

COURSE TITLE : Regulating Frontiers: Customs Law in India

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Credits: 4

Credits Type: Law

Cross-registration: No.

Pre-requisites: Contract Law

COURSE DESCRIPTION (COURSE VISION):

Most people think customs law is about containers, paperwork, and officials stamping documents at ports. It is not. Customs law is where tax meets trade, law meets logistics, and policy meets power. It determines what enters a country, what becomes expensive, what industries survive, what products dominate shelves, and how nations respond to economic pressure. In many ways, customs law is economics in motion.

This course introduces students to the fascinating and often underestimated world of Indian customs regulation through the Customs Act, 1962, the Customs Tariff Act, 1975, trade notifications, and judicial decisions that shape India's borders every day. From smartphones and sneakers to solar panels, luxury watches, pharmaceuticals, EV batteries, and even gold biscuits hidden in luggage, it is customs law that governs it all.

Customs regulations determine what enters a country, what becomes economically viable, how domestic industries are protected, how cross-border supply chains are structured, and how the State responds to dumping, smuggling, undervaluation, and strategic imports. In an era shaped by e-commerce, geopolitical trade tensions, manufacturing incentives, and digital logistics, customs law has become one of the most consequential areas of economic regulation in India.

Students will explore the full journey of goods entering and leaving India:

- ⇒ How imports are cleared
- ⇒ Why similar goods attract different duties
- ⇒ How tariff classification battles are fought
- ⇒ Why valuation disputes can cost crores
- ⇒ How free trade agreements can reduce duty or trigger litigation
- ⇒ What happens when goods are seized, mis-declared, or smuggled
- ⇒ Why anti-dumping duties can become economic weapons

A central focus of the course will be tariff classification, which serves as an art form through which enormous sums of money depend on whether a product is legally considered a toy, machine, accessory, electronic device, luxury item, or something nobody can define confidently. Students will work through real and simulated disputes involving composite products, digital goods, smart devices, and industrial inputs to

understand how a single tariff heading can transform the commercial viability of an import model. We will also study customs valuation, including related-party imports, royalty additions, transfer pricing tensions, under-valuation allegations, and the timeless corporate strategy of appearing shocked when duty demands arrive.

The course also asks a larger question: Is customs law really about revenue, or is it about strategy? Customs law therefore sits at the centre of debates around self-reliance, trade wars, national security, and industrial growth. Tariffs today are not merely revenue measures; they are used to protect domestic manufacturers, discourage dumping, incentivise local production, secure supply chains, regulate strategic sectors, and occasionally send diplomatic messages with numerical precision to pursue geo-political goals. Students will critically examine anti-dumping duties, safeguard measures, trade remedies, and the broader relationship between customs law and industrial policy.

TEACHING METHODOLOGY:

The pedagogy of the course is strongly practice-oriented. Students will participate in tariff classification labs, mock adjudication hearings, customs notice drafting exercises, trade remedy simulations, and strategic advisory problems for businesses engaged in import-export activity. They will be expected to think from multiple perspectives: importer, exporter, customs officer, trade lawyer, domestic manufacturer, and policymaker. By the end of the course, students will understand not only the doctrine of customs law but its real-world significance in shaping markets, pricing products, structuring business decisions, and advancing state policy.

INTENDED LEARNING OUTCOMES:

By the end of the course, students should be able to:

1. Decode the legal framework of customs law in India.
2. Interpret the nuances of the Customs Act, 1962 and Customs Tariff Act, 1975.
3. Analyse import/export procedures and customs compliance systems.
4. Solve classification and valuation problems
5. Evaluate exemptions, FTAs, anti-dumping and safeguard measures.
6. Understand enforcement powers: seizure, confiscation, arrest, penalties.
7. Assess litigation strategies before adjudicating authorities, CESTAT, High Courts, Supreme Court.
8. Appreciate customs law in the context of WTO and international trade governance.
9. Understand how tariffs influence markets and politics.
10. Think like both a trade lawyer and a policymaker.

READING LIST

1. Montagnat-Rentier, G., & Bremeersch, C. (2022). "Chapter 1: The Multifaceted Role of Customs and Its Importance for the Economy and Society". In *Customs Matters*. USA: International Monetary Fund. Retrieved Apr 29, 2026, from <https://doi.org/10.5089/9798400200120.071.CH001>

