

META DATA

DGCIS Kolkata under the Department of Commerce, Ministry of Commerce & Industry is the Nodal Organisation for collection, compilation and dissemination of India's Merchandise Trade (Export and Import) statistics.

The methodology and compilation procedure followed by DGCIS for compiling India's Merchandise Trade Statistics is as per the recommendations of the United Nations Statistical Division (UNSD) and contained in the International Merchandise Trade Statistics Revision 2 (IMTS Rev.2): Compilers Manual 2010.

Foreign trade data is disseminated by DGCIS through "**Foreign Trade Data Dissemination Portal**" and also through "**EXIM Analytics dashboard**". The levels at which monthly aggregated trade data is disseminated are – Commodity (8-digit ITCHS and Principal Commodity Group), Country and Port level.

The detailed **metadata** relating to trade statistics is available on DGCIS website – www.dgciskol.gov.in

CONCEPTS AND DEFINITIONS

The concepts and definitions adopted in India for compilation of merchandise foreign trade statistics are as below:

COVERAGE

As a general guideline, international merchandise trade statistics record all goods which add or subtract from the stock of material resources of a country by entering (imports) or leaving (exports) its economic territory. Goods simply being transported through a country (goods in transit) or temporarily admitted on withdrawn (except for goods for inward or outward processing) are not included in international merchandise trade statistics.

TRADE SYSTEM

The Merchandise Foreign Trade Statistics of India is being compiled by applying the **General Trade System (GTS)**. Under the general trade system, recording takes place

at the time when goods enter (import) or leave (export) the economic territory of the compiling country approximated by dates associated with the lodgment of the customs declaration.

TIME OF RECORDING

In consonance with the recommendations of IMTS Rev.2, the time of recording of merchandise foreign trade in India is the date of lodgement of Customs Declaration. At present the exports are recorded at "**Let Export Order**" (**LEO**) and imports on the day when the goods arrive and consignments are cleared from Customs, i.e. at "**Out of Charge**" (**OOC**) stages, linked respectively with submission of Shipping Bills/Bills of Entry (Customs Declaration).

PARTNER COUNTRY ATTRIBUTION

The country of destination, as recorded by customs, is used as the partner for the purposes of export statistics while imports are, by and large, credited to the country of consignment. No information on the last known destination for exports and country of origin for imports is compiled.

COMMODITY CLASSIFICATION

The HS Nomenclature 2017 edition of the World Customs Organization is currently followed in India for classification of the commodities. On the basis of HS-2017, a detailed classification of the commodities at 8-digit level (augmenting the WCO 6-digit classification with 2 additional digits to meet the country specific requirements) has been prepared and adopted with effect from April 2017.

EXCHANGE RATE

The average monthly exchange rate (Rs. per US\$) as provided by the Reserve Bank of India is used to convert all trade data in US\$.

QUANTITY

Customs Tariff Classification provides standard unit of measurement for Quantity corresponding each 8-digit level item being traded. The quantity figures reported are net of packing.

VALUATION

Exports are recorded on free on board (FOB) basis while imports are recorded cost, insurance & freight (CIF) basis.

PRINCIPAL COMMODITY

For compilation and reporting trade data in an efficient manner, ITCHS codes (Tariff Heads) of homogeneous nature have been taken together to constitute 168 Principal Commodity (PC) Groups.

DATA SOURCE

Customs Declaration

The merchandise traders submit Shipping Bills (SBs) for exports and Bills of Entry (BEs) for imports to the customs authority. These Bills form the source document for preparation of trade returns, commonly known as 'Daily Trade Returns' (DTR) and is transmitted by the customs authority to the DGCIS for processing and release of merchandise trade statistics on monthly basis.

Other Sources

Special Economic Zones (SEZs) of India are considered to be independent economic territory within the economic territory of India for the purpose of merchandise trade. Any goods (merchandise) entering/leaving the SEZ are following the procedure similar to the Customs procedure but processed by the SEZ authority under the administrative control of the Ministry of Commerce & Industry. Only the physical exports/imports of SEZ are considered for Nations' merchandise trade and excludes the 'deemed exports' & 'DTA sales' of the SEZ. The Export/Import data of Merchandise cleared through all SEZs of India are included.

The Statistics relate to Imports and Exports of Merchandise cleared through all the recognized Sea-Ports, Air-Ports and Land Customs Stations, Inland Containers Depots, Export Processing Zones and Foreign Post Offices and all SEZs located all over the country are sourced for compiling and releasing foreign trade statistics.

