

# Certificate Training Program on Agri Export Import Management

## Agri-Trade Logistics and Customs Regulation

### IMPORT PROCEDURE

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### Custom Clearance Process of Import Consignment

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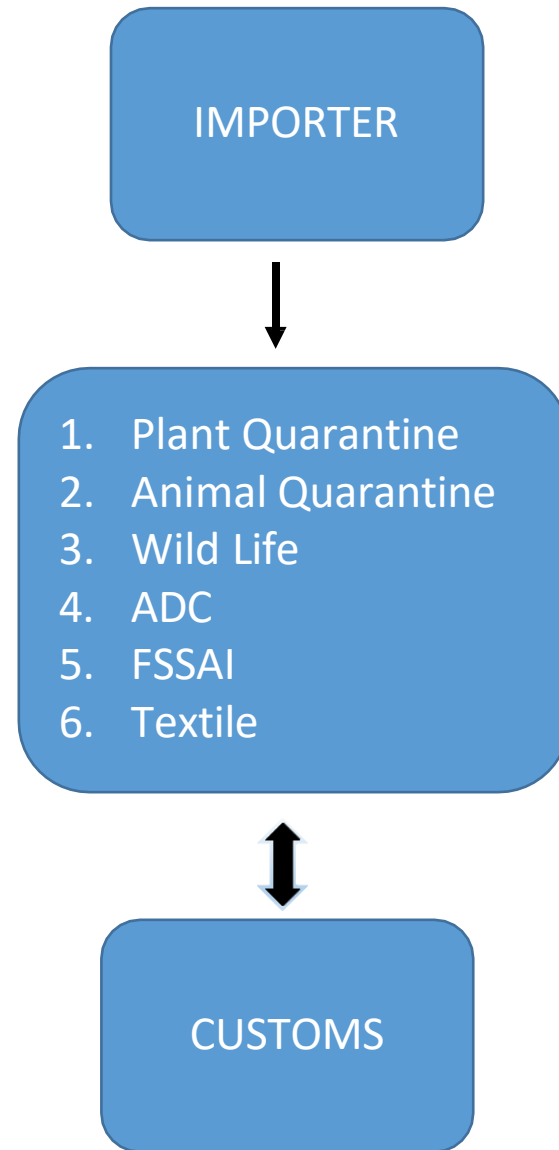
## **Points to be noted**

- Timelines – within 24 hours BOE should be filed.
- Once filed cannot be re-filed, it can be amended.
- Uncleared / Unclaimed goods.
- Valuation.
- Free Trade Agreements (FTA)

## Risk Management System (RMS)

- It is not possible to examine 100% shipments.
- RMS was introduced.
- Following are the criteria:
  1. Alert on the IEC
  2. Sensitive Products
  3. Sensitive Country
  4. Sensitive Conveyance

## Single Window Interface for Trade (SWIFT)



- 1) Importer will have User name and password. (few are manual)
- 2) He will fill the annexures and upload documents.
- 3) PGA officials are based at all ports for examination.
- 4) After examination, these officials will issue NOC.
- 5) If required, PGA officials will send the sample for testing to specified labs.
- 6) Without PGA NOC, the shipment cannot be released.

## **Participating Government Agencies (PGAs)**

1. Legal Metrology Department – Measurement / Packed shipment
2. WPC - Wireless
3. BIS – Electrical / Electronics / Building Material
4. CE Certificate – Second Hand Machines
5. Ministry of Steel – Steel of all grades
6. SVB – Related Parties
7. IPR - Brands
8. APEDA – Agriculture products
9. FSSAI – Packed food product
10. COO under FTAs

## **Getting Ready for Imports**

1. IEC issued by DGFT and reflecting in ICEGATE.
2. Bank with AD Code Number
3. GSTRC
4. Goods – Prohibited / Restricted / Free
5. Restricted Goods License issued by DGFT and reflecting in custom system

