Tableau Data Viz Chalenge 2020

Import and Export in India

Businesses planning to set up a trading company, or start importing or exporting from India, must understand the stages and stakeholders involved in the process, as well as the regulatory framework and documentation required.

In India, the imports and exports are regulated by the Foreign Trade (Development and Regulation) Act, 1992, which empowers the federal government to make provisions for development and regulation of foreign trade. The current provisions relating to exports and imports in India are available under the *Foreign Trade Policy, 2015-20*.

Import procedures

Typically, the procedure for import and export activities involves ensuring licensing and compliance before the shipping of goods, arranging for transport and warehousing after the unloading of goods, and getting customs clearance as well as paying taxes before the release of goods.

Below, we outline the steps involved in importing of goods.

1. Obtain IEC

Prior to importing from India, every business must first obtain an Import Export Code (IEC) number from the regional joint DGFT. The IEC is a pan-based registration of traders with lifetime validity and is required for clearing customs, sending shipments, as well as for sending or receiving money in foreign currency.

The process to obtain the IEC registration takes about 10-15 days.

2. Ensure legal compliance under different trade laws

Once an IEC is allotted, businesses may import goods that are compliant with Section 11 of the *Customs Act (1962), Foreign Trade (Development & Regulation) Act (1992)*, and the *Foreign Trade Policy, 2015-20*.
However, certain items – restricted, canalized, or prohibited, as declared and notified by the government – require additional permission and licenses from the DGFT and the federal government.

3. Procure import licenses

To determine whether a license is needed to import a particular commercial product or service, an importer must first classify the item by identifying its Indian Trading Clarification based on a Harmonized System of Coding or ITC (HS) classification.

ITC (HS) is India's chief method of classifying items for trade and import-export operations. The ITC-HS code, issued by the DGFT, is an 8-digit alphanumeric code representing a certain class or category of goods, which allows the importer to follow regulations concerned with those goods.

An import license may be either a general license or specific license. Under a general license, goods can be imported from any country, whereas a specific or individual license authorizes import only from specific countries.

Import licenses are used in import clearance, renewable, and typically valid for 24 months for capital goods or 18 months for raw materials components, consumables, and spare parts.

4. File Bill of Entry and other documents to complete customs clearing formalities

After obtaining import licenses, importers are required to furnish import declaration in the prescribed Bill of Entry along with permanent account number (PAN) based Business Identification Number (BIN), as per Section 46 of the Customs Act (1962).

A Bill of Entry gives information on the exact nature, precise quantity, and value of goods that have landed or entered inwards in the country.

If the goods are cleared through the Electronic Data Interchange (EDI) system, no formal Bill of Entry is filed as it is generated in the computer system. However, the importer must file a cargo declaration after prescribing particulars required for processing of the entry for customs clearance.

If the Bill of Entry is filed without using the EDI system, the importer is required to submit supporting documents that include certificate of origin, certificate of inspection, bill of exchange, commercial invoice cum packing list, among others.

Once the goods are shipped, the customs officials examine and assess the information furnished in the bill of entry and match it with the imported items. If there are no irregularities, the officials issue a ‘pass out order’ that allows the imported goods to be replaced from the customs.

5. Determine import duty rate for clearance of goods

India levies basic customs duty on imported goods, as specified in the first schedule of the *Customs tariff Act, 1975*, along with goods-specific duties such as anti-dumping duty, safeguard duty, and social welfare surcharge.

In addition to these, the government levies an integrated goods and services tax (IGST) under the new GST system. The IGST rates depend on the classification of imported goods as specified in Schedules notified under Section 5 of the IGST Act (2017).

Export procedures

Just as for imports, a company planning to engage in export activities is required to obtain an IEC number from the regional joint DGFT. After obtaining the IEC, the exporter needs to ensure that all the legal compliances are met under different trade laws.

Further, the exporter must check if an export license is required, and accordingly apply for the license to the DGFT.

An exporter is also required to register with the Indian Chamber of Commerce (ICC), which issues the Non-Preferential Certificates of Origin certifying that the exported goods are originated in India.

Import and export documents

Businesses are required to submit a set of documents for carrying out export and import activities in India.

These include commercial documents – the ones exchanged between the buyer and seller, and regulatory documents that deal with various regulatory authorities such as the customs, excise, licensing authorities, as well as the export promotion bodies that help avail export import benefits.

The *Foreign Trade Policy, 2015-2020* mandates the following commercial documents for carrying out importing and exporting activities:

- Bill of lading or airway bill;
- Commercial invoice cum packing list;
- Shipping bill or bill of export, or bill of entry (for imports).

Additional documents like certificate of origin and inspection certificate may be required as per the case.

