

REPORT

EXPORT PROMOTION COUNCIL FOR HANDICRAFTS

REPORT ON AWARENESS SEMINAR ORGANIZED ON “HOW TO ELIMINATE DISCREPANCIES IN EXPORT DOCUMENTATION AND EXPORT PROMOTION SCHEMES FOR HANDICRAFTS SECTOR” AT RAJIV GANDHI BHAWAN NEW DELHI ON 04th June 2016

The Export Promotion Council For Handicrafts (EPCH) organized an awareness seminar on “**HOW TO ELIMINATE DISCREPANCIES IN EXPORT DOCUMENTATION AND EXPORT PROMOTION SCHEMES FOR HANDICRAFTS SECTOR**” on 4th June’2016 at Rajiv Gandhi Bhawan, New Delhi. The following key officials were present during above seminar:-

1. **Shri Ravi K. Passi** - COA Member & Past Chairman-EPCH
2. **Shri Prince Malik** - Vice-Chairman-EPCH
3. **Dr Ram Singh** - Indian Institute of Foreign Trade
4. **Shri S S Bhatnagar** - Leading Buying Agent
5. **Mr. Rajesh Rawat** - Dy. Director-EPCH

The EPCH regularly conducting awareness seminars for member exporters to educate them on new and emerging issues related to exports and to keep themselves updated about the latest trends and policies.





DR. RAM SINGH, SENIOR ASSOCIATE PROFESSOR, IIFT INTERACTING WITH THE MEMBER PARTICIPANTS DURING SEMINAR held on 4.6.2016

Dr. Ram Singh is Senior Associate Professor with Indian Institute of Foreign Trade (IIFT) since June 2006. His core areas are Export Import Procedure and Logistics. He has authored a book on International Trade Operations with Excel Books and another on International Trade Logistics with Oxford University press. He is recipient fellow of a course "Managing Global Governance" "from German Development Institute, Bonn, Germany. e-mail: ramsingh@iift.edu

The seminar witnessed over 40 participants and the speaker for the event Dr. Ram Singh from Indian Institute of Foreign Trade widely deliberated on the issue to educate member exporters.



Dr. Ram Singh began with explaining how to avoid Discrepancies. He briefed that a large portion of the discrepancies found in letter of credit documents occur with a great deal of frequency. Three common problems can be avoided if the exporter carefully checks the following before shipping:

1. The credit amount is sufficient to cover the shipment (particularly if the shipping terms are CIF or CIP).
2. Documents will be available and can be presented before the expiry date of the credit.
3. The latest shipment date (if there is one) specified in the letter of credit can be met. After shipping, documents must be properly prepared and presented on a timely basis.

The most common discrepancies encountered by banks examining documents under letters of credit represent errors or misunderstandings in how to prepare documents. They include the following:

1. Documents are inconsistent with each other.
2. Documents were presented more than 21 days after the date of shipment or (other presentation period specified in the L/C).
3. Full set of bills of lading was not presented or other required documents are missing.
4. Draft is drawn incorrectly or for the wrong amount.
5. Draft is not signed or not endorsed.
6. Invoice does not describe merchandise in exact accordance with the letter of credit. Note: If the letter of credit describes merchandise in a foreign language, then the exporter must describe the merchandise in that language in the invoice; translations are not acceptable.
7. Invoice does not show the same shipping terms as specified in the L/C.
8. Invoice includes charges inconsistent with the shipping terms in the L/C.
9. Invoice is not made out in the name of the applicant shown in the L/C.
10. Insurance coverage is insufficient or does not include the risks specified by the L/C.
11. Insurance certificate or policy is not endorsed.
12. Insurance certificate is dated later than the shipment date.
13. Bill of lading is not clean (defective condition of goods or packaging indicated).
14. Bill of lading does not clearly indicate the name and capacity of the signer and

who the carrier is (must be signed “ABC Co. as carrier” or “XYZ Co. as agent for ABC Co., the carrier”).

15. Bill of lading is not consigned correctly or is not endorsed (if endorsement is required).

16. Multimodal bill of lading was presented when L/C calls for port-to-port, or simply “ocean,” bill of lading. (Acceptable if “on board” notation includes the name of the vessel and the port of loading.)

17. Multimodal bill of lading was presented when shipping terms are FOB (i.e., port to port) and does not indicate inland freight has been prepaid or otherwise fails to meet requirements for port-to-port shipment.

18. Bill of lading is not marked “freight prepaid” or “freight collect” as required under the credit or in agreement with the invoice and shipping terms.

19. Not all documents show license numbers, letter of credit numbers, or other identification required in the credit.

20. Documents are not signed in accordance with L/C terms (any document called a “certificate” must be signed).



During above seminar, the faculty involved with each and every participant to understand the discrepancies to be avoided during exporter documentation. The participants raised several queries during the seminar and expert faculty Dr. Ram Singh satisfactorily answered their all queries.



The seminar was successfully concluded with a formal note of thanks by Shri Prince Malik, Vice-Chairman-EPCH and thank all the members present in the seminar and dignitaries present during the seminar.

We welcome suggestions and feedback to make this initiative more productive. Do write to us at: focusregion@epch.com.