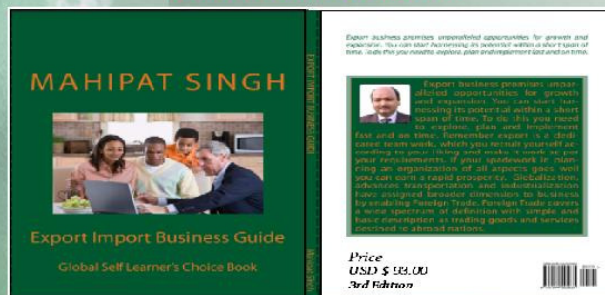


Export Import Business Guide

Introduction to Exim
By : Mahipat Singh

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Mahipat Singh, The Editor and Writer of this book, is an expert in Foreign Trade matters. The research advises leading corporate on Foreign Trade or International Business matters.

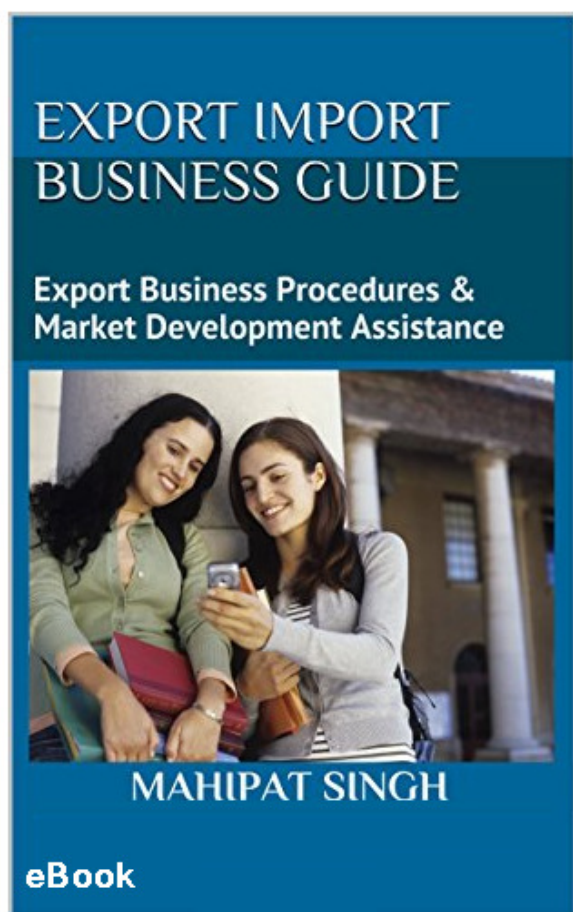
By training, Mahipat Singh is an MBA(IB) and MFT from Pondicherry University, Puducherry with 15 years working experience in Foreign Trade Market Research, Development, Legal Advising on Trade & Tariff matters and Digital Trade Promotions. **Learn with EXIM Tutor Free : www.eximtutor.com**

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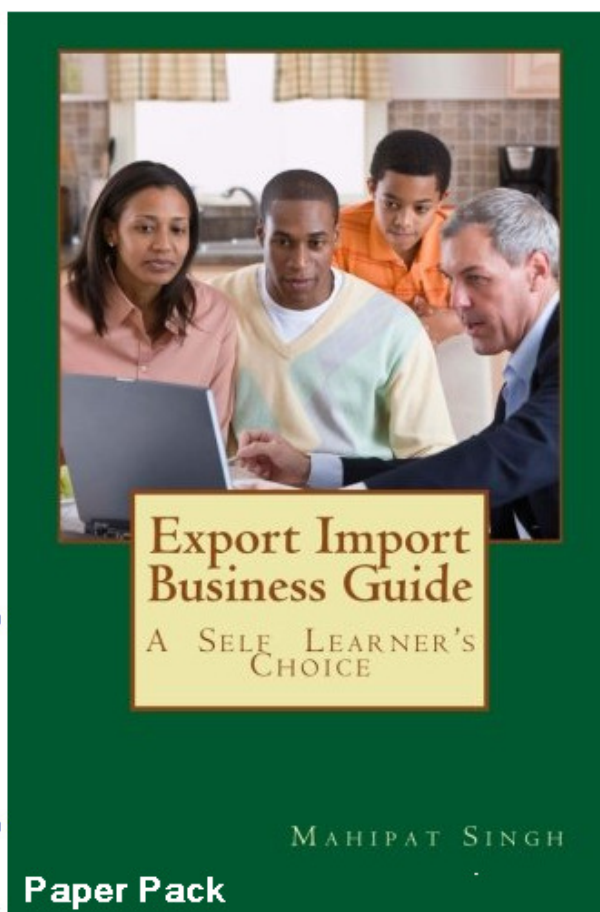
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PART - A

Chapter 1 - Introduction of EXPORT IMPORT

Globalization, advances transportation and industrialization have assigned broader dimension to business by enabling foreign trade. Foreign trade covers a wide spectrum of definition with simple and basic description as trading goods and services destined to abroad nations. Foreign trade involves import and export of goods or services. Foreign trade essence lies in those products or services which are being imported or exported due to scarcity of that particular product in importing country or cheap pricing of exporting country. Extension of foreign trade also involves foreign securities investment.

