

# Certificate Training Program on Agri Export Import Management

## Agri-Trade Logistics and Customs Regulation

### 01 - BASICS OF INDIAN CUSTOMS & EXIM

# **Basics of Indian Customs & EXIM**

- World Trade Organization (WTO)
- World Customs Organization (WCO)
- Directorate General of Foreign Trade (DGFT)
- Central Board of Indirect Taxes & Customs (CBIC)
- Customs Hierarchy
- Participating Government Agencies (PGAs)
- Supply Chain – Logistics & Customs
- Post / Courier / Cargo / Hand Carry
- Airports / Ports of India / Land Custom Stations
- Manuals
- Online Portals
- Working Flowchart

# WTO & WCO

The World Trade Organization (WTO) and the World Customs Organization are significant players in international trade matters. WTO and WCO facilitate the global supply chain.

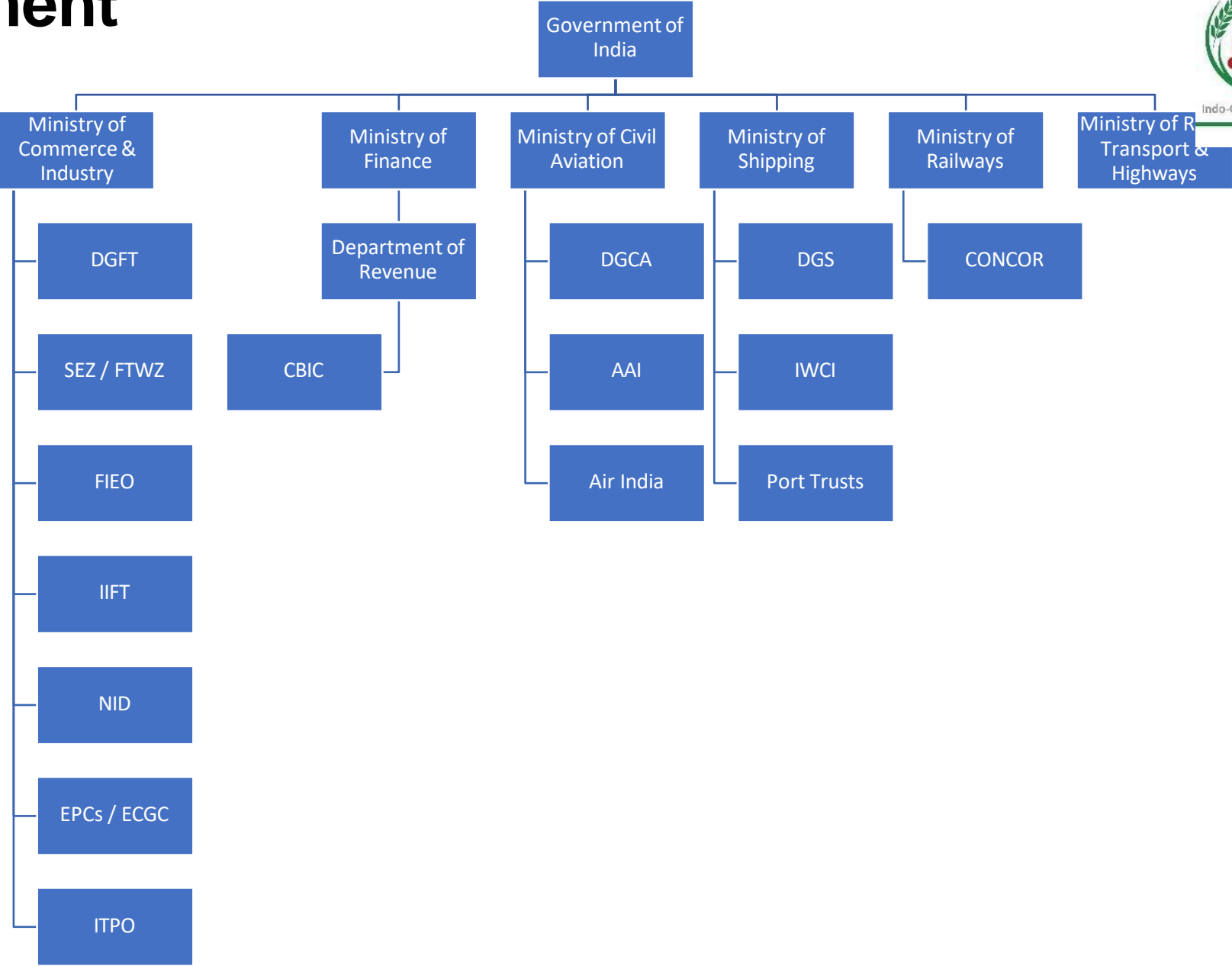
## WTO

- Geneva – 1995 / 164 Countries
- The WTO primary function is that of a negotiator.
- The organization focuses on the removal of barriers to international commerce through multi-lateral trade agreements.
- It provides a dispute settlement process within member countries.