2. Choudhary, M. (2023). Legacy Issues & Emerging Challenges in Indian Customs from the Standpoint of Valuation & Assessment. *Issue 1 Indian JL & Legal Rsch.*, 5, 1
3. Rosenow, Sheri, and Brian J. O'shea. *A handbook on the WTO customs valuation agreement*. Cambridge University Press, 2010.
4. Mishra, Prachi, Arvind Subramanian, and Petia Topalova. "Tariffs, enforcement, and customs evasion: Evidence from India." *Journal of public Economics* 92.10-11 (2008): 1907-1925.
5. Dharmadhikari, Shyam. "8. Customs Law in India." *India's Path to a 7 Trillion Economy by*: 41.
6. Franceschin, Germano, and Francesco Misuraca. *India: Commercial Law, Customs and Taxation*. Vol. 35. Kluwer Law International BV, 2011.
7. Fetzer, Thiemo, and Carlo Schwarz. "Tariffs and politics: Evidence from Trump's trade wars." *The Economic Journal* 131.636 (2021): 1717-1741
8. Parthiban, M. M., T. Samaya Murali, and G. Kanaga Subramanian. "World Customs Organization and global trade: imprints and future paradigms." *World Customs Journal* 14.2 (2020): 157-176.
9. Rajesh, T. V. *A Critical Evaluation of Customs Regulations in India With Special Reference to National Security*. Diss. Alliance University (India), 2024.
10. Shome, Parthasarathi. "Customs in international relations: the Indian context." *World Customs Journal* 7.1 (2013): 55-70.
11. Customs Manuals - Published by the Directorate of Publicity and Public Relations, Customs & Central Excise.

Cases:

1. *Union of India v. Mohit Minerals Pvt. Ltd.*, 2022 SCC OnLine SC 657.
2. *Dunlop India Ltd. v. Union of India*, (1976) 2 SCC 241.
3. *Garden Silk Mills Ltd. v. Union of India*, (1999) 8 SCC 744.
4. *Commissioner of Customs (Import), Mumbai v. Dilip Kumar & Co.*, (2018) 9 SCC 1.
5. *Canon India Pvt. Ltd. v. Commissioner of Customs*, (2021) 3 SCC 473; AIR 2021 SC 1699. { followed by 2024 SC Review }
6. *Gian Chand v. State of Punjab*, AIR 1962 SC 496.

WEEKLY READING PLAN (WEEKLY OUTLINE):

A weekly plan is provided below:

MODULES	WEEK(S)
<p>MODULE 1: HISTORY & EVOLUTION OF CUSTOMS LAW IN INDIA, CONSTITUTIONAL & STATUTORY FRAMEWORK</p> <p>This Module shall cover an over-view of the indirect tax landscape of India and trace the historical origins of Customs in India and its relevance in International Trade.</p> <p>Primary focus will be on the aspect of why customs law matters in the age of global supply chains, trade wars, and industrial policy. The discussion will revolve around the Union taxing powers, Entry 83,</p>	Week 1-2

relationship between customs duties, IGST on imports, cess, and trade regulation statutes. Structure of the Customs Act and Tariff Act.	
<p>MODULE 2: IMPORT PROCEDURE, CLEARANCE, BILLS OF ENTRY</p> <p>This module shall acquaint the students with the nuances of import procedures, the relevance of Bill of Entry, self-assessment, faceless assessment, customs brokers, documentation, ICEGATE systems, risk management systems, port procedures.</p>	Week 3
<p>MODULE 3: TARIFF CLASSIFICATION: THE BATTLE OF HEADINGS</p> <p>This module examines tariff classification under the Harmonized System. Students will study interpretive rules, chapter notes, common parlance tests, composite goods, and classification disputes that determine duty liability, exemptions, and regulatory obligations.</p>	Week 4-5
<p>MODULE 4: CUSTOMS VALUATION: WHAT IS THE IMPORTED GOOD REALLY WORTH?</p> <p>This module explores assessable value under Indian customs law and WTO valuation principles. It covers transaction value, related-party imports, royalties, assists, freight, insurance, undervaluation disputes, and rejection of declared value.</p>	Week 6-7
<p>MODULE 5: TRADE REMEDIES: ANTI-DUMPING, SAFEGUARDS AND CVD</p> <p>This module studies customs as an instrument of economic protection. Students will examine anti-dumping duties, safeguard duties, countervailing duties, injury analysis, investigative procedures, and the strategic use of trade remedies.</p>	Week 8
<p>MODULE 6: EXPORTS, WAREHOUSING, INCENTIVES & FTAs</p> <p>This module covers export procedures, shipping bills, bonded warehousing, drawback schemes, export incentives, and Free Trade Agreements. It also focuses on rules of origin and preferential tariff claims.</p>	Week 9
MODULE 7: ENFORCEMENT & CUSTOMS LITIGATION	Week 10

<p>This module deals with search, seizure, confiscation, penalties, adjudication, appeals, and anti-smuggling enforcement. Students will also study natural justice principles and customs dispute resolution mechanisms.</p>	
<p>MODULE 8: INTERSECTION OF GST/ TRANSFER PRICING & CUSTOMS</p> <p>This module analyses overlaps between customs, GST, and income tax. It covers IGST on imports, customs valuation versus GST valuation, related-party imports, royalties, and transfer pricing adjustments.</p>	<p>Week 11</p>
<p>MODULE 9: EMERGING FRONTIERS OF CUSTOMS LAW</p> <p>The key aspects covered in this module include: Low-value imports, parcel economy, platform liability, AI risk scoring, blockchain logistics, paperless customs.</p> <p>This Module shall further implore the contemporary issues of China+1 strategy, semiconductor policy, carbon border taxes, strategic tariffs, supply-chain sovereignty, future of Indian customs law.</p>	<p>Week 12-13</p>
<p>REVISION WEEK</p>	<p>Week 15</p>