role, ensuring proper ownership, oversight, and data integrity.

TABLE #1

Step #	ETA Offset (Days)	Responsible Dept	PPR	APR	Task / Data Field	Explanation	Target Completion Date (“TCD”).
1.1	-19	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	Principal	Update name of principal-supplier	ETA minus 19 days
1.2	-19	Business Unit	Varies depending	Varies depending	Brand	Update name of brand/s	ETA minus 19 days

			on Business Unit	on Business Unit			
1.3	-19	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	Inv No	Supplier invoice number	ETA minus 19 days
1.4	-19	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	Inv Amount (OMR equivalent)	Invoice amount - OMR	ETA minus 19 days
1.5	-19	Automatic calculation	automatic calculation based on the input for step 1.4	automatic calculation based on the input for step 1.4	Funds required for Customs Duty, VAT & Insurance	An OMR value based on 11 % of invoice value, to cover customs etc	ETA minus 19 days
1.6	-19	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	Invoice - date received	Date the supplier invoice was received	ETA minus 19 days

2.1	-17	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	B/L NO	Bill of Lading number	ETA minus 17 days
2.2	-17	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	Port of Departure - ship 'sail' date	Date the ship set sail from port of discharge	ETA minus 17 days
2.3	-17	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	No. of containers	Number of containers in the shipment	ETA minus 17 days
2.4	-17	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	Qty (in total per shipment)	quantity per shipment e.g. 1,500 cars or tyres	ETA minus 17 days
2.5	-17	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	date when copy of supplier invoice forwarded to Hilal by Rajendran	Date when a copy of the supplier invoice was emailed by Rajendran to Hilal for Bayan system -product specification update. An important task so as to ensure ALL product descriptions are captured in the Bayan system, BEFORE	ETA minus 17 days

						Bayan customs (import goods received) application submission date.	
2.6	-17	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	date supplier invoice was received		ETA minus 17 days
3.1	-16	Finance	Bala	Shijith	LC Bank Issuer	Name of Bank issuing LC	ETA minus 16 days
3.2	-16	Finance	Bala	Shijith	LC No	LC number. <i>note - multiple shipments can link to a single LC.</i>	ETA minus 17 days
3.3	-16	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	Bank shipping docs collection – the date TBLE informs finance dept	The date when the business unit (TBLE) informs the Finance department that the documents are ready for collection	ETA minus 16 days
3.4	-16	C&C	Salim	nan	date c&c informed the finance dept of funds requirements (customs, DO amount) - if funds	c&c to inform (oral and in writing) finance dept of funding requirement to settle customs, vat and DO amounts	ETA minus 16 days

					required to be topped up		
3.5	-16	Finance	Bala	Shijith	bank intimation date (re. receipt of shipment docs from principal-supplier)	Date the bank received the shipping documents (typically via airfreight courier) from supplier (Invoice,BL,Packing list etc)	ETA minus 16 days
4.0	-15	Finance	Bala	Shijith	Send the Bank 'Documentation Arrival Notice' ('DAN') to Authorised Signatories ('AS') i.e. Chairman/GMD/CFO (2 from 3 required)	The DAN must be signed by Al Hashar authorised signatories in order for the banks to release the shipping docs to us	ETA minus 15 days
5.0	-14	Finance	Bala	Shijith	Date Finance received signed DAN back from authorised signatories	Finance to chase up signed DAN and get back from AS within a day	ETA minus 14 days
6.0	-13	Finance	Bala	Shijith	collection of docs from bank	Kamran (or alternate) to collect docs from banks - including checking accuracy of docs before Al Hashar accepts them	ETA minus 13 days

6.1	-13	Finance	Bala	Shijith	handover of shipment docs from finance to c&c	finance dept to take copies of docs for their records then hand over originals to c&c	ETA minus 13 days
6.2	-13	C&C	Salim	nan	shipment docs received by c&c from finance dept	c&c to take over ownership of shipping docs from finance dept	ETA minus 13 days
7.0	-12	Business Unit	Varies depending on Business Unit	Varies depending on Business Unit	Hilal (TBLE C&C) confirms TBLE (Business Unit) that Ministry approval received date	Date when Hilal confirms to the TBLE team that Ministry approval to clear the goods has been approved	ETA minus 12 days
8.0	-1	C&C	Salim	TBC	Availability of funds - latest date (customs, DO amount)	The absolute latest date when cleared funds should be available to pay Customs and DO amounts	ETA minus 1 day
9.0	ETA (actual arrival date)	C&C	Salim	TBC	bayan submission date	required by the ministry of commerce and industry - dgsm dept	ETA
10.0	3	C&C	Salim	TBC	bayan - customs duty payment date	customs duty (and VAT?) to be paid PRIOR to Customs releasing approved 'Clearance Certificate'	ETA + 3 days
11.0	4	C&C	Salim	TBC	bayan approval - date received (includes	Required by the Ministry of Commerce and Industry - DGSM dept	ETA + 4 days