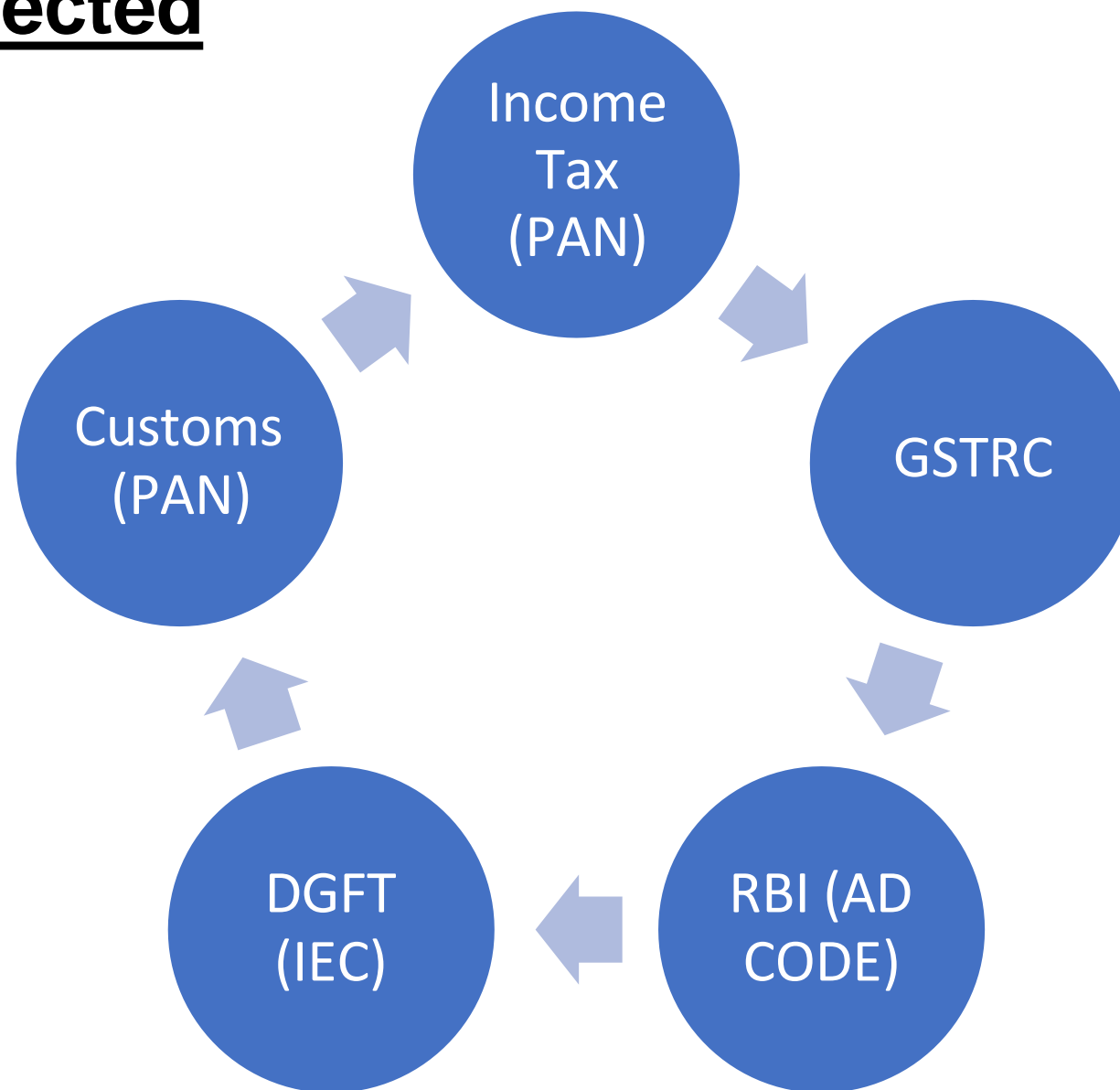
## WCO

- Brussels – 1953 / 183 Countries
- The WCO role is to govern various frameworks and conventions that facilitate secure and free flowing international trade.
- The WCO is made up of representatives of the customs administrations of member countries.

# Government



# Inter-Connected



# DGFT

- Ministry of Commerce & Industry
- Delhi – 1991 / 24 regional Offices
- Foreign Trade Policy – 08 chapters – Current FTP – 2023.
- essentially involved in the regulation and promotion of foreign trade through regulation. Formulation & Implementation of Exim Policy, guidelines and principles for Indian importers & exporters.
- DGFT has been assigned the role of "facilitator".
- Development of trade relations with various other national through agreements, and thus helps in economic growth.