Chapter 2 - How to Start Export Business

The first and foremost step that is critical to this area is decision on the products and commodities you would be dealing in and then deciding upon the nature of the trade you would be interested in. There are primarily 3 kinds of export companies that form the core of this activity.

Chapter 3 - How To Start Import Business

To import you must always wisely choose the goods type and nomenclature and the market for such imports. There are various sources that can help you in identifying foreign sources and destinations in domestic scenario. To achieve a profitable outcome of imports

Chapter 4 - New Exporters Needs To Aware About

When entering into a new venture such as exports there are numerous preliminary exercises you must go through to be successfully establish yourself and run this business. It is always important to have an in-depth knowledge on various aspects of the land of the law, which plays an important role both in monitoring the trade practices in the country. There are certain procedural legislations that have been incorporated into statutes to regulate various areas of exports and imports. Most prominent of them being:

1. *Foreign Trade Policy*
2. *Foreign Exchange Management Act - FEMA*
3. *Customs Rules & Regulation - Indian Customs Act 1962*
4. *Customs Tariff Act - 1975*
5. *BIS Standards*
6. *International Quality Standards of Products and Services*
7. *Labeling and Packaging*
8. *Shipping Agent Selection*
9. *Sea And Air Freight Rate Negotiations With Freight Brokers*
10. *CHA (Customs House Agent) Selection For Customs Clearance*

PART - B

Chapter 1 - Export Business Communication

Export communications can be defined as communication tools which are utilized by an organization to interact with its internal constituents and external nodes i.e. memos, letters, reports, websites, emails, speeches or newer versions.

Export business communication can

- Offset negative impact of criticism and adverse reviews faced by the concern. .
- Help in neutralizing technological enhancements that raise chances of publicity blitz
- It has been proven in numerous instances that foregoing corporate communications can have adverse impact
- Prove advantageous for a corporate. The organizations and concerns which utilize this medium efficiently leave their competition far behind

Chapter – 2 Ethics In Export Trade

Ethical practices and ethics are well grounded in concept of moral reasoning in the domain of general and specified issues.

Chapter – 3 Export Negotiation Strategies

It always pays to be a good negotiator and one who has perfected this art always keeps all cards hidden under the sleeve and only bring them out when the call of time compels him to. These people often walk away with successful deals even in adverse conditions.

1. Deceiving, Deception, Decoy Demands and Concessions
2. Extreme Openings
3. Aggressive Pitching And Exerting Emotions
4. Putting Across And Stressing As Best Offer
5. Time Limitations And Pressure
6. Cross Culture Understanding
7. Ethical Purchasing Of Raw Material Or Goods

Chapter 4 - New Market Observation and New Buyer Identification Tips

New markets always present challenges to new entrants and experienced players alike. A consistent pursual of markets helps you to prepare yourself for possible alterations in product's profile and pitching strategy.

1. Tools of market Analysis : DATA
2. Analyzing Collected Data
3. Drawing Up The List Of Markets With Generous Potential

Chapter 5 - Export Trade Research

Research is the first and foremost step one has to follow if he wants to engage in foreign trade. It is the prime rule of any business to do some research and analysis of the prevailing market, possible customer section, growth trend and new trends of that business, recent changes and most importantly documentation.

1. A - Export Trade Product Research
B - *Export Trade Market Research*

Chapter 6 - Product Promotion in New Foreign Market

After initial exercise of identifying potential markets for your merchandise has been completed you can speed up process of gaining entry into the region either through direct channel or indirect channel.

Chapter 7 - Export Negotiations With Foreign Buyers

As an exporter you must relentlessly pursue and explore new markets and locate and new buyers

1. *Product Sample and Price List*
2. Sampling Requirements
3. Things to be careful about with sampling
4. Payment Terms Settlement
5. L/C Establishment Audit And Correction
6. *Product Inspection Certificate*
7. *Goods Dispatch*

8. *Documents Legalization*

9. Chapter 8- How to Select and Evaluate Foreign Market

This evaluation process is carried out in stages. After first stage is through you must arrive at a decision on channel of supply you would like to opt for in targeted foreign markets, you can either choose to go through a buying agent or locate direct buyers.

Chapter 9 - Foreign Market Test and Feedback

First step you would generally take to put your commodity in global market is finding a market to carry your produce to fame and earn you commendable success.

1. Phase - I Assessment Parameters And Collection Of Data
2. Phase II -Interpretation
3. Assessment Of Collected Statistics
4. Totaling The Score In Point Assessment
5. Understanding The Product Profile Requirements
6. Feedback From The Customers

Chapter 10 - INCOTERMS

International Commerce Terminology or **INCOTERMS** as they are popularly known as, are classified as per categories. International Chambers of Commerce has incorporated and classified 13 terms that are widely used in international business.