					completion of customs payment)		
12.0	5	C&C	Salim	TBC	c&c to verify all related shipping documents then handover original Bill of Lading to the shipping line (for release of DO)	process is; 1. original BL given by c&c to the shipping line 2. payment to shipping line (Deliver Order charge e.g. container rental costs, shipping line handling services etc) 3. c&c email scanned copy of payment confirmation to shipping line 4. shipping line release Delivery Order to c&c	ETA + 5 days
13.0	6	Finance	Bala	TBC	funds transfer date - shipping line (to release DO) payment	DO or Delivery Order will only be released after paying the shipping line costs	ETA + 6 days
14.0	7	C&C	Salim	TBC	goods collection date	from the Port of Arrival	ETA + 7 days
15.0	7 to 10	C&C	Salim	TBC	Customs Police ('CP') - Random Check - (Y or N)	A Yes or No is required for this field	ETA + 7 to 10 days
nan	7 to 10	C&C	Salim	TBC	Customs Police - Random Check - Inspection Release Date	Date on which CP release goods back to us	ETA + 7 to 10 days

16.0	8	Business Unit - Stores	Varies depending on Business Unit	Varies depending on Business Unit	goods received date (Al Hashar w/house)	date on which goods received into the designated Al Hashar warehouse	ETA + 8 days
17.0	9	Business Unit - Stores	Varies depending on Business Unit	Varies depending on Business Unit	Informed (email and telcon) c&c goods received in good order	Business Unit (warehouse manager?) to email c&c confirmation 'goods received in good order'	ETA + 9 days
18.0	11	Business Unit - Stores	Varies depending on Business Unit	Varies depending on Business Unit	business unit to inform Finance Dept (Sumesh) of any defective for insurance claim	to ensure timeous submission of insurance claim, inside the claim 'window period'	ETA + 11 days

Appendix A: Customs & Clearance Process Flow (Text Version)

The following flow outlines the key sequential steps in the Customs & Clearance process, from supplier documentation to final release. Each step includes the responsible department and timing relative to ETA.

- Step 1.1: Principal
 - ETA Offset: -19 days
 - Responsible Dept: Business Unit
 - Description: Update name of principal-supplier
- Step 1.2: Brand
 - ETA Offset: -19 days
 - Responsible Dept: Business Unit
 - Description: Update name of brand/s
- Step 1.3: Inv No
 - ETA Offset: -19 days
 - Responsible Dept: Business Unit
 - Description: Supplier invoice number
- Step 1.4: Inv Amount (OMR equivalent)
 - ETA Offset: -19 days
 - Responsible Dept: Business Unit
 - Description: Supplier invoice number
- Step 1.5: Funds required for Customs Duty, VAT & Insurance
 - ETA Offset: -19 days
 - Responsible Dept: Automatic calculation
 - Description: An OMR value based on 11 % of invoice value, to cover customs etc

- Step 1.6: Invoice - date received
 - ETA Offset: -19 days
 - Responsible Dept: Business Unit
 - Description: Date the supplier invoice was received
- Step 2.1: B/L NO
 - ETA Offset: -17 days
 - Responsible Dept: Business Unit
 - Description: Bill of Lading number
- Step 2.2: Port of Departure - ship 'sail' date
 - ETA Offset: -17 days
 - Responsible Dept: Business Unit
 - Description: Date the ship sets sail from port of discharge
- Step 2.3: No. of containers
 - ETA Offset: -17 days
 - Responsible Dept: Business Unit
 - Description: Number of containers in the shipment
- Step 2.4: Qty (in total per shipment)
 - ETA Offset: -17 days
 - Responsible Dept: Business Unit
 - Description: quantity per shipment e.g. 1,500 cars or tyres
- Step 2.5: Inv date received and fwd to Hilal
 - ETA Offset: -17 days
 - Responsible Dept: Business Unit
 - Description: Date when a copy of the supplier invoice was emailed by Rajendran to Hilal for Bayan system -product specification

update. An important task so as to ensure ALL product descriptions are captured in Bayan system, BEFORE Bayan customs (import goods received) application submission date.