- Keeping in line with liberalization and globalization - overall objective is of increasing exports.
- The shift was from prohibition and control of imports/exports to promotion and facilitation of exports/imports, keeping in view the interests of the country.

# CBIC (Customs)

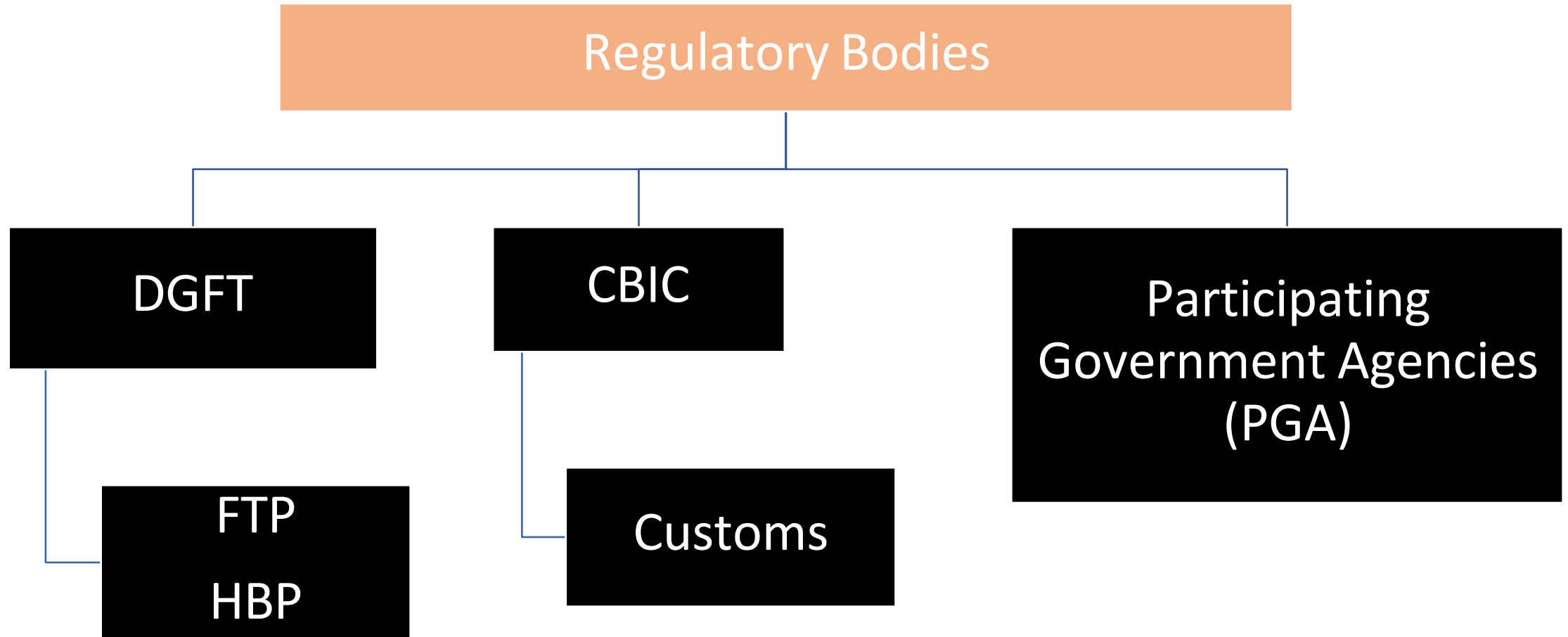
- Ministry of Finance
- Delhi – 1944 / 1 President – 06 members (01 member is for Customs)
- Controlling the movement of goods, conveyances and persons at border crossings – a basic affirmation of national sovereignty.
- Responsibility of customs:
  1. Revenue Collection
  2. Implementation Trade Agreements
  3. Community Protection
  4. Trade Policy
  5. Auditing
  6. Enforcement
  7. Trade Statistics
  8. National Security and Border Protection

