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# **Editor's Note**

As we navigate the ever-evolving landscape of global trade, Procure India presents yet another insightful edition designed to empower your strategic decisions and illuminate emerging opportunities. The July 2025 issue unpacks India's dynamic export growth, policy reforms, and the rising global appetite for sustainable products, offering a panoramic view of both opportunities and challenges that define today's international commerce.

This month, we spotlight India's remarkable 125% surge in coffee exports, now valued at \$1.8 billion, a testament to the country's rising stature in premium, sustainable agro-exports.

At the same time, the tea sector grapples with headwinds driven by geopolitical disruptions in the Middle East, underscoring the critical need for diversified markets and adaptive strategies.

Meanwhile, the lifting of the export ban on pharma-grade sugar marks a strategic pivot towards high-value, compliance-centric trade segments, strengthening India's reputation as a reliable and quality-conscious exporter.

On the policy front, Indian leather exporters have gained a significant boost with the removal of restrictive port regulations and redundant CLRI certification requirements, a move that streamlines logistics and enhances global competitiveness.

Adding to this momentum, global logistics giant Mitsui OSK Lines' major investment in India reinforces the nation's rising significance as a strategic hub in global supply chains.

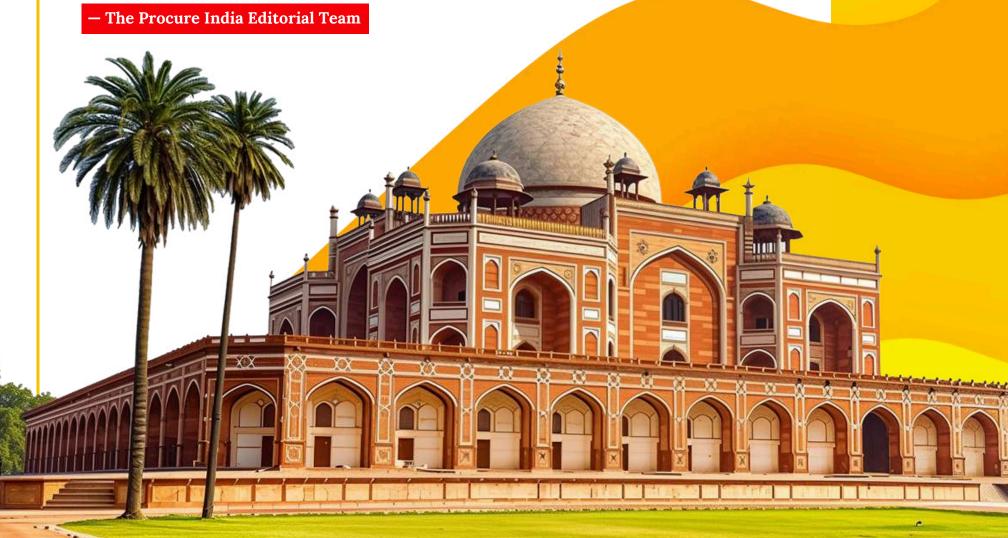
Sustainability continues to shape trade narratives, with Indian eco-friendly products, from areca tableware to upcycled fashion innovations by EcoKaari, gaining widespread global traction.

These examples highlight how India is not merely adapting to international demand for responsible sourcing but actively shaping it through design, innovation, and circular economy principles.

Looking ahead, platforms like Toy Biz International 2025 and IFJAS offer unparalleled opportunities for Indian exporters to showcase their ingenuity, strengthen global partnerships, and reinforce India's position as a preferred sourcing destination.

In a world where trade is increasingly defined by resilience, sustainability, and digital transformation, India stands on the cusp of a new export era, one marked by value creation, trust, and future-ready innovation.

Here's to informed choices, robust growth, and strategic partnerships in the months ahead.



#### From the

# Desk of the CEO

As we step into the second half of 2025, global trade stands at a pivotal crossroads. Shifting geopolitics, evolving consumer demands, and the push for sustainability are reshaping the export landscape at an unprecedented pace.

India's exporters and policymakers are not just adapting, they are leading with a bold vision. Our rising coffee exports, now a \$1.8 billion success story, highlight what's possible when we invest in quality and market diversification. In contrast, the challenges faced by the tea sector remind us of the risks of overdependence and the need for strategic resilience.

A striking example of moving from volume to value is India's leadership in pharma-grade sugar exports, a testament to our ability to win trust in niche, compliance-intensive markets. Policy reforms, from easing port restrictions on leather to initiatives like DGFT's Trade Connect, are further empowering our MSMEs to compete globally with agility and confidence.

Equally transformative is the mainstreaming of sustainability. Enterprises like EcoKaari, which transform plastic waste into fashion, embody India's innovative spirit and commitment to conscious trade.

Looking ahead, our \$2 trillion export ambition rests on three pillars: diversification to mitigate risks, digitalization for seamless global integration, and differentiation through sustainability and craftsmanship.

Upcoming global showcases such as Toy Biz International and IFJAS 2025 are more than trade fairs, they are stages to tell the story of a confident, innovative India.

As Peter Drucker said, "The best way to predict the future is to create it." Together, let us continue to turn challenges into catalysts and build a future defined by courage, collaboration, and creativity.

Alouk Kumar - Founder & CEO,

**Inductus** Group





#### Europe Leads, Asia and the Middle East Emerge

Europe remains the largest export destination for Indian coffee, with Italy, Germany, and Belgium accounting for a significant share of total shipments. The continent's established coffee culture and demand for quality robusta have kept Indian beans in high demand.

However, India is also seeing a shift in regional diversification. Countries like South Korea, Japan, the UAE, and Saudi Arabia are increasingly importing premium Indian coffee, particularly in the specialty and value-added segments. This growing geographical spread of exports is insulating Indian exporters from regional economic slowdowns and trade fluctuations.