## **Import Shipment is processed at 2 stages:**

1. Custom House (Documents) – Appraisalment / Assessment
2. Shed (Physical Shipment) - Examination

# Import Custom Clearance Process

**Custom Broker**

Upload Documents  
File Annexure  
Checklist – Approved

**ICES\***

No Assessment  
No Examination

No Assessment  
Examination

Assessment  
No Examination

Assessment  
Examination

First Check

**PGA\***

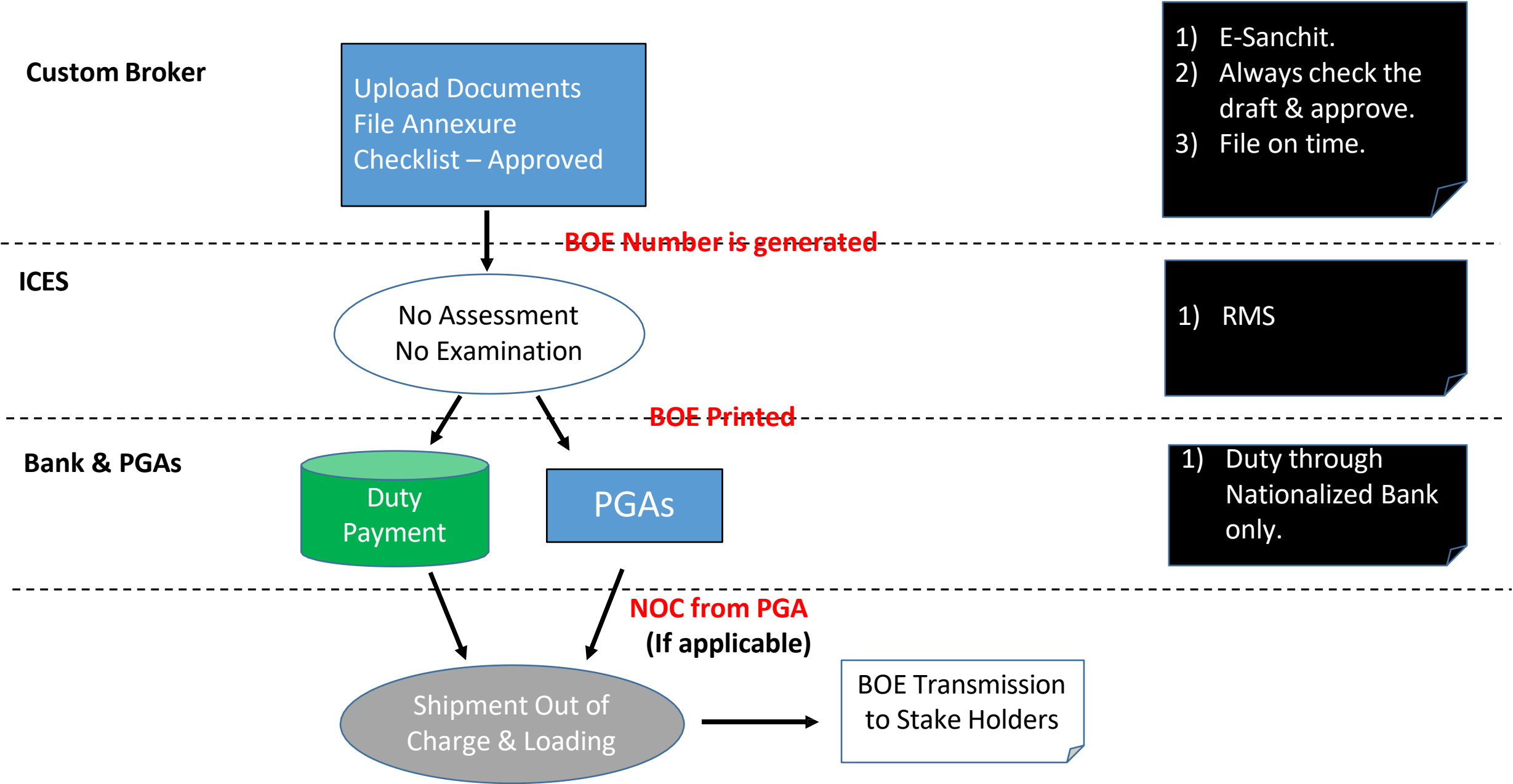
PGAs  
(if applicable)