# Customs Hierarchy

1. Ministry of Finance
2. Department of Revenue
3. CBIC – Chairman – Member of Customs
4. Principal Chief Commissioner – Zone (11)
5. Chief Commissioner / Director of Customs – Commissionerate (92)
6. Principal Commissioner - Vertical
7. Additional Commissioner
8. Joint Commissioner
9. **Deputy Commissioner**
10. **Assistant Commissioner**
11. Superintendent / Appraiser
12. Inspector
13. Clerk / Public Officer / Assistant Officer



# International Business



# **Participating Government Agencies (PGAs)**

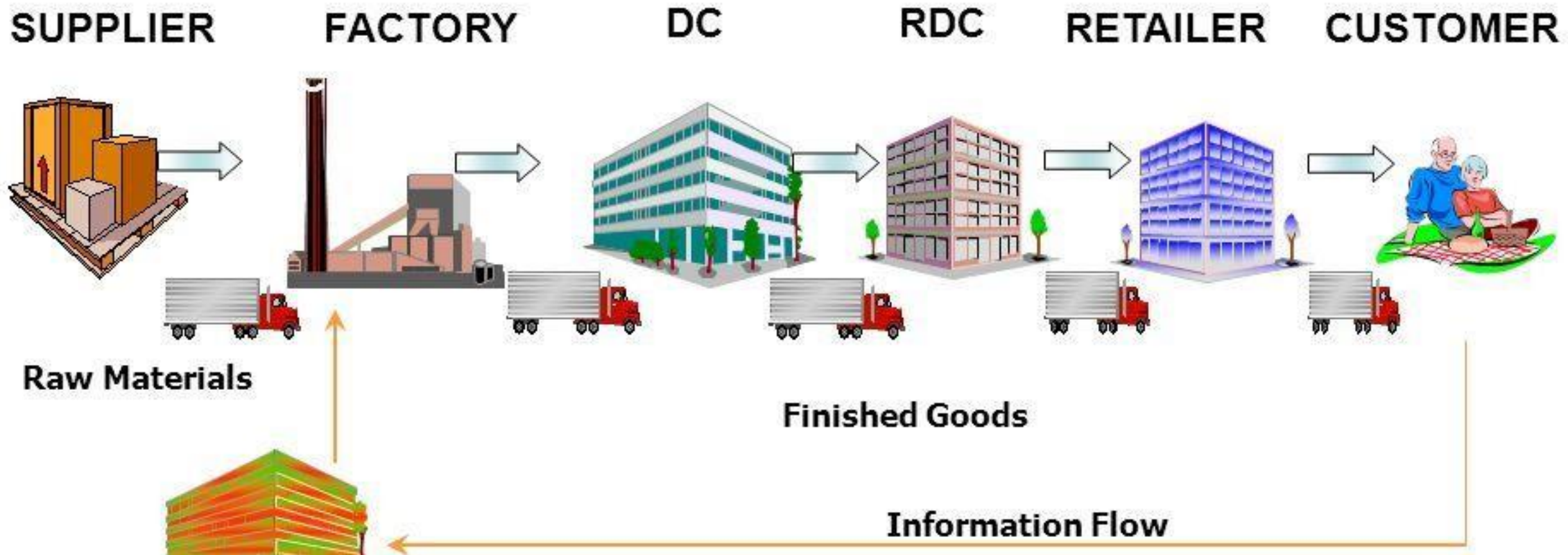
## **SWIFT – Single Window Interface for Trade**