#### **Government Support and Policy Reforms Drive Momentum**

The role of the Coffee Board of India and the Ministry of Commerce has been instrumental in enabling this export growth. Several key reforms have created an export-friendly ecosystem:

- Digitalisation of Export Processes: From issuing Registration-Cum-Membership Certificates (RCMCs) to Certificates of Origin, all services have moved online, making procedures seamless for exporters.
- Market Intelligence and Consultations: Regular industry consultations and global market intelligence reports have helped exporters align with market demands and trends.
- Freight Incentives: The government introduced shipping support, ₹3/kg for value-added coffee and ₹2/kg for premium green beans exported to the U.S., Canada, Australia, Japan, and key European countries.

Such incentives have not only enhanced cost competitiveness but also improved Indian exporters' access to premium global markets.

#### **Boosting Value Addition: Supporting Small Growers and MSMEs**

India's export story is also fueled by its growing focus on value-added coffee. The government's push toward processing, roasting, and packaging has enabled exporters to move beyond raw green bean exports.

Under targeted schemes, subsidies of up to ₹15 lakh (covering 40% of machinery costs) have been made available to small growers, SHGs, Farmer Producer Organizations (FPOs), and MSMEs for setting up roasting and grinding units. This has increased domestic capacity for premium, packaged coffee that commands better margins in international markets.

#### Sustainability as a Competitive Advantage

India's shade-grown coffee, produced under the canopy of forest trees, has become a global sustainability benchmark. These farms help conserve biodiversity, support soil health, and absorb carbon dioxide, giving Indian coffee an ecological edge.

With the European Union introducing deforestation-free certification norms for agricultural imports, India's coffee cultivation practices position it favorably for long-term access to these stringent but lucrative markets.

#### India's Standing in the Global Coffee Arena

India currently ranks as the world's seventh-largest coffee producer and the fifth-largest exporter. It contributes approximately 3.5% to global coffee output and 5% to global exports. Annually, India produces around 3.6 lakh metric tonnes of coffee and supports over 2 million livelihoods, primarily in the southern states of Karnataka, Kerala, and Tamil Nadu.

#### **Outlook: Brewing Growth Ahead**

India's coffee export industry is well poised for the next phase of expansion. With supportive government policies, a focus on high-value products, improved global positioning, and rising demand for sustainable and specialty coffees, Indian exporters are expected to increasingly tap into premium markets.

The integration of smallholder farmers into global value chains, facilitated by digital trade and e-commerce platforms, is set to further democratize export opportunities. As consumer preference shifts toward traceable, sustainable, and artisanal coffee experiences, India's robust and diversified portfolio is primed to meet global tastes.

#### Conclusion

India's coffee story is no longer just about quantity; it's increasingly about quality, value, and sustainability. As global coffee culture evolves, India's strategic positioning and policy alignment suggest that the brew has just begun.





trade flows across the Middle East.

With escalating tensions and the threat of regional escalation, India has halted shipments to Iran, its second-largest market for orthodox tea, causing a domino effect across auction houses, ports, and trade finance channels.

#### Iran: A Key Market Frozen Amid Hostilities

Iran has long been a vital consumer of Indian orthodox tea, particularly from Assam's lush highlands. Of the 30–35 million kg of orthodox tea exported annually from India, nearly 80% is consumed by Iran and Russia. In FY23, India shipped approximately 28 million kg of orthodox tea to Iran, making it one of the largest destinations for the variety.

However, following the intensification of the Israel–Iran conflict and increasing Western sanctions on Iran, India's exporters have been forced to suspend all tea shipments to Tehran. This has left bulk consignments stranded at ports like Kolkata, Cochin, and Nhava Sheva, with buyers unreachable and no clarity on future payments.

#### **Mounting Inventory and Auction Price Pressure**

The immediate impact of the trade suspension has been a sharp build-up of inventory across warehouses and holding facilities. Exporters estimate that orthodox tea worth over ₹100–150 crore is currently unsold and awaiting clearance or rerouting.

This inventory glut has spilled over into auction markets. With key buyers absent and shipments frozen, auction prices for premium orthodox teas have dropped by 5–10%, causing concern among tea producers and exporters alike. Auction centers in Kolkata and Guwahati, normally driven by robust Middle Eastern and Russian demand, have seen muted buyer interest, especially for first-flush teas that typically fetch high premiums.

#### **Logistics Disruptions and Cost Escalation**

The fallout from the Israel–Iran conflict is not limited to trade bans alone. The Strait of Hormuz, through which nearly 20% of global oil trade and significant cargo volumes pass, is now under threat of blockade or military escalation. As a result, logistics costs have surged, with freight and insurance rates witnessing up to 40% increases for West Asia-bound shipments.

Exporters are now facing heightened risks, with many insurance firms either withdrawing coverage or demanding steep war-risk premiums for consignments passing through the Persian Gulf. Small and mid-sized exporters, operating on narrow margins, are the most vulnerable.

#### **Broader Implications for India's Middle East Trade**

While tea remains a flagship commodity, the implications of the regional crisis extend to a broader swathe of Indian exports to West Asia. From basmati rice to sugar, meat, bananas, and cotton yarn, India ships over \$1.2 billion worth of agri-commodities to Iran alone every year.

Experts warn that a prolonged disruption may also affect remittances, crude oil imports, and bilateral trade agreements. Though oil prices have not yet spiked dramatically, traders remain cautious, with Brent crude hovering near the psychological \$90 per barrel mark. Any further military escalation could push it past the \$100 threshold, impacting India's import bill and inflation targets.

