Inside India
A reference guide.
Welcome to India.

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India is rapidly becoming an economic powerhouse, with a GDP that’s expected to grow by more than 7 percent in the next five years.

India at a Glance:
Practical Business and Shipping Information for U.S. Exporters

If you are considering establishing business connections in India, here is some basic information you need to know.

<table>
<thead>
<tr>
<th>Formal name</th>
<th>Republic of India</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital</td>
<td>New Delhi</td>
</tr>
<tr>
<td>Population</td>
<td>1,095,351,995 (as of July 2006)</td>
</tr>
<tr>
<td>Language</td>
<td>English and Hindi, plus 17 other regional languages and hundreds of dialects</td>
</tr>
<tr>
<td>Time zone</td>
<td>GMT+5.5 (five hours and 30 minutes ahead of Greenwich Mean Time)</td>
</tr>
<tr>
<td>Administrative divisions</td>
<td>23 states</td>
</tr>
<tr>
<td>Major exports</td>
<td>Textiles, jewelry, electronic goods, health care products, machinery, auto components</td>
</tr>
<tr>
<td>Major imports</td>
<td>Chemicals, electronic goods, machinery, auto components</td>
</tr>
<tr>
<td>National Flag</td>
<td>![National Flag]</td>
</tr>
</tbody>
</table>

Major industries:
- Textiles
- Chemicals
- Food processing
- Steel
- Transportation equipment
- Cement
- Mining
- Petroleum
- Machinery
- Software

Major trading partners:
- U.S.
- European Union
- China
- United Arab Emirates
Despite the logistical challenges of operating in India – such as complex tax laws, congested airports and outdated road networks – FedEx has been able to deliver outstanding solutions to India – and U.S.-based businesses.
FedEx in India: The Future Is Bright

We offer the most flights and the largest ground network in India—and we look forward to even greater coverage and efficiency in the future.

The Indian government recently launched a number of projects, including the National Highways Development Program, aimed at modernizing, expanding and integrating the country’s transportation systems—from its expressways and railways to its airports and seaports. FedEx and the companies that rely on our services are poised to benefit from better connectivity to and from regional hubs, faster transit times as a result of an increase in flights, more visibility on shipments through the use of applications like FedEx InSight® and other tracking capabilities, and more standardized customs procedures.

India’s young population and growing middle class make it one of the world’s most attractive marketplaces for U.S. exporters. To capitalize on these opportunities, FedEx offers a depth of knowledge and expertise to help you establish—and keep—valuable connections with Indian enterprises and consumers.

FedEx first began operations in India in 1984. During the past two decades, we have continued to improve and increase our services to, from and within India. We were the first carrier to launch an all-cargo flight from India, and today we offer more flights to and from India than any other cargo company. We have also established the industry’s most extensive air-to-ground network in India, delivering to more than 4,000 Indian towns and cities using FedEx couriers and technology.

U.S.-based companies ship to India with FedEx because of our superior products and services and unparalleled expertise in the region. FedEx is set apart by:

- The most diversified portfolio of India-specific products and services.
- A significant—and growing—sales presence in 36 of India’s key cities.
- The industry’s greatest number of all-cargo flights from the U.S. to India, and from India to the U.S., Europe and Asia.
- Pioneered the first all-cargo flight connecting India and China.
- 16 clearance locations in India, which enable us to move shipments more quickly and efficiently than any other carrier.
- Customs clearance in Indian international airports in 18 different languages.
- A dedicated surface network that connects 12 key cities in northern, western and southern India, reducing reliance on commercial, in-country line haul.
Understanding the India Marketplace

India has one of the fastest-growing economies in the world.

The country’s economic boom began in 1991 with the Indian government’s introduction of the Statement on Industrial Policy, which lowered tariff rates and reduced government controls on foreign trade and investment. Since that time, the Indian economy has grown steadily and significantly, and is expected to rise just as rapidly in years to come. In fact, if India’s economy grows at the rate many analysts predict, India’s gross domestic product (GDP) will pass Japan’s in the next 25 years and India’s economy will become the second largest in the world by 2050.