1. Plant Quarantine
2. Animal Quarantine
3. Wild Life Crime Control
4. FSSAI
5. ADC
6. Textile

## **Other PGAs**

1. BIS
2. WPC
3. APEDA
4. Legal Metrology Department
5. Central Pollution Control Board
6. Ministry of Environment
7. Ministry of Steel
8. EIA

# Supply Chain Structure



## **Logistics**

Logistics is the management for the flow of goods from the point of origin to the point of consumption. (part of supply chain)

## **Custom Clearance**

The act of passing goods through customs so that they can enter or leave the country. (part of supply chain)

# Major Factors

- Commodity – Prohibited / Restricted / Free / Channelized
- Documentary / Legal Requirements
- Mode – Air / Sea / Land
- Transit – Air / Sea / Land / Courier / Post / Hand Carry
- Remittance.

# Post / Courier





## Sea / Air

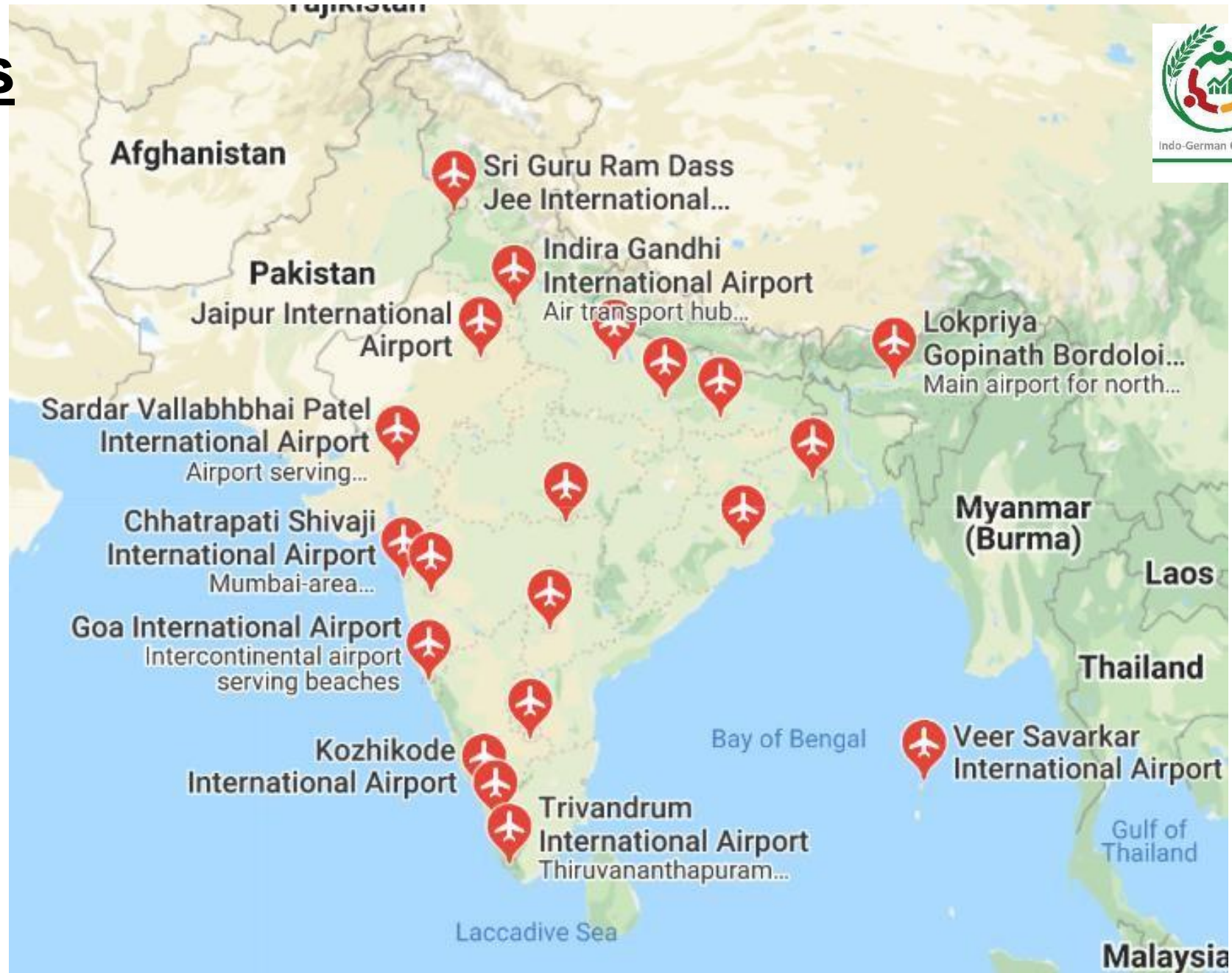


# Hand Carry

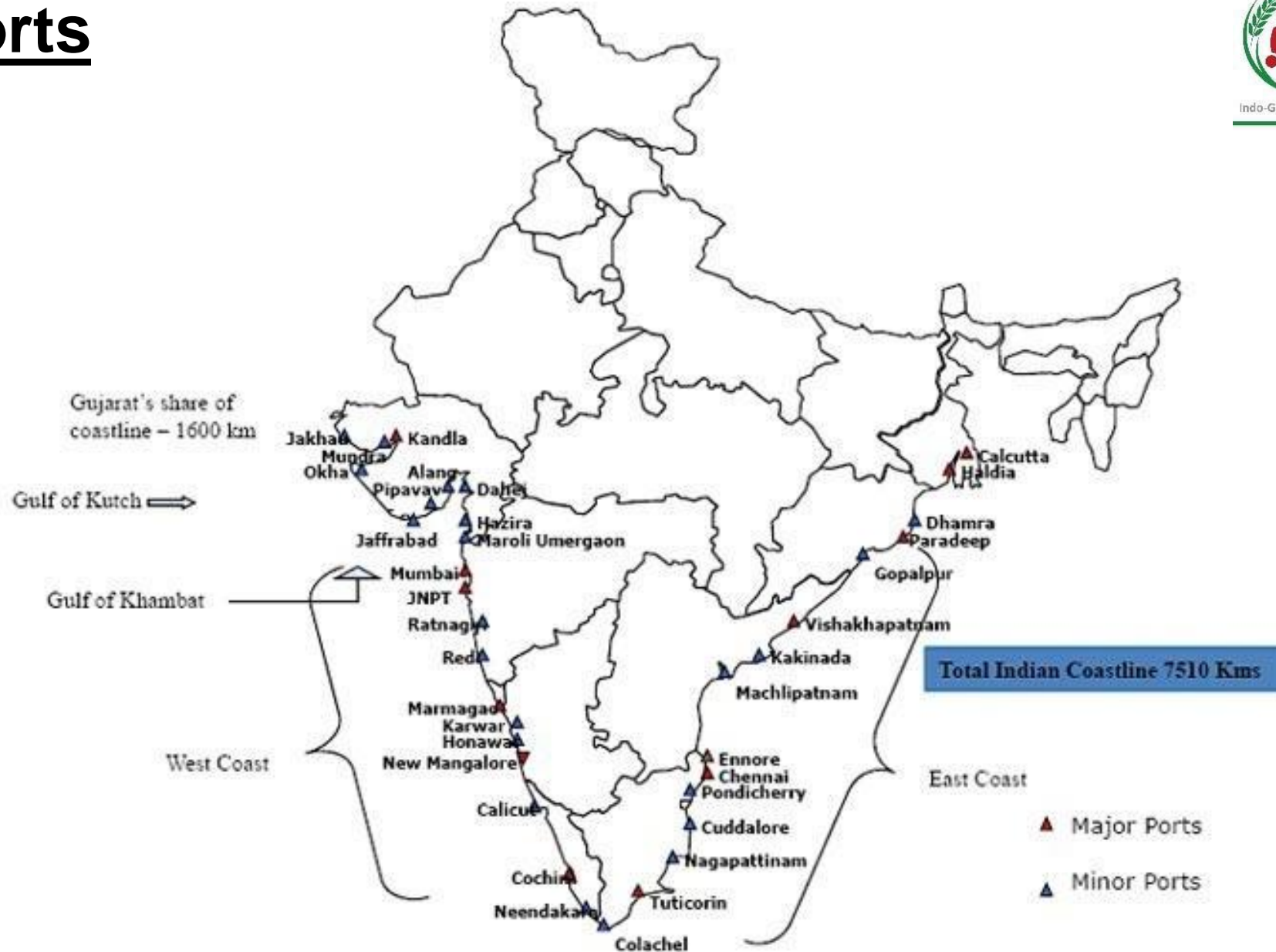




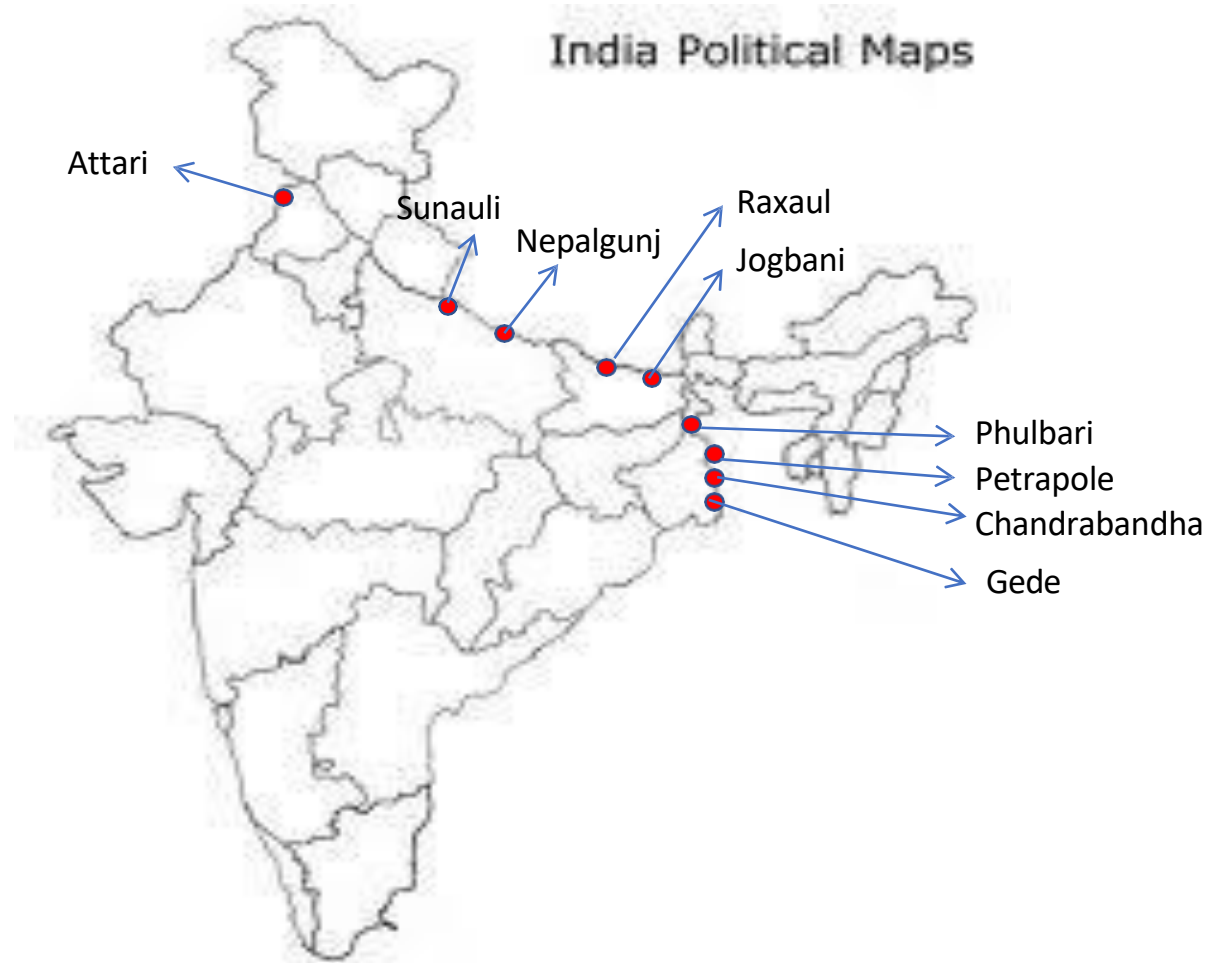