#### **Exporters Call for Policy Intervention and Market Diversification**

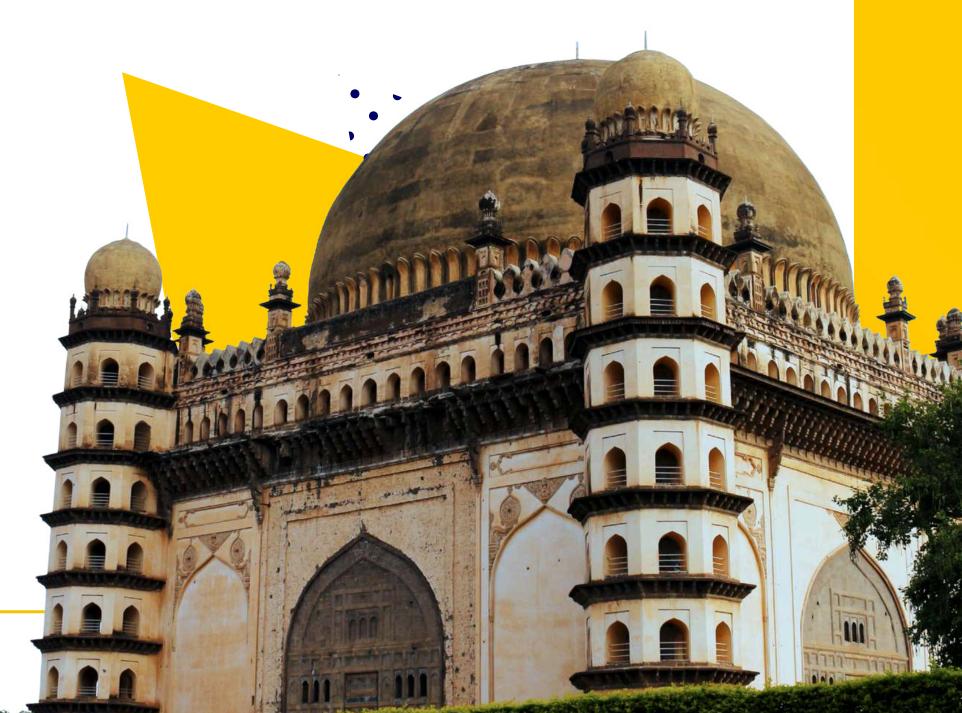
Facing an unprecedented bottleneck, exporters and trade bodies are urging the Indian government to intervene with short-term relief measures. Recommendations include the activation of force majeure clauses, interest subvention schemes, and alternate insurance support for stranded consignments.

Additionally, there is a renewed call to diversify orthodox tea export markets beyond conflict-prone geographies. Nations such as Iraq, Saudi Arabia, Egypt, and the UAE are being explored as alternative destinations to absorb excess inventory. Some exporters are also turning to value-added tea products, like flavored and blended teas, to tap newer demographics in Europe and Southeast Asia.

#### Conclusion

The current disruption underscores a critical vulnerability in India's export strategy, over-dependence on geopolitically sensitive markets. The Israel–Iran conflict is a timely reminder for Indian exporters to adopt a more risk-hedged, diversified trade approach. As diplomatic and trade corridors face turbulence, the tea industry's response will serve as a bellwether for how Indian agriculture-based exports navigate a more fractured global order.

While the world watches the Middle East with caution, India's tea trade stands at a crossroads, caught between tradition, turmoil, and the urgent need for transformation.





# Govt Clears Pharma-Grade Sugar Exports After Months-Long Ban; 25,000 Tonnes Approved

In a decisive move poised to enhance India's global pharmaceutical supply chain footprint, the Directorate General of Foreign Trade (DGFT) has approved the export of 25,000 metric tonnes of pharma-grade sugar per financial year. This development marks a significant shift in India's controlled commodities export policy, signalling both confidence in domestic supply and an intent to support the country's thriving pharmaceutical sector.

Under the revised trade policy notification issued on June 17, the export of pharma-grade sugar, classified under the restricted category, will now be allowed against a rigorous, permission-based system. Only pharmaceutical-grade exporters, duly registered and verified, will be permitted to trade under this quota.

This sugar, unlike standard industrial or food-grade varieties, is of exceptional purity and is a critical excipient in various medicinal formulations, including syrups, effervescent powders, lozenges, and tablets. The move comes at a time when India's pharmaceutical exports are experiencing a steady upswing, driven by global demand for cost-effective, high-quality formulations.

"The 25,000-tonne quota is not just about sugar; it's about trust. It's about ensuring global pharma supply chains have access to reliable, compliant, and high-purity inputs," a senior DGFT official noted.



#### Balancing Supply with Global Demand

The approval reflects the government's attempt to strike a balance between safeguarding domestic food and industrial sugar requirements and enabling niche exports with high strategic value. This is especially vital in a year when the country's sugar production has witnessed fluctuations due to erratic weather patterns in Maharashtra and Uttar Pradesh, the top producing states.

While India has maintained a cautious stance on general sugar exports due to rising domestic demand and inflationary pressure, pharma-grade sugar—accounting for a fraction of total production—is now seen as a non-disruptive yet lucrative channel to expand global trade reach.

#### Trade Connect's New 'Source from India' Feature

Simultaneously, the DGFT has enhanced its Trade Connect ePlatform by integrating a "Source from India" feature, aimed at international buyers seeking verified Indian suppliers. The tool allows importers to directly access exporter microsites, streamlining inquiry-to-order processes and fostering transparency.

This development is expected to significantly benefit SMEs in the pharmaceutical and allied industries, especially those specializing in niche chemical and excipient manufacturing, by widening their global market access without the conventional friction of B2B sourcing barriers.

#### **Industry Implications & Market Reaction**

- Pharma Manufacturers: The move is being hailed as a win for Indian pharma companies struggling with irregular access to high-grade excipients. It ensures continuity in production pipelines and reduces dependency on costly imports from other sugar-refining nations.
- Sugar Mills with Pharma Certification: These specialized producers are likely to witness increased order books and may scale operations to meet both domestic and international requirements.
- Export Strategy Alignment: This quota also subtly supports India's broader narrative of 'Atmanirbhar Bharat' (self-reliant India) by showcasing its ability to meet specialized global demands through high-quality, compliant manufacturing practices.