- Step 2.6: Inv date received
 - ETA Offset: -17 days
 - Responsible Dept: Business Unit
 - Description: Date when a copy of the supplier invoice was emailed by Rajendran to Hilal for Bayan system -product specification update. An important task so as to ensure ALL product descriptions are captured in Bayan system, BEFORE Bayan customs (import goods received) application submission date.
- Step 3.1: LC Bank Issuer
 - ETA Offset: -16 days
 - Responsible Dept: Finance
 - Description: Name of Bank issuing LC
- Step 3.2: LC No
 - ETA Offset: -16 days
 - Responsible Dept: Finance
 - Description: LC number - a shipment may contain goods across multiple lc's
- Step 3.3: bank shipping docs collection -date TBLE informs finance dept
 - ETA Offset: -16 days
 - Responsible Dept: Business Unit
 - Description: The date when the business unit informed
- Step 3.4: date c&c informed the finance dept of funds requirements (customs, DO amount) if funds required to be topped up
 - ETA Offset: -16 days
 - Responsible Dept: C&C

Description: c&c to inform (oral and in writing) finance dept of funding requirement to settle customs, vat and DO amounts

- Step 3.5: bank intimation date (re receipt of shipment docs from principal-supplier)
ETA Offset: -16 days
Responsible Dept: Finance
Description: Date the bank received the shipping documents (typically via airfreight courier) from supplier (Invoice,BL,Packing list etc)
- Step 4.0: Send the Bank 'Documentation Arrival Notice' ('DAN') to Authorised Signatories ('AS') i.e. Chairman/GMD/CFO (2 from 3 required)
ETA Offset: -15 days
Responsible Dept: Finance
Description: The DAN must be signed by Al Hashar authorised signatories in order for the banks to release the shipping docs to us
- Step 5.0: Receive signed DAN back from authorised signatories
ETA Offset: -14 days
Responsible Dept: Finance
Description: Finance to chase up signed DAN and get back from AS within a day
- Step 6.0: collection of docs from bank (incl checking accuray of docs before Al Hashar accepts them)
ETA Offset: -13 days
Responsible Dept: Finance
Description: Kamran (or alternate) to collect docs from banks
- Step 6.1: handover of shipment docs from finance to c&c
ETA Offset: -13 days
Responsible Dept: Finance
Description: finance dept to take copies of docs for their records then hand over originals to c&c

- Step 6.2: shipment docs received by c&c from finance dept
 - ETA Offset: -13 days
 - Responsible Dept: C&C
 - Description: c&c to take over ownership of shipping docs from finance dept
- Step 7.0: Hilal confirms TBLE that Ministry approval received date
 - ETA Offset: -12 days
 - Responsible Dept: Business Unit
 - Description: Date when Hilal confirms to the TBLE team that Ministry approval to clear the goods has been approved
- Step 8.0: Availability of funds - latest date (customs, DO amount)
 - ETA Offset: -1 days
 - Responsible Dept: C&C
 - Description: The absolute latest date when cleared funds are available to pay Customs and DO amounts
- Step 9.0: bayan submission date
 - ETA Offset: ETA date (actual arrival date) days
 - Responsible Dept: C&C
 - Description: required by the ministry of commerce and industry - dgsm dept
- Step 10.0: bayan - customs duty payment date
 - ETA Offset: 3 days
 - Responsible Dept: C&C
 - Description: customs duty (and VAT?) to be paid PRIOR to Customs releasing approved 'Clearance Certificate'
- Step 11.0: bayan approval (includes completion of customs payment) date received
 - ETA Offset: 4 days
 - Responsible Dept: C&C

Description: Required by the Ministry of Commerce and Industry - DGSM dept

- Step 12.0: c&c to verify all related shipping documents then handover original Bill of Lading to the shipping line (for release of DO)
ETA Offset: 5 days
Responsible Dept: C&C
Description: process is;
 1. original BL given by c&c to the shipping line
 2. payment to shipping line (Deliver Order charge e.g. container rental costs, shipping line handling services etc)
 3. c&c email scanned copy of payment confirmation to shipping line
 4. shipping line release Delivery Order to c&c
- Step 13.0: funds transfer date - shipping line (to release DO)
ETA Offset: 6 days
Responsible Dept: Finance
Description: DO or Delivery Order will only be released after paying the shipping line costs
- Step 14.0: goods collection date
ETA Offset: 7 days
Responsible Dept: C&C
Description: from the Port of Arrival
- Step 15.0: Customs Police ('CP') - Random Check - (Y or N)
ETA Offset: 7 to 10 days
Responsible Dept: C&C
Description: A Yes or No is required for this field
- Step nan: Customs Police - Random Check - Inspection Release Date
ETA Offset: 7 to 10 days
Responsible Dept: C&C

Description: Date on which CP release goods back to us

- Step 16.0: goods received date (Al Hashar w/house)

ETA Offset: 8 days

Responsible Dept: Business Unit - Stores

Description: date on which goods received into the designated Al Hashar warehouse

- Step 17.0: Informed (email and telcon) c&c goods received in good order

ETA Offset: 9 days

Responsible Dept: Business Unit - Stores

Description: Business Unit (warehouse manager?) to email c&c confirmation 'goods received in good order'

- Step 18.0: business unit to inform Finance Dept (Sumesh) of any defective for insurance claim

ETA Offset: 11 days

Responsible Dept: Business Unit - Stores

Description: to ensure timeous submission of insurance claim, inside the claim 'window period'