# Airports



# Seaports



# Land Custom Station



# Manuals Used

- Foreign Trade Policy 2023 – DGFT - <https://www.dgft.gov.in/CP/?opt=ft-policy>
- Handbook of Procedure – I & II – DGFT - <https://www.dgft.gov.in/CP/?opt=ft-policy>
- Custom Manual – CBIC - [https://www.cbic.gov.in/htdocs-cbec/deptt\\_offcr/cs-manual](https://www.cbic.gov.in/htdocs-cbec/deptt_offcr/cs-manual)
- Custom Tariff – CBIC - <blob:https://www.cbic.gov.in/31f88317-6c71-4de8-9d11-309eeb482e48>
- Duty Drawback – CBIC - <https://www.cbic.gov.in/htdocs-cbec/customs/dbk-schedule/dbk-idx>
- Notifications / Circulars / Public Notices – CBIC - <https://www.cbic.gov.in/Customs-Notifications>
- Custom Act, 1962 - <https://www.cbic.gov.in/htdocs-cbec/customs/cs-acts-botm>
- Custom Tariff Act, 1975 - <https://www.cbic.gov.in/htdocs-cbec/customs/cs-acts-botm>

# Online Portals

- CBIC – [www.cbic.gov.in](http://www.cbic.gov.in)