#### **Outlook**

While the export volume is modest in comparison to India's massive sugar industry, the symbolic and strategic implications are profound. It sends a clear message: India is ready to supply the world not just in volumes, but with value, quality, and precision.

As global pharmaceutical companies continue to seek stable sourcing alternatives, India's latest policy pivot on pharma-grade sugar could well serve as a template for controlled, high-trust exports across other niche raw materials.

In a world increasingly defined by supply chain resilience and regulatory compliance, India's move is not just timely, it's tactically astute.





#### Regulatory

# **Updates**

## Leather Exports Get a Boost as India Removes Port Hurdles, CLRI Tests

In a landmark decision aimed at revitalising one of India's most labour-intensive export sectors, the Government of India has dismantled two major regulatory roadblocks that had long plagued the country's leather industry. The Directorate General of Foreign Trade (DGFT), has removed port-specific export restrictions and withdrawn the mandatory Central Leather Research Institute (CLRI) certification for select leather exports.

This decisive policy shift is poised to enhance export competitiveness, reduce logistical bottlenecks, and catalyse growth in India's leather sector, an industry that employs nearly 4.4 million people and contributes significantly to foreign exchange earnings.

#### **End of Port Restriction**

Until now, exporters of finished leather, wet-blue leather, and EI-tanned leather were permitted to ship goods only through a handful of specified ports and Inland Container Depots (ICDs). This often forced exporters, particularly from non-metro regions, to route consignments through distant ports, incurring high logistics costs and extended timelines.

Effective immediately, the new DGFT notification allows exporters to dispatch shipments from any seaport or ICD across India, aligning export facilitation efforts with the government's broader vision of "Trade Everywhere, Anytime." The move not only brings operational agility but also empowers regional and MSME players by providing direct access to export gateways.

Industry leaders, including the Council for Leather Exports (CLE), have hailed the reform as "transformational." According to CLE Chairman Sanjay Leekha, "The removal of port restrictions will allow exporters to plan shipments efficiently, reduce turnaround time, and avoid unnecessary trans-shipment delays. It sends a strong signal to global buyers about India's intent to become a reliable supply hub."

#### **CLRI Certification Withdrawn**

In another critical move, the DGFT has also eliminated the requirement for CLRI testing and certification of finished and crust leather meant for export. Previously, exporters were required to undergo compulsory testing by CLRI to differentiate finished leather from raw hides, a rule aimed at preventing misclassification and revenue loss due to evasion of duties.

However, with export duties on raw hides already withdrawn and clear visual distinctions now standard industry practice, the certification mandate had become an outdated burden. Customs authorities have confirmed that no export duty is currently applicable on raw, tanned, or crust leather, making the additional verification step redundant.

"This is a long-overdue simplification," said Ramesh Kumar, Managing Director of a Chennai-based leather goods firm. "Every day of delay costs us clients in Europe. With this reform, we expect faster order fulfilment and fewer shipment rejections due to paperwork issues."

#### **Parallel Import Controls**

While easing outbound logistics for leather, the government has simultaneously tightened controls on certain imports to address concerns over quality and unfair pricing. The DGFT has introduced a licensing requirement for the import of cabinet hinges priced below ₹280/kg.

The move is understood to be aimed at curbing the influx of low-cost imports, primarily from China, that are undercutting domestic hinge manufacturers. Stakeholders in the hardware and fittings industry have welcomed the measure, citing the need for quality assurance and a level playing field.

An importer based in Mumbai noted, "While this adds a new layer of compliance, it also reflects the government's seriousness in protecting Indian MSMEs from unfair trade practices."

#### Implications for the Logistics Ecosystem

These updates mark a significant recalibration of India's trade logistics policy:

#### Measure

- Port Restriction Removal
- CLRI Certification
  Removal
- Import Licensing for Low-Cost Hinges

#### **Impact**

Frees up export routes; allows exporters to use the nearest port or ICD, reducing time and cost.

Ends redundant compliance; speeds up processing; improves ease of doing business

Shields domestic manufacturers from dumping; introduces scrutiny for under-invoiced goods.

Moreover, the removal of friction in the leather export chain is expected to bolster India's ambition to touch \$47 billion in leather and leather goods exports by 2030, as outlined in the National Industrial Policy draft.





#### Conclusion

The policy interventions highlight a strategic duality, liberalising where India holds a competitive advantage, and tightening scrutiny where domestic value chains face existential threats.

For leather exporters, the announcement is not just a procedural tweak; it's a structural enabler. The relaxation of port and certification norms may translate into better cash flows, reduced inventory holding, and most importantly, stronger delivery commitments to international buyers.

For the logistics industry, these reforms offer both a challenge and an opportunity: to upgrade service offerings, expand infrastructure at newly enabled ports, and integrate end-to-end digital compliance.

In an era where global trade flows are increasingly defined by agility and adaptability, India's latest measures demonstrate a maturing logistics policy, one that seeks to empower exporters while maintaining strategic oversight on imports.



# Logistics Spotlight

#### **Shipping & Freight**

Mitsui OSK Lines Eyes India's Growing Logistics Sector with Targeted Investment Plan

Japanese shipping giant Mitsui OSK Lines (MOL), the world's second-largest ship-owner by fleet size, is accelerating its diversification in India, with a strategic thrust into logistics and allied infrastructure.

Under its flagship Blue Action 2035 roadmap, the firm is set to make a "very soon" investment in an Indian logistics startup, following a suite of recent non-marine forays, underscoring a clear pivot from pure maritime to integrated supply-chain services.

#### **Strategic Stakes & Stable Revenue Aims**

In the current financial year, MOL has infused just under ₹2,000 crore into commercial real estate projects in Gurugram and Chennai, aiming to build stable, rental-yielding assets that complement its core shipping business. With fresh capital earmarked for a logistics startup, the strategy is designed to insulate earnings from the volatility of freight rates.