MODE OF DATA TRANSMISSION

DGCIS receives transaction level (item level) foreign trade data from the Customs as well as Special Economic Zones in three different modes, namely, (i) through electronic transfer from the Indian Customs Electronic Data Interchange (EDI) Gateway on daily basis, (ii) in electronic media or through e-mail from customs locations across the country and (iii) in the form of hand-written DTRs. These three modes are termed respectively as EDI, Non-EDI and Manual. While data in EDI mode is transmitted daily, manual/Non-EDI data is received on monthly basis after completion of the month.

COVERAGE

India's international merchandise trade statistics records all goods which add to or subtract from the stock of material resources of the country by entering (imports) or leaving (exports) its economic territory. Goods simply being transported through the country (goods in transit) or temporarily admitted or withdrawn (except for goods for inward or outward processing) are not included in the international merchandise trade statistics.

GOODS FOR INCLUSION

Non-monetary gold: Non-monetary gold is any gold which is not defined as monetary. It may include, for example, gold shipped from one country to another in powder form or other unwrought or semi-manufactured forms, as well as gold coins (not in circulation) and bars. Such gold might be for industrial use, such as in the manufacturing of jewellery, intended as a store of value, etc.

Banknotes and securities, and coins not in circulation: These items include both unissued and taken out of circulation banknotes, securities and coins as they are regarded as goods rather than as financial items and are included in imports or exports as any other products.

Goods traded in accordance with barter agreements: These are goods which are exchanged between countries without use of any means of payment.

Goods traded on government account: This category refer to any goods which cross borders as a result of, for instance, regular commercial transactions of governments, goods under government foreign aid programmes (whether or not the goods constitute a grant, a loan, a barter or a transfer to an international organization). All such goods that intended for civilian use are included.

Humanitarian aid including emergency aid: Food, clothing, medicine and other goods entering or leaving a country under humanitarian aid programmes or as emergency assistance, whether provided by governments, international or non-governmental organizations. Recording full commodity and partner detail for such trade may represent disproportionate effort, and if so, its inclusion in the total of exports/imports without such detail is appropriate. However, if this trade consists of some important commodities (light weight and high value, such as medicine), those commodities are recorded in international merchandise trade statistics in full commodity and partner detail under the appropriate headings of the commodity classification.

Goods for processing with or without change of ownership: Goods for processing are goods sent abroad or brought into a country, under a specific arrangement between the involved parties (which may or may not include the change of ownership) and for a specific operations as defined by the statistical authorities of the compiling country. Usually they entail further transformation that is changing the characteristics of the goods. Goods for processing without change of ownership are a subset of this general concept. Goods for processing may be brought into a country under the special customs procedures such as for importation for inward processing or processing under customs control as well as be declared for home use. Goods resulting from processing might be returned to the sending country, sold in the country of processing or be sent to a third country. The choice of the customs procedure may vary from country to country and from trader to trader depending on many factors such as the level of customs duties, taxation, other fees and charges and the expected clearance time. In view of the decreasing of customs duties and relaxing of other administrative requirements, in India it is declared as importation for home use and, subsequently, for outright exportation.

Returned goods: If an exported good is subsequently returned, it is included in imports as re-imports at the time when it is returned. Similarly, goods imported and subsequently returned is included in exports as re-export at the time of return.

Goods dispatched or received through postal or courier services: Recording full commodity detail for such trade may represent disproportionate effort, and if so, its inclusion as a single total is appropriate. However, if this trade consists of some important commodities (light weight and high value such as diamonds and other precious gems), those commodities are recorded in international merchandise trade statistics in full commodity detail under the appropriate headings of the commodity classification, while the remainder of the postal or courier trade – unclassified by commodity – should be recorded as a single total. Foreign Post Offices located in the country recording such details and supplying data to DGCIS.

Goods under financial lease: There are two types of leases in common – *financial and operational*. Goods are considered to be under financial lease if the lessee assumes the rights, risks, rewards and responsibilities in relation to the goods, and from an economic point of view can be considered as the de facto owner. Goods under financial lease are included in international merchandise trade statistics.

An operational lease is any lease which does not have the above characteristics. Goods under operational lease are excluded from international merchandise trade statistics. In some cases, the duration of the lease can be used as an indication of whether the lease is financial (one year or more) or operational (less than one year).

Ships and aircrafts: These goods are included in international merchandise trade statistics when they change ownership between residents and non-residents (includes financial leasing). In this context, acquiring of a ship or aircraft is treated as adding to its material resources (the reverse also applies). Ships and aircrafts are included whether they enter/leave economic territory of the involved countries or remain in international waters or are used in international flights. Such transactions (change of ownership while in the international water/flight) are not the subject of customs

documents, hence they are recorded using non-customs data sources, such as registry of additions and deletions of Directorate General of Shipping/Civil Aviation.