\*ICES - Indian Customs EDI System

\*Participating Government Agencies

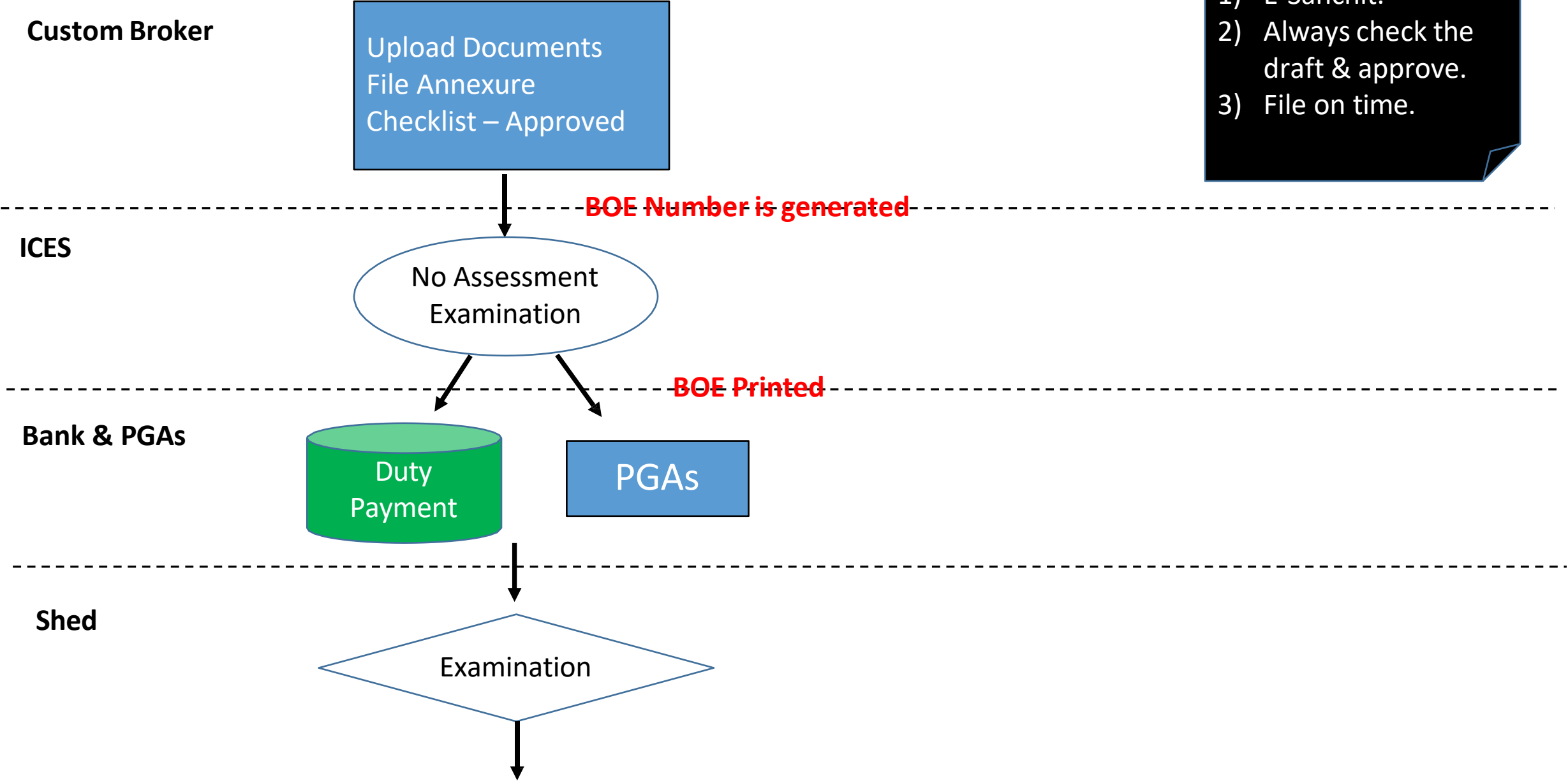


Import Custom Clearance Process – RMS

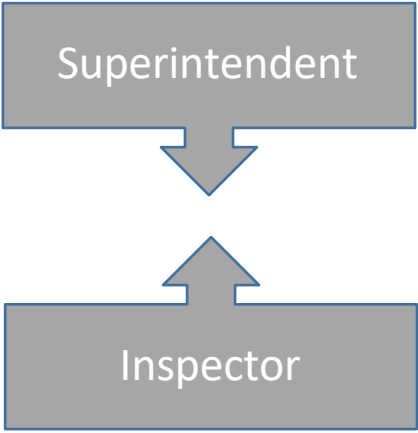


Import Custom Clearance Process – **ONLY EXAMINATION**

- 1) E-Sanchit.
- 2) Always check the draft & approve.
- 3) File on time.