The important regulatory documents include:

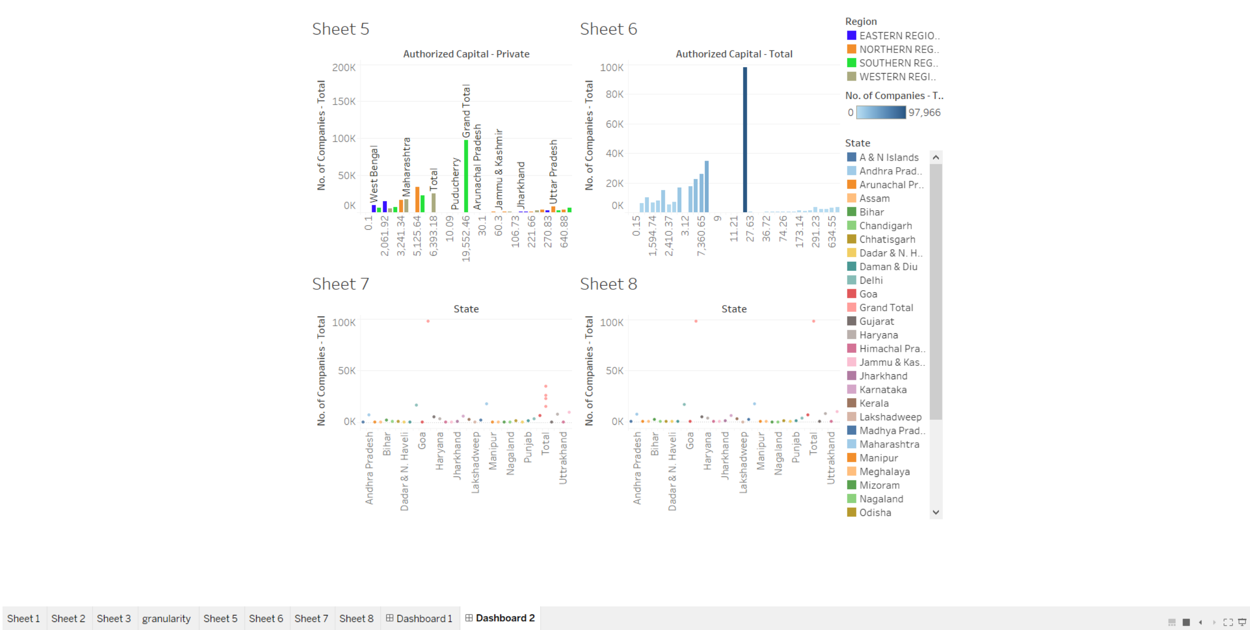
- GST return forms (GSTR 1 and GSTR 2);
- GSTR refund form;
- Exchange Control Declaration;
- Bank Realization Certificate; and
- Registration cum Membership Certificate (RCMC).

The RCMC helps exporters and importers avail benefit or concession under the *Foreign Trade Policy 2015-20*.

Registration of New Government Companies Limited By Shares - Region / State-wise Distribution/Region/State wise Distribution of Registration of New Non-Government Companies Limited by Shares during 2013-14

The data refers to details on registration of new government companies limited by shares (region / state-wise distribution). Report has been published by The Ministry of Corporate Affairs, Government of India

Sheet 1
Authorized Capital - Private / Authorized Capital - Public
No. of Compa..
No. of Co..
17,564
Sheet 2
Region
EASTERN REGIO..
NORTHERN REG..
SOUTHERN REG..
WESTERN REGI..
Pakistan
India
© 2021 Mapbox © OpenStreetMap
Sheet 3
State
Total
Maharashtra
Delhi
West Bengal
Uttar Pradesh
Andhra Pradesh
Tamil Nadu
Karnataka
Gujarat
Rajasthan
22,605
34,601
15,025
16,737
7,838
6,438
3,541
No. of Companies - Total
granularity
No. of Companies - Public
No. of Companies - Total
Sheet 1
Sheet 2
Sheet 3
granularity
Sheet 5
Sheet 6
Sheet 7
Sheet 8
Dashboard 1
Dashboard 2



Sheet 5
Authorized Capital - Private
No. of Companies - Total
West Bengal
Maharashtra
Total
Grand Total
Arunachal Pradesh
Puducherry
Jammu & Kashmir
Jharkhand
Uttar Pradesh
Sheet 6
Authorized Capital - Total
No. of Companies - Total
Region
EASTERN REGIO..
NORTHERN REG..
SOUTHERN REG..
WESTERN REGI..
No. of Companies - T..
0
97,966
State
A & N Islands
Andhra Prad..
Arunachal Pr..
Assam
Bihar
Chandigarh
Chhatisgarh
Dadar & N. H..
Daman & Diu
Delhi
Goa
Grand Total
Gujarat
Haryana
Himachal Pra..
Jammu & Kas..
Jharkhand
Karnataka
Kerala
Lakshadweep
Madhya Prad..
Maharashtra
Manipur
Meghalaya
Mizoram
Nagaland
Odisha
Sheet 7
State
No. of Companies - Total
Andhra Pradesh
Bihar
Dadar & N. Haveli
Goa
Haryana
Jharkhand
Lakshadweep
Manipur
Nagaland
Punjab
Total
Uttrakhand
Sheet 8
State
No. of Companies - Total
Sheet 1
Sheet 2
Sheet 3
granularity
Sheet 5
Sheet 6
Sheet 7
Sheet 8
Dashboard 1
Dashboard 2