#### **Venture-Led Expansion**

MOL's corporate arms, MOL Plus (est. 2021) and MOL Switch (est. 2024), are leading the charge. MOL Plus, focused on shipping and logistics technology, has set up an India desk to source local deals, while MOL Switch targets clean-tech ventures in green fuels such as ammonia and hydrogen. Discussions on the startup have reportedly converged, with a joint-investment approach favored over outright acquisition.

#### Maritime Expansion with Indian Linkages

Reaffirming India's significance, MOL currently operates 13 vessels under the Indian flag, 10 under the Domestic Tariff Area, and 3 via GIFT City, with plans to augment the fleet alongside partners like BPCL. Though not investing directly in Indian shipyards, MOL is keen on ordering locally built vessels, contingent on quality, delivery timelines, and contractual safeguards.

#### Non-Marine Pivot & Environmental Push

The logistics push marries well with MOL's broader ambition to build a resilient, diversified portfolio. Current logistics operations span 12–14 Indian cities, with plans to expand air-freight services. Concurrently, the firm is investing in decarbonisation via LNG-fueled ships and dual-fuel vessels operable on green ammonia or hydrogen, targeting net-zero by 2050.

#### **Analysis:**

MOL's emerging India play reflects a global shipping firm reimagining itself, from ocean freight tanker to social-infrastructure conglomerate. The measured dual strategy of real estate, tech-led logistics, maritime build-out, and green energy suggests a "hub-and-spoke" model leveraging India's demographic and economic tailwinds. With Blue Action 2035 as the guiding blueprint, MOL is positioning itself to ride the waves of stable, climate-friendly growth across the Indian supply-chain ecosystem.



# Advantage India .

#### Why India's Eco-Friendly Products Are Becoming a Global Sourcing Priority

As global supply chains recalibrate in the wake of climate commitments, sustainability is no longer a brand differentiator; it is a business imperative. From multinational corporations to regional importers, the pressure to green their procurement strategies is pushing eco-friendly sourcing to the top of the priority list. And increasingly, all roads are leading to one destination: India.

"India allows us to meet both our sustainability KPIs and our margin targets," says Jonas Meier, Senior Sourcing Manager at a Scandinavian homeware chain.

#### India's Green Renaissance

India, long recognized for its manufacturing diversity and skilled workforce, is undergoing a green transformation. The country has emerged as a leading supplier of sustainable, eco-conscious products, from organic textiles and biodegradable packaging to upcycled home décor and natural personal care goods. According to a 2024 McKinsey report, India's green exports grew at an impressive 18% CAGR over the last three years, outpacing traditional segments.

At the heart of this transformation lies a robust ecosystem of micro, small, and medium enterprises (MSMEs) that have embraced sustainable innovation, not as an afterthought, but as their primary value proposition. These businesses are agile, design-forward, and deeply rooted in traditional Indian crafts and materials, giving them a unique edge in the global marketplace.

#### Why Global Buyers Are Turning to India

Reaffirming India's significance, MOL currently operates 13 vessels under the Indian flag, 10 under the Domestic Tariff Area, and 3 via GIFT City, with plans to augment the fleet alongside partners like BPCL. Though not investing directly in Indian shipyards, MOL is keen on ordering locally built vessels, contingent on quality, delivery timelines, and contractual safeguards.

#### **Cost-Competitive Sustainability**

Unlike Western counterparts, India's sustainable products don't carry a steep price premium. With access to abundant raw materials, such as jute, coir, bamboo, and organic cotton, and a labour force skilled in artisanal and low-carbon production, Indian suppliers can offer affordable eco-alternatives without compromising on quality.

#### **Regulatory Compliance and Certifications**

India's producers are increasingly aligning with international standards like GOTS (Global Organic Textile Standard), Fair Trade, OEKO-TEX, and BRCGS. Government initiatives such as the ZED (Zero Defect Zero Effect) Certification further assure global buyers of quality and environmental responsibility.

"India gives us access to a wide design pool rooted in sustainability," notes Lisa Tanaka, Product Head, Ethical Brands Japan.

#### **Customization at Scale**

Whether it's biodegradable tableware for the EU market or plastic-free cosmetic packaging for the US, Indian manufacturers offer customization with scalability, a rare combination that positions them as ideal long-term sourcing partners.

#### **Government Backing & Export Incentives**

The Indian government has introduced a suite of incentives under the Foreign Trade Policy 2023, including duty reimbursements and export promotion capital goods schemes for sustainable products. The recently launched "Sustainable India Mission", aimed at boosting green exports, is expected to unlock \$20 billion in additional trade over the next five years.

#### Case in Point: India's Biodegradable Packaging Boom

Take the example of India's biodegradable packaging sector, which is witnessing a surge in global demand, particularly from FMCG and e-commerce giants. Manufacturers from states like Gujarat, Tamil Nadu, and Maharashtra are now exporting compostable mailers, paper-based wraps, and starch-based containers to over 40 countries. Many of these producers offer end-to-end private label solutions, enabling international brands to white-label eco-packaging under their sustainability narrative.

#### The Future is Local, Global, and Green

As global retailers and importers navigate a complex web of ESG mandates, supply chain transparency, and consumer expectations, India offers a rare trifecta: scalability, affordability, and sustainability.

For businesses looking to make a meaningful impact on both the bottom line and the planet, sourcing from India is not just an ethical choice; it's a strategic advantage.

#### In Numbers: India's Green Sourcing Edge

- \$12.8 Billion Estimated export value of India's eco-friendly products in FY 2024
- 150+ Countries India currently exports sustainable goods to
- 35% Year-on-year growth in demand for India's sustainable home & lifestyle products
- #1 India's global rank in jute-based product exports

As the world redefines trade through the lens of sustainability, India isn't just keeping pace; it's setting the standard. The time to source smart is now. And smart, in today's world, means sourcing from India.