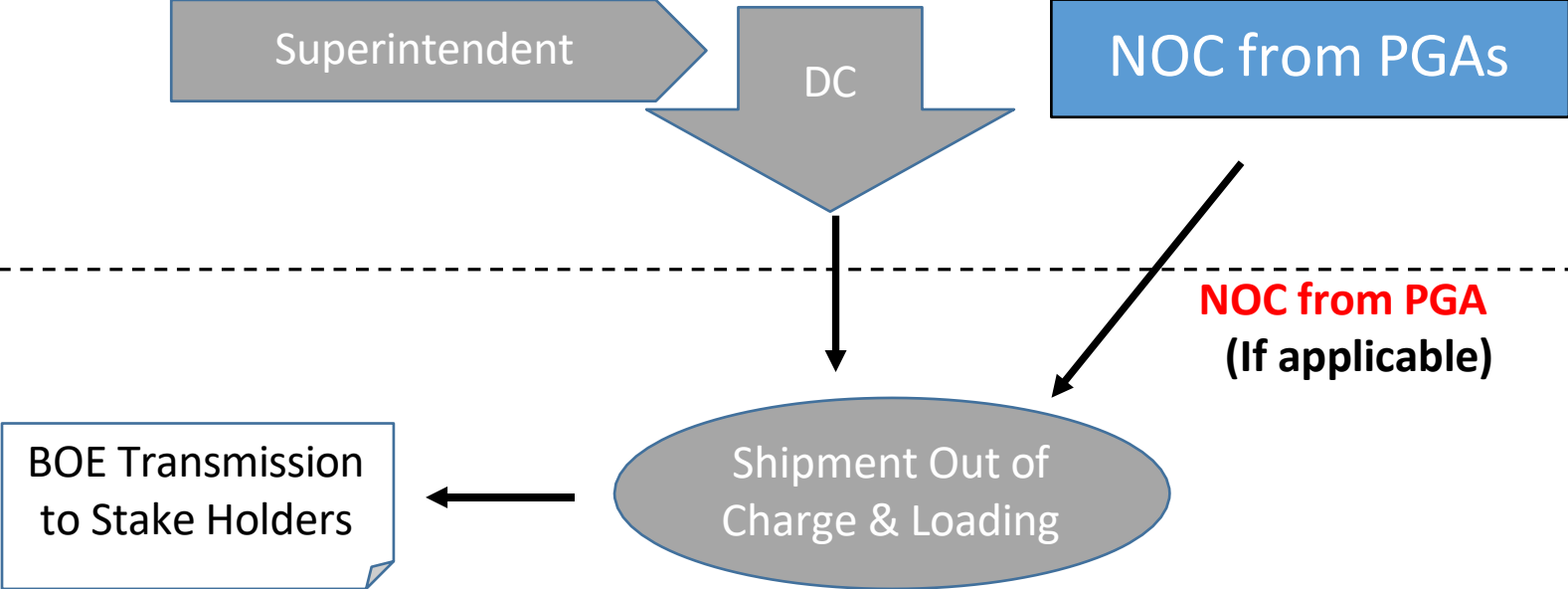


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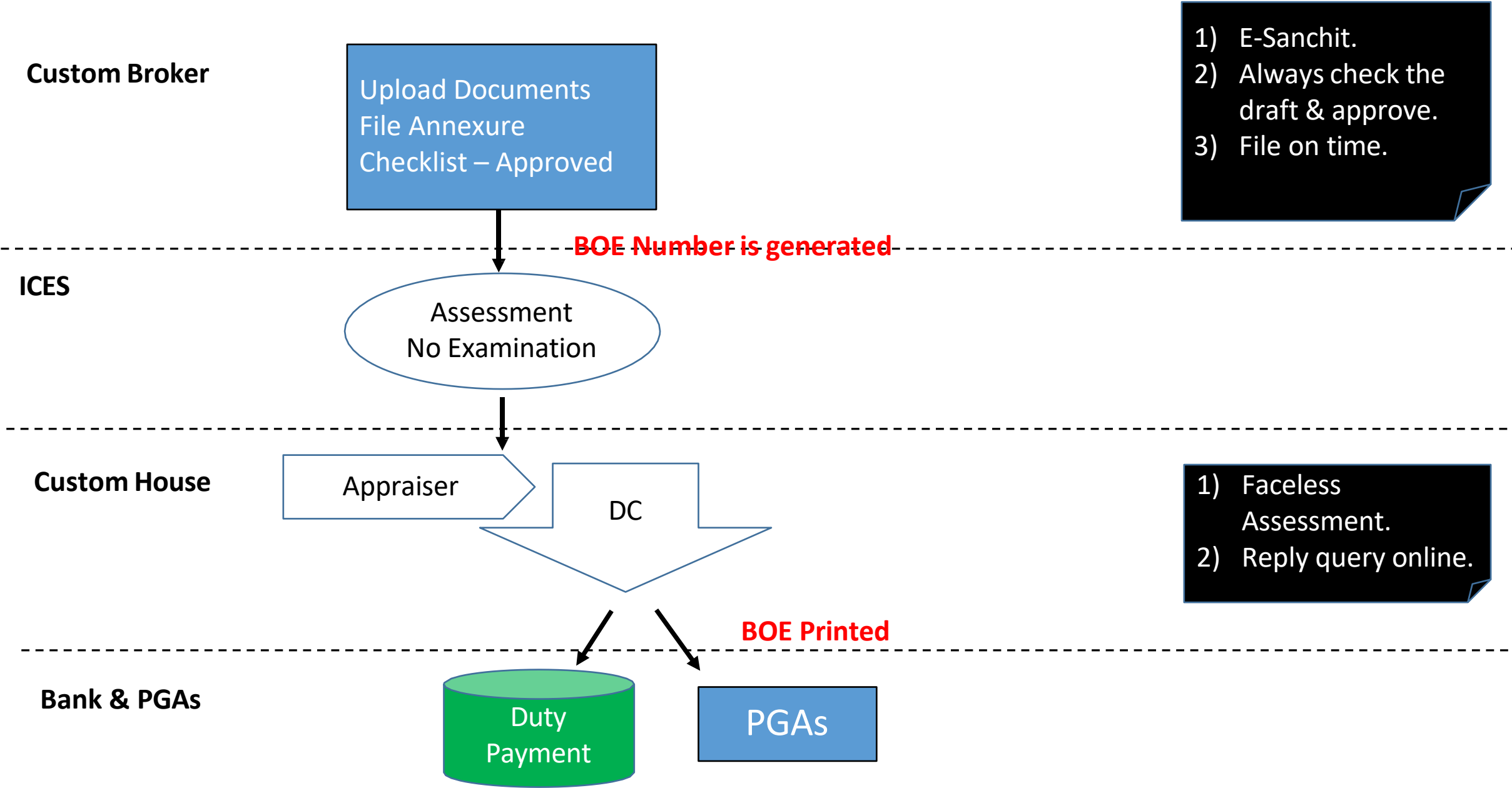


- 1) Inspector will physically examine the material.