Goods delivered to or dispatched from offshore installations: located in the economic territory of a compiling country from or to the economic territory of another country are included.

Goods received or sent abroad by international organizations: These goods, are included in imports of the countries receiving goods from such organization and in exports of countries sending goods to those organizations

Goods in electronic commerce: The term "goods in electronic commerce" refers to goods which physically move across country borders as the result of transactions executed entirely, or to a significant extent, by electronic means (e.g., goods ordered and paid for via the Internet). Such goods are in the scope for both exports and imports.

Used goods: Used goods are being included in both exports & imports. This includes any used industrial equipment or consumer appliances (e.g. used computers or cars) as well as used containers crossing borders under commercial recycling arrangements (e.g., empty bottles for recycling).

Waste and scrap: Waste and scrap, including products which are dangerous to the environment, are recorded and classified under the appropriate commodity heading if their commercial value is positive.

Mobile equipment that moves outside the country of residence of its original owner: For example, equipment which are sent for temporary use and for a specific purpose - such as for construction work, fire-fighting, offshore drilling or disaster relief - from one country to another, are included in exports/imports and classified as "*Project Goods*" in the Indian Trade Classification (ITCHS).

GOODS FOR EXCLUSION

Monetary gold: The definition of monetary gold adopted for the purposes of international merchandise trade statistics is gold that is exchanged between national or

international monetary authorities or authorized banks. Since monetary gold is treated as a financial asset rather than a good, transactions pertaining to these are excluded from the international merchandise trade statistics of India.

Issued banknotes and securities and coins in circulation represent evidence of financial claims, and are excluded from international merchandise trade statistics. Issued banknotes and securities and coins in circulation are regarded as financial items and are excluded.

Goods under financial lease: There are two types of leases in common – *financial and operational*. Goods are considered to be under financial lease if the lessee assumes the rights, risks, rewards and responsibilities in relation to the goods, and from an economic point of view can be considered as the de facto owner. Goods under financial lease are included in international merchandise trade statistics. *An operational lease is any lease which does not have the above characteristics. Goods under operational lease are excluded from international merchandise trade statistics. In some cases, the duration of the lease can be used as an indication of whether the lease is financial (one year or more) or operational (less than one year).*

Goods consigned to and from the territorial enclaves: The movement of goods between a country and its enclaves abroad is considered as an internal flow and are excluded.

Non-financial assets, ownership of which has been transferred from residents to non-residents without crossing borders. These assets include land, structures, equipment and inventories. Such a transfer of ownership of non-financial assets is considered to be a financial operation, and is, therefore, excluded from international merchandise trade statistics.

Goods for military/defence use are excluded from the scope of international merchandise trade of the country.

Direct Transit Trade: Trade of the adjacent countries passing in transit through the country where the foreign goods are not placed at the free disposal of the traders and are not warehoused.

Transshipment Trade: Trade relating to goods transferred from one vessel to another at the same or different ports.

'Proscribed Substances' under Atomic Energy Act, 1962: Excluded.

Passenger Baggage: Excluded.

DYNAMIC DATA REVISION POLICY

DGCIS has adopted "Dynamic Data Revision Policy" since April 2009. According to Dynamic Data Revision Policy, while releasing the trade data of a particular month, the data of all the previous months of the financial year (April – March Cycle) is revised by taking into account the late receipted data in the respective months, which were received after the initial release of data for that month. This establishes comparability as monthly data, if added up from April to any particular month will tally with the cumulative figures shown against that month in the latest monthly data release.

DATA DISSEMINATION POLICY

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Type of data disseminated

Transaction level data (Shipping Bill/ Bill of Entry wise, Shipment/Consignment/Invoice wise, Daily Date wise), Company/Firm/Vendor/Organization/IEC/Exporter/Importer wise data is not disseminated.

The levels at which monthly aggregated trade (export and import) data is disseminated are – Commodity (8-digit ITCHS and Principal Commodity Group), Country and Port level. *DGCIS also disseminate 'Export by State of Origin and District of Origin' data but with disclaimer.*

Data use and re-dissemination:

Data use and re-dissemination of DGCIS data is governed by the Copyright reserved by DGCIS.

User Type

Three (3) types of users – (1) free Users (Governments, Embassies, UN Bodies, RBI, etc) (2) Paid Users (mainly Private Subscribers and guest)

Data Cost

Re 1 per record for those who obtain data on payment

DATA SUPPRESSION/PRIVACY POLICY (separately available on website)

Copyright

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