# Your Ultimate Roadmap to International Trade: Every Document You Need from Inquiry to Delivery

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In the dynamic ecosystem of global commerce, success hinges not merely on finding the right buyer or supplier but on navigating the intricate web of documentation that underpins every international trade transaction. For importers, exporters, and trade intermediaries alike, understanding the standard documents used from inquiry to final delivery is not just best practice, it's business-critical.

This edition of "Know Your Business" brings you a definitive guide to mastering international trade documentation, unpacking the timeline, function, and strategic importance of each form that takes you from handshake to shipment.

#### Letter of Intent (LOI)

The journey begins with a Letter of Intent (LOI), a non-binding document issued by the buyer, formally indicating interest in procuring goods or services under certain terms. While it doesn't lock either party into a contract, it demonstrates commercial seriousness, outlines preliminary conditions, and forms the basis for further negotiation.

**Why it matters:** A credible LOI eliminates frivolous inquiries, helps suppliers gauge buyer capacity, and initiates the compliance process, like KYC and AML checks.

#### **Full Corporate Offer (FCO)**

In response to the LOI, the seller issues the Full Corporate Offer (FCO), a document detailing the product specifications, pricing, payment terms, delivery timelines, and other trade clauses. The FCO typically includes verifiable data like company registration, past trade references, and banking details to assert legitimacy.

Why it matters: The FCO acts as a structured commercial blueprint. Once accepted, the buyer and seller move closer to formalization via contract law.

#### Sales and Purchase Agreement (SPA)

Arguably, the cornerstone of the entire transaction, the Sales and Purchase Agreement (SPA), is a binding legal contract signed by both parties. It encompasses all negotiated elements, product specifications, Incoterms (e.g., FOB, CIF), quality standards, delivery obligations, arbitration clauses, and penalties for non-compliance.

**Why it matters:** The SPA safeguards both buyer and seller, providing recourse in case of breach, delays, or substandard supply.

#### **Proforma Invoice (PI)**

Once the SPA is in place, the supplier generates a Proforma Invoice (PI), a preliminary bill of sale sent to the buyer before goods are shipped. It serves as a formal quote and includes pricing, HS codes, tax implications, quantity, and freight charges.

Why it matters: Most banks require the PI to initiate Letters of Credit (LCs) or make advance payments. It's also used to obtain import licenses in some jurisdictions.

#### **Payment Instruments**

Depending on the agreement, trade payments can be made via Advance Payment, Letter of Credit (LC), Document Against Payment (D/P), or Open Account. The choice depends on buyer-seller trust, country risk, and transaction size.

**Why it matters:** Selecting the wrong payment instrument can expose either party to counterparty risk. International best practices recommend LCs for new trade relationships.

#### **Commercial Invoice**

After goods are dispatched, the seller issues a Commercial Invoice, a legally enforceable document that specifies the final sale price, shipment terms, and tax liabilities. It is used by customs officials to assess duties and verify the legitimacy of cargo.

**Why it matters:** Without it, the goods are held up at the port of entry, causing demurrage charges and supply chain delays.

#### Packing List & Certificate of Origin

The Packing List details the quantity, weight, dimensions, and packaging format of each item, critical for port handling, inventory control, and insurance validation.

The Certificate of Origin, issued by the Chamber of Commerce or an authorized entity, proves the origin of the goods and qualifies products for tariff reductions under trade agreements.

Why it matters: Incomplete or inaccurate support documents can result in goods being rejected or penalized at customs checkpoints.

#### Bill of Lading (B/L) or Airway Bill (AWB)

The Bill of Lading (for sea freight) or Airway Bill (for air freight) is the transport document issued by the carrier. It serves as a shipment receipt, a title document, and a contract between the exporter and the carrier.

**Why it matters:** Control of the B/L equals control of the goods. It is essential for claiming cargo at the destination.

#### **Insurance Certificate**

Especially vital under CIF or CIP Incoterms, an Insurance Certificate protects against loss, damage, or theft in transit. It lists the goods covered, their insured value, and the policy terms.

**Why it matters:** Trade without insurance is a high-stakes gamble, especially in geopolitically sensitive or high-risk zones.



#### The Trade Lifecycle at a Glance

Phase		Key Documents
1	INQUIRY	Letter of Intent (LOI)
2	OFFER & NEGOTIATION	FCO, Due Diligence Docs
3	HYPOTHESIZE	SPA
4	PROBLEM	PI, Payment Instrument, LC
5	READ	Commercial Invoice, Packing List
6	HYPOTHESIZE	Bill of Lading / AWB, Insurance
7	READ	Certificate of Origin, B/L
8	HYPOTHESIZE	Payment Settlement, GRN

In today's compliance-driven trade environment, documentation is more than paperwork; it's your passport to global markets.

Businesses aiming to scale internationally must treat these documents not as red tape but as revenue enablers. Each form, when handled with precision and legal prudence, ensures not only regulatory approval but also trade reputation, customer trust, and supply chain continuity.

Always Remember: Trade thrives where documentation aligns.



#### From Palm to Plate: India's Areca Tableware Sets New Standard in Sustainable Dining

In the lush, rain-fed regions of South India, primarily in Karnataka, Tamil Nadu, and Kerala, a quiet but transformative revolution has taken root under the shade of towering areca palm trees. What was once considered agricultural waste, the naturally shed leaves of the areca nut palm, is now at the forefront of India's eco-export strategy, reshaping the global conversation around sustainability, one biodegradable plate at a time.

Welcome to the world of areca leaf tableware, India's ingenious gift to green

# Product of the

#### **Humble Beginnings: Waste to Wonder**

The journey began in small rural pockets, where farmers sought ways to utilise the thick, sturdy leaves that fell from areca palms. Traditionally burned or discarded, these leaves found a new purpose when local innovators discovered their strength, resilience, and potential to be molded into plates and bowls. What followed was not merely a cottage industry; it was a movement.