- 2) SWIFT

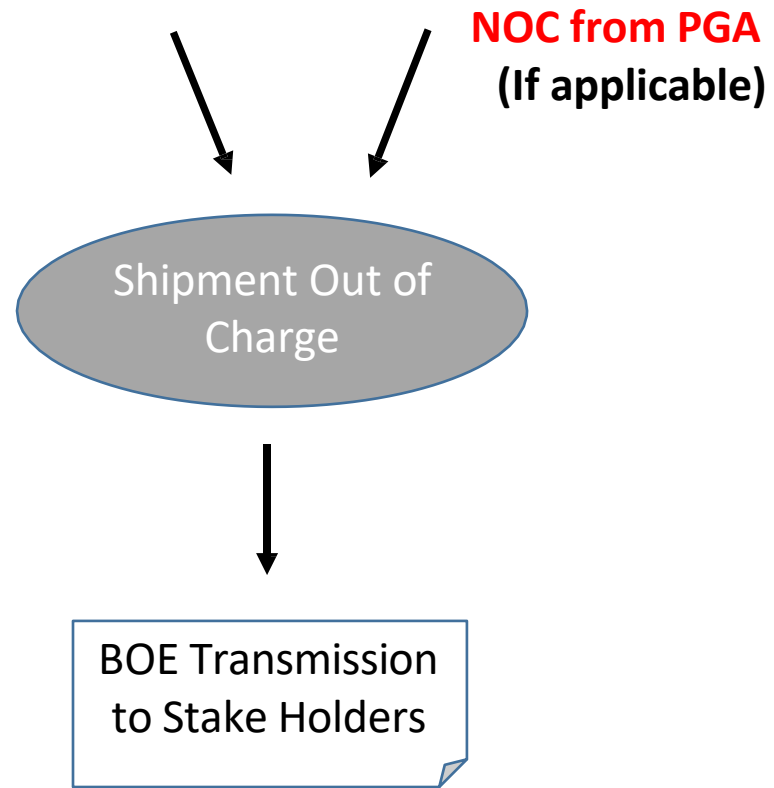
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**Import Custom Clearance Process – ONLY ASSESSMENT**