- DGFT – [www.dgft.gov.in](http://www.dgft.gov.in)
- CUSTOMS – [www.icegate.gov.in](http://www.icegate.gov.in)
- SEZ – [www.sezonline-ndml.co.in](http://www.sezonline-ndml.co.in)



# Working Flowchart



Setting up a business.  
For International biz – IEC from DGFT  
Licenses



Finding the buyer.  
Beware of False calls / Ads  
Buying Houses / Agents / Direct Customers  
Exhibitions / Fairs / Promotion Councils



Sampling.  
Quality Sampling to right person  
Cost of the sample  
Limit of sample allowed by Customs



Purchase Order / Contract / LC.  
Get it checked thoroughly  
Background / solvency check of the buyer  
LC Banks should be reputed  
Required by Customs for Valuation Check



Business is finalized. Attention to all details.  
Incoterms / payment terms / RBI guidelines  
Proper Insurance of the shipment Value + Transit



Manufacturing. Ship windows.  
India – lot of working holidays  
Discounts / concessions



Quality Control.

## Packing, palletisation , labelling & marking



Documentation.  
E-Sanchit





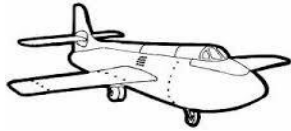
Custom port timing / procedure / documentation



Right size / closed body (rain / pilferage) / road permits  
Time bound to catch conveyance, no entry timings,  
Reputed transporter, driver with mobile, waiting time,  
Loading / Offloading, truck union.



Custom Clearance on time, to avoid delay.  
Correct details in the custom document.  
Right Custom Broker with experience & knowledge.



- Right mode of Forwarding, cost / time / procedure
- Packing as per the mode. Pilferage free



Check the documents transmission to various stakeholders. (DGFT / BANK / CUSTODIAN / OFFICE / BROKER)



Check with the bank.  
Follow up with bank for any discrepancy / shortage.  
Follow up for payment.



Full remittance as per the contract.  
Receiving remittance within stipulated time (as per RBI)  
Bank charges.