By the early 2000s, micro-manufacturing units started springing up across areca-growing belts. Using hydraulic pressing machines, without any chemical additives, bleaching, or tree felling, local entrepreneurs began crafting elegant, durable, and entirely compostable dinnerware. What set it apart was not just its sustainability, but its sophistication.



#### From South India to the Global Stage

India's areca tableware now holds a firm position in global markets where eco-conscious consumption is on the rise. From farmers in Tumkur to eco-stores in Toronto, the value chain has matured into a robust export ecosystem.

**Germany, Australia, the UK, and Canada** have emerged as top importing nations, with discerning consumers and businesses alike embracing the palm-leaf revolution for everything from picnics and catering to luxury eco-resorts. What once served as a rustic dinner plate at village fairs is now part of Michelin-starred restaurant tables and international green expos.

What's fueling this demand? The answers are simple, yet profound

- No trees are harmed, and the leaves are naturally shed.
- No chemicals are used in processing.
- **No guilt is attached**, the products biodegrade within 60 days.
- No compromise on quality, the dinnerware is heat-resistant, leak-proof, and visually appealing.

#### India's Export Edge: Policy, Production, and Purpose

With support from local governments and MSME policies, India has scaled up areca tableware production without compromising its artisanal roots. Over 3500+ MSME units now operate in this space, contributing to both rural employment and India's sustainable export profile.

The **chemical-free processing** gives India a clear edge over competitors like China and Southeast Asia, where bleaching and synthetic binders are still used. Moreover, global importers increasingly see India not just as a manufacturer, but as a **partner in environmental stewardship**.

#### **Impact: Beyond Economics**

The impact of areca tableware transcends commerce.

- **Environmental Impact:** For every ton of areca plates exported, over 2 tons of plastic waste are potentially avoided.
- **Economic Upliftment:** Women-led cooperatives and small entrepreneurs in tier-3 towns now find steady income and skill-based employment.
- **Cultural Currency:** India is not only exporting a product but exporting values—sustainability, circularity, and craftsmanship.

#### The Green Cutlery of Tomorrow

The trajectory of areca tableware is pointed decisively upward. With international regulations clamping down on single-use plastics, from the EU Green Deal to Canada's Zero Plastic Waste by 2030 strategy, demand for bio-based alternatives is projected to grow at a CAGR of 12%+ through 2030.

India is poised to lead this shift, especially if it:

- Invests in R&D for design innovation (e.g., compartmentalized trays, branded embossing)
- Strengthens supply chain traceability and certifications (ISO, FSC, etc.)
- Expands into new verticals—think eco-cutlery, takeaway containers, wedding dinnerware, and bulk catering formats

#### Conclusion

In a world increasingly defined by climate anxiety and conscious consumption, India's areca tableware offers a rare convergence of practicality, purpose, and poetry. It is not merely a product; it is a symbol of India's rising influence in the sustainable economy.

From palm to plate, the journey of a humble leaf has become a metaphor for India's ambition to lead the world, not by scale alone, but by setting the standard for sustainable living.

"This isn't just tableware. It's tradition reimagined, commerce redefined, and nature respected."



# Studies Case Studies

## From Waste to Wow: EcoKaari's Fashion Revolution

In the quiet alleys of Pune, the whirr of the charkha is producing more than just handwoven fabric; it's spinning a story of innovation, sustainability, and social change. At the intersection of tradition and technology stands EcoKaari, an impact-first enterprise that is transforming what the world discards into objects of global desirability.

Born from a deceptively simple idea, to upcycle multi-layered plastic waste into fashion-forward accessories, EcoKaari is scripting a revolution one wrapper at a time. The company's journey, however, is anything but conventional.



## The Genesis: A Problem Wrapped in Layers

In 2019, as climate anxieties deepened and the world's war against plastic intensified, Ashita Parmar, the founder of EcoKaari, stumbled upon a peculiar gap in India's waste management ecosystem: multi-layered plastic packaging (MLP), which is notoriously difficult to recycle. Unlike PET bottles or single-layer plastic bags, MLPs, found in everyday items like chip packets and detergent pouches, usually end up in landfills or incinerators.

"I didn't want to just recycle waste. I wanted to reimagine it," says Parmar. With a vision to intertwine environmental consciousness with livelihood creation, she sought to revive India's traditional handloom skills and apply them to a modern-day challenge. Thus, EcoKaari (meaning 'eco artisan') was born, with sustainability as its soul and artisanship as its vehicle.

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#### The Model: Where the Charkha Meets Circular Economy

The process is as meticulous as it is poetic. Discarded plastic waste is first collected, sanitized, and manually cut into strips. These strips are then woven on handlooms powered by charkhas, reviving techniques once championed by Mahatma Gandhi. The resulting material, handwoven plastic fabric, becomes the raw material for an array of products: from handbags and laptop sleeves to belts and travel pouches.

But EcoKaari isn't merely a product company. It's a systems-level response to three interconnected crises: plastic pollution, disappearing artisanal livelihoods, and urban unemployment.

The enterprise works closely with local waste-pickers, urban underprivileged youth, and rural women, training and employing them as artisans in a value chain that is both inclusive and regenerative. In doing so, EcoKaari fuses climate action with community upliftment.

#### The Market Impact: From Pune's Streets to Global Runways

What started as a niche idea in Pune's eco-circles has now captured the attention of ethical fashion lovers from New York to Berlin. With zero reliance on electricity in its core weaving process, EcoKaari's products have found their way into high-end boutiques, eco-conscious platforms, and global sustainability expos.

Today, the brand ships internationally and enjoys a loyal customer base driven not just by aesthetics but by ethics. The upcycled fabric is as durable as it is vibrant, giving plastic a second life that is miles away from the landfill.

In just a few years, EcoKaari has upcycled over 2.5 lakh pieces of MLP waste, created sustained income for dozens of artisans, and developed a scalable model that marries circular design with inclusive employment.