1. EXW – Ex Works (...agreed delivery point
2. FCA – Free Carrier (... agreed delivery point
3. FAS – Free Alongside Ship (agreed port of shipping
4. FOB – Free On Board (agreed Shipping port
5. CFR – Cost & Freight (agreed port of destination
6. CIF – Cost, Insurance & Freight (agreed port of Delivery
7. CPT – Carriage Paid To (agreed port of destination)
8. CIP – Carriage and Insurance Paid To (agreed point of destination
9. DAF – Delivered At Frontier (agreed destination)
10. DES – Delivered EX-Ship (agreed port of destination
11. DEQ – Delivered Ex-Quay (agreed post of destination)
12. DDU – Delivery Duty Unpaid (agreed port of destination
13. DDP – Delivery Duty Paid (agreed port of destination

PART - C

Chapter 1 - Export Procedures

The final and most vital stage is Shipment stage. We can classify this process into 2 phases

- Pre - shipment procedure
- Post – Shipment procedure

Chapter 2 - Export Documents

For starters in exports business preparation and practice of sustaining trade specific documentation is an intriguing process. The documentation itinerary includes following documents

Export Order

This essential document serves numerous other purposes.

Order Acceptance Letter Of Credit

Mate's Receipt

Documents concerning transportation of merchandise

1. Bill Of Lading
2. Airway Bill or Consignment Note
3. Airway bill
4. Post Parcel Receipt
5. Bill Of Exchange
6. Insurance cover Policy/certificate
7. Certificate Of Origin
8. Manufacturer certificate
9. G.S.P. Certificate
10. Certificate of Inspection
11. Antiquity Certificate
12. Certificate of Measurement
13. Packing Note/ List
14. Export Declaration Instruments
15. Trans-Shipment Bill
16. Shipping Order
17. Cart or Lorry Ticket
18. Shipper's declaration form
19. Invoice
20. Shipping Bill
21. Freight Declaration
22. Health Certificate
23. Certificate of Value
24. Bank Certificate of Export and Realization

Chapter 3 - The Challenge Of International Logistics

Most of logistic organizations and undertakings have been following age old and outdated practices and procedures.

1. Physical Distribution Issues
2. Cost Issues
3. Strategies For International Logistics

Chapter 4 - Know About Exim Finance

There are specific and general needs for the exim finance that an exporter will need to organize his payment schedule.

This can be easily bifurcated into

- pre – shipment
- post shipment

Chapter 5 - FEDAI In Foreign Exchange

Foreign Exchange Dealers Association Of India - FEDAI is a conglomerate of foreign exchange merchants in India which lays guidelines for transacting in foreign currency and business. FEDAI has enacted regulations and statutes to ensure protection of rights of exporters, importers, public and foreign currency merchants.

1. Regulations Defined By FEDAI
2. Currency Dealings

Chapter 6 - Crystallization Process

1. A - Negotiation Of Export Bill
2. B - Negotiation Of Import Bill

Chapter 7 - Foreign Trade Laws

Ministry of Commerce and Industry has been established as a nodal agency to carry out necessary functions of encouraging foreign trade in India. The trade policies are announced and given functional organization by the ministry, which are driven by predefined goals.

PART - D

Chapter – 1 Role of Ecommerce in Export Business

Digital commerce is making its presence felt in export business in all old and new and bigger or smaller units alike. Advertising on websites, social networks, creating online catalogues and websites with product information is as easy as it is said.

Chapter 2- How To Evaluate Website To Increase More Export Enquiries

Internet is an awesome place to be, but this domain is vast and expansive and you can be lost in crowd of numerous companies, industries and networks. You have to draw out an effective strategy to be identified by the world.

Chapter 3 - Export Trade Online Product Promotion

Internet marketing and online product promotion is the easiest way to reach millions of customers. Growth of online business is additive and provide greater results in short span of time and launch promotional campaigns to build your brand and expand your reach.

Chapter 4 - Digital Asset Optimization for Online Exports

Flourishing online business has created a great demand for website acquisition and their optimization such as Search Engine Optimization and **digital asset optimization**.

Importer Exporter Code Number – IEC Code Procedure in India

IEC code is issuing by DGFT – Director General of Foreign Trade to Importers and Exporters for Importing and Exporting Purpose, DGFT is a main issuing authority of 10 digit IEC Code, working under Ministry of Commerce, Government of India.

Mandatory Requirements :

- PAN Number
- Current Bank Account
- Bankers Certificate
- IEC Code Application Fee : Rs 500/- (: Pay by EFT (Electronic Fund Transfer), TR-6 Challan through Central Bank of India any Branch. The physical application containing required documents with duplicate copy, should reach DGFT RLA concerned within 15 days of its online submission.

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