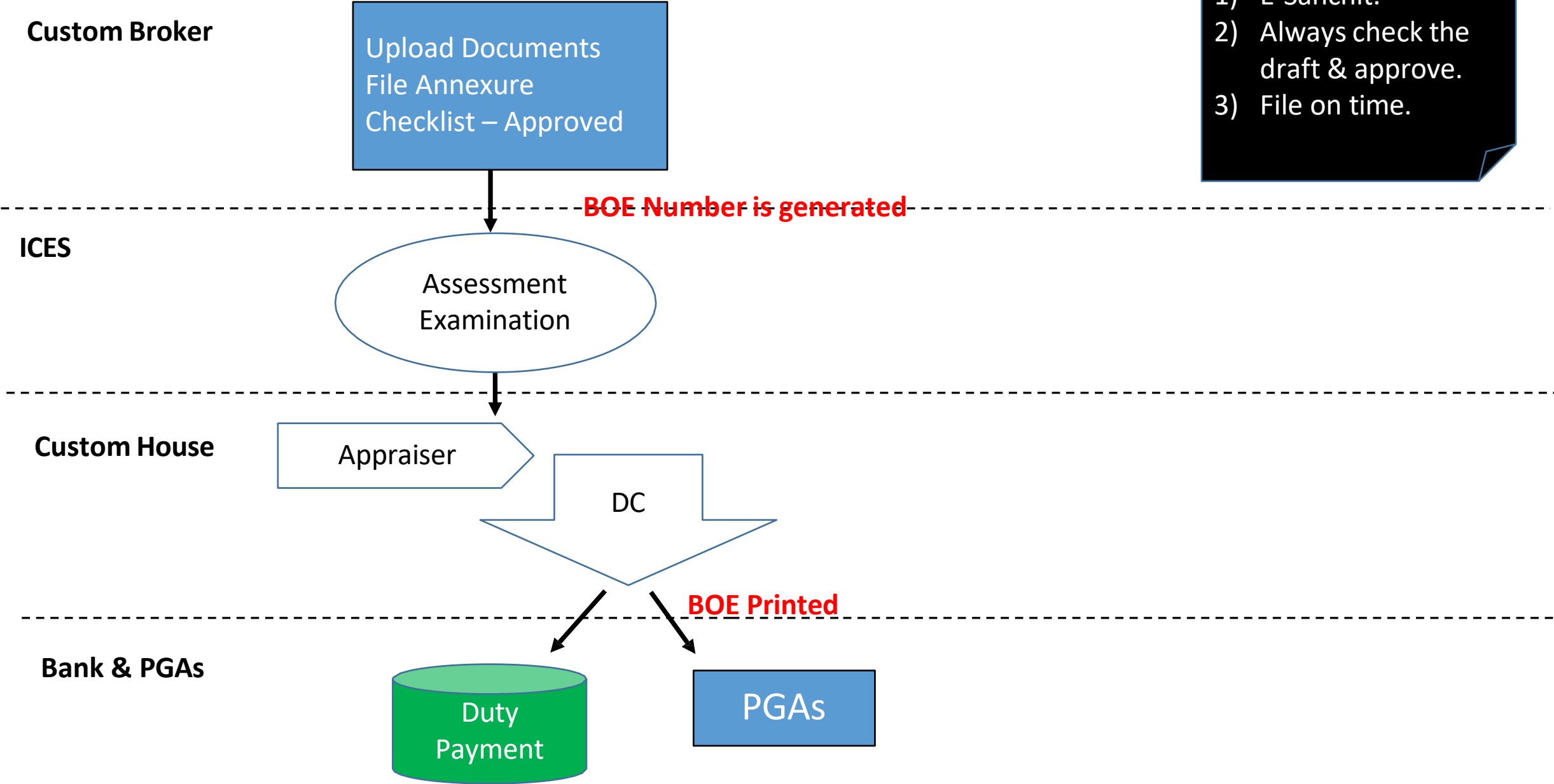


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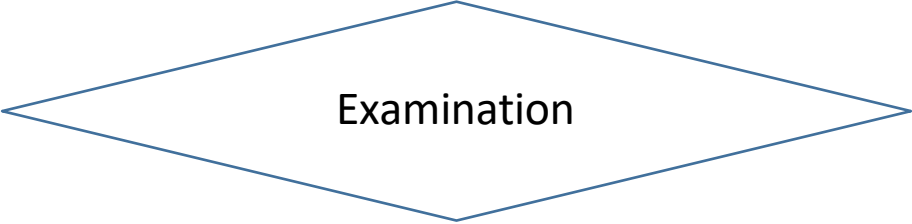


**Import Custom Clearance Process – ASSESSMENT & EXAMINATION**

- 1) E-Sanchit.
- 2) Always check the draft & approve.
- 3) File on time.



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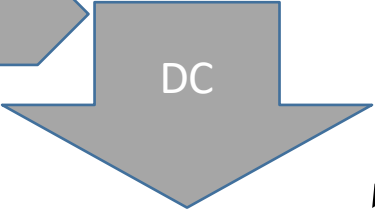