#### The Bigger Picture: Redefining India's Green Economy

India, which generates over 3.4 million tonnes of plastic waste annually, is desperately in need of such circular enterprises. EcoKaari's model, rooted in frugality, craft, and environmental stewardship, presents a blueprint for how emerging economies can lead the sustainability conversation, not through high-tech solutions alone, but through culturally rooted innovation.

What makes EcoKaari exemplary is not just what it produces, but how, and why. At a time when ESG metrics are becoming corporate buzzwords, this homegrown brand has emerged as a case study in authentic, grassroots-level sustainability.

#### The Road Ahead: Scaling Without Compromise

As the demand for sustainable fashion intensifies, EcoKaari is now exploring collaborations with designers, institutions, and policy bodies. But scaling up, says Parmar, will not come at the cost of principles. "We're not just building a brand. We're nurturing a movement," she asserts.

The challenge? Balancing growth with craft, impact with design, and scale with soul. But if the charkha could once power India's independence, EcoKaari is proving it might just power its green future.



# Upcoming Upc

#### Toy Biz International 2025

**Date:** July 4–7, 2025

O Location: Bharat Mandapam, Pragati Maidan, New Delhi

#### **India's Premier Toy & Sports Goods Expo Returns!**

Toy Biz International 2025 is set to bring together the brightest in Indian toy and sports goods manufacturing under one roof. Held at the iconic Bharat Mandapam, the four-day event will spotlight India's growing capabilities in sustainable, innovative, and export-ready toys and sporting products. A mustattend for global buyers, distributors, and sourcing professionals looking to tap into India's vibrant manufacturing ecosystem.

#### Indian Fashion Jewellery & Accessories Show (IFJAS)

**Date:** July 4–6, 2025

O **Location:** India Expo Centre & Mart, Greater Noida (NCR)

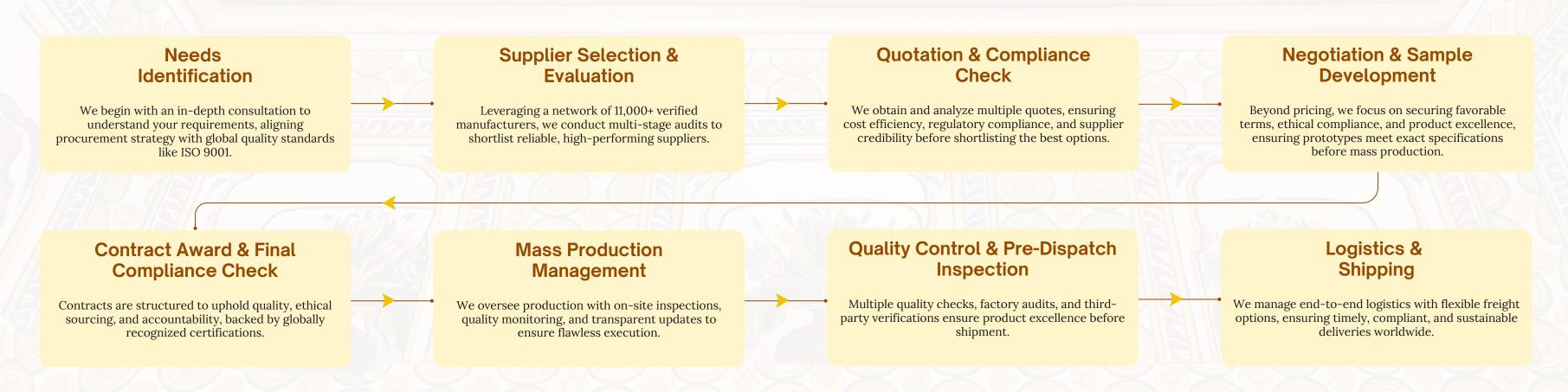
#### The Indian Fashion Jewellery & Accessories Show (IFJAS) 2025

is set to dazzle buyers and exhibitors. A premier B2B platform, IFJAS showcases India's finest fashion jewellery, semi-precious stones, accessories, and handcrafted pieces, making it a must-attend event for global gemstone and accessory exporters seeking innovation, quality, and craftsmanship rooted in tradition.



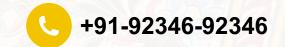
### Our Procurement Process

After extensive research, our team has crafted a tested, structured procurement process that ensures top-quality products, competitive pricing, and seamless imports—backed by global standards. Our eight-step procurement framework ensures quality, compliance, and risk-free sourcing for maximum value.



At **Inductus Global**, we go beyond procurement—we build supply chain excellence with trust, transparency, and a commitment to global standards

For a detailed technical Explanation, <u>Click Here</u>







### **Our Services**



Finding, vetting, and selecting retail vendors for the provision of goods and services.

# PRODUCT DESIGN & DEVELOPMENT

Our design & Development process elevates your brand and boosts sales with functional, visually appealing products.

# BUSINESS NEGOTIATION

Negotiation services to create favourable terms and help businesses acquire maximum value and quality.



Focus on quality, time, and resources to ensure constant production line flow, competitiveness, and profitability.

# PACKAGING MANAGEMENT

Offering tailored solutions to boost efficiency while reducing cost and creating a strong brand presence.

# C L

## LOGISTICS & SHIPPING ARRANGEMENT

Providing end-to-end shipping solutions and regulating all aspects of packing, labelling, shipping, and documentation.

### QUALITY CONTROL & INSPECTION

Quality control procedures to build investor confidence, reduce risks, and ensure legal compliance.

Proud recipient of **Times Power Icons Award** for being one of the **Leading GCC Enabler of India** 

Presented by





Inductus ensures that each model is executed with precision, innovation, and strategic foresight—helping you unlock the full potential of your GCC in India.

Our deep expertise in GCCs, coupled with a strong network of industry partnerships and policy-level advisory, positions us as a trusted partner for driving transformational outcomes.

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