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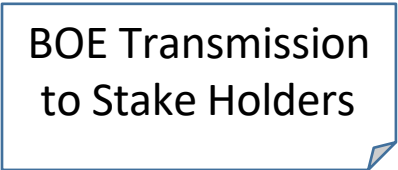
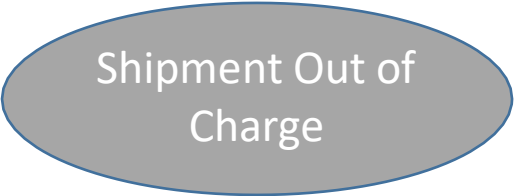


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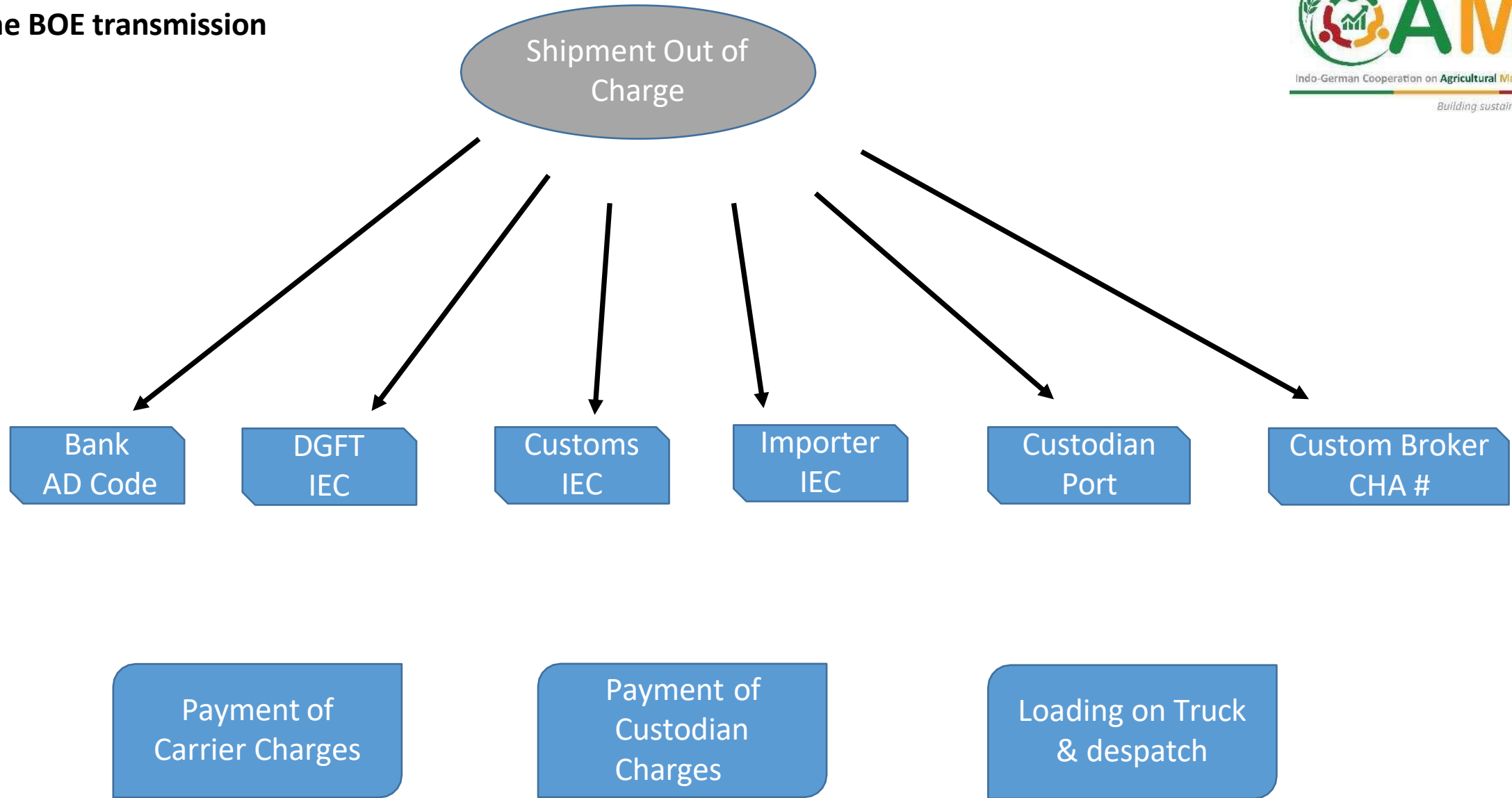
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**NOC from PGA**  
(If applicable)



## Online BOE transmission





## Types of Duties

1. Basic Custom Duty (BCD)
  2. Social Welfare Surcharge (SWS)
  3. IGST (ITC)
  4. Safeguard Duty – It is a temporary relief. It give domestic producers a period of grace to become more competitive vis-à-vis imports.
  5. Anti-Dumping Duty - A protectionist tariff that a Government imposes on imported material, that it believed to be low priced, below fair market value.
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- Preferential COO under FTA gives relief only in Basic Custom Duty, depending upon the percentage rebate mentioned in the notification.
  - SWS & IGST cannot be paid through any RoDTEP / RoSCTL credit scrip.
  - IGST ITC can be taken while doing domestic selling. Check on the HS Code.
  - Keep a check on HS Code via-a-vis Safeguard & Anti-dumping duty.

## **Import Duty Calculation**

Duty is calculated on CIF Value.

$C = \text{Cost} / \text{FOB Value}$

$I = \text{Insurance or } 1.125\% \text{ of CIF Value}$

$F = \text{Freight or } 20\% \text{ of the Cost} + \text{Insurance}$

**FOB Value** : INR. 47,60,000.00

**Insurance** : 0.0082%

**Freight** : Euro 1209.60 (1 Euro = INR. 87.35)

**Misc Charges** : Euro 122.68

**HS Code** : 84818090

**BOE Filed** : 03th Aug 2020

## Duty on HS Code :

Basic Custom Duty (BCD) : 7.5% of CIF Value

Social Welfare Surcharge (SWS) : 10% of BCD

IGST : 18%

## Calculation for CIF Value

CIF = FOB value + Insurance + Freight + Misc Charges

= INR. 47,60,000 + INR. 390.32 (0.0082% of INR. 4760000) + Euro 1209.60 + Euro 122.68

= INR. 47,60,000 + INR. 390.32 + INR. 1,05,658.60 (Euro 1209.60 X INR. 87.35) + INR. 10716.10

= INR. 48,76,764.98

= INR. 48,76,765.00

## **Duty on HS Code :**

CIF Value : = INR. 48,76,765.00

Basic Custom Duty (BCD) : 7.5% of CIF Value

Social Welfare Surcharge (SWS) : 10% of BCD

IGST : 18% of (CIF + BCD + SWS)

## **Calculation of Import Duty**

BCD : 7.5% of = INR. 48,76,765.00 = INR. 3,65,757.38

SWS : 10% of INR. 3,65,757.38 = INR. 36,575.74

IGST : 18% of (INR. 48,76,765.00 + INR. 3,65,757.38 + INR. 36,575.74) = INR. 9,50,237.66

Total : INR. 3,65,757.38 + INR. 36,575.74 + INR. 9,50,237.66

Duty Payable : INR. 13,52,570.77

**Round off Duty Payable : INR. 13,52,571.00**