Favorable demographics coupled with rising income levels are fueling growth across many product segments and industries in India. One result of India’s newfound prosperity has been the swelling of the country’s middle class to more than 250 million, which in turn has fueled demand for consumer products such as televisions, refrigerators, washing machines and air conditioners. What’s more, with 54 percent of its population under 25, India has a relatively young population focused more on spending than on saving. India is one of the few countries where the labor force is growing, which also contributes to the country’s economic vitality. India’s large pool of educated, English-speaking professionals has attracted U.S. companies with the promise of lower cost labor. More and more countries are outsourcing customer service and technical support jobs to India, as well as jobs in biotechnology, nanotechnology, telecommunications, shipbuilding and aviation.

Did you know?

- India is a member of a number of regional and bilateral trade agreements, as well as the following multilateral trade agreements:
  - World Trade Organization
  - World Customs Organization
  - Organization for the Prohibition of Chemical Weapons
  - Montreal Protocol
  - Wassenaar Arrangement
  - Convention on International Trade in Endangered Species of Wild Flora and Fauna
  - Organization for Economic Co-operation and Development
Delhi

Home to the national capital, New Delhi, Delhi is not only the second largest city, but also the second-most favored foreign direct investment (FDI) destination in the country. Additionally, it is home to a prosperous and fast-growing economy driven largely by the services sector. The city features excellent physical, economic and social infrastructure and is complemented by nearby industrial areas such as Gurgaon, Faridabad and Noida. With India’s highest concentration of “rich” and “super rich” households, Delhi is the largest consumption center for consumer goods and cars in India. The city also has the potential for developing private health care for domestic and international markets.

**Key Economic Indicators**
- **Population (2006 estimate)**: 11.2 million
- **Area (sq. km.)**: 1,483
- **Literacy rate**: 81.67 percent
- **Gross State Domestic Product (GSDP)**: 17.8 billion (US$)
- **Per capita income**: 1,099 (US$)

**Business Opportunities and Key Industries**
- Chemicals, petrochemicals, oil and gas
- Pharmaceuticals
- Automobiles and components
- Engineering
- Financial services
- Information Technology
- IT/ITES
- Textiles
- Tourism
- Leisure and entertainment
- Biotechnology

Mumbai

Formerly known as Bombay, Mumbai is the largest city with the largest economy in India and is the country’s principal financial services and entertainment center. Mumbai is also India’s most industrialized city, with a strong presence of petrochemical, automobile, information technology (IT), information technology enabled services (ITeS) and textile firms. It is not surprising, then, that it is the most attractive investment destination in the country, accounting for 40 percent of all exports. Mumbai is home to the country’s two largest stock exchanges, a large network of professional education institutions and many domestic and foreign banks, including the Reserve Bank of India.

**Key Economic Indicators**
- **Population (2006 estimate)**: 12.8 million
- **Area (sq. km.)**: 437.71
- **Literacy rate**: 86 percent
- **Gross State Domestic Product (GSDP)**: 1.6 trillion (US$)
- **Per capita income**: 1,099 (US$)

**Business Opportunities and Key Industries**
- Chemicals, petrochemicals, oil and gas
- Pharmaceuticals
- Automobiles and components
- Engineering
- Financial services
- Information Technology
- IT/ITES
- Textiles
- Tourism
- Leisure and entertainment
- Biotechnology

Regional Information

A successful business partnership in India relies on understanding the key economic regions: Mumbai, Delhi, Bangalore, Kolkata, Chennai and Hyderabad.
**Bangalore**

Bangalore is India’s third-largest city and has the fastest-growing market. Widely known as the Silicon Valley of India, the city features the highest share of IT exports and largest number of biotech companies of any Indian city. As of 2001, Bangalore also possessed the country’s third-highest share of FDI. With the presence of exceptional research organizations and renowned academic institutions, Bangalore offers the country’s highest literacy rate and a high-quality talent pool. The city also boasts strong government participation and excellent availability of natural resources.

**Key Economic Indicators**
- Population (2006 estimate): 5.1 million
- Area (sq. km.): 476.66
- Literacy rate: 83 percent
- International airport: Bangalore International Airport

**Business Opportunities and Key Industries**
- Electronics
- Agriculture
- Leather
- IT/ITES
- Tourism
- Apparel
- Aeronautics
- Mining and mineral-based products
- Research and Development (R&D)
- Biotech
- Software development

**Kolkata**

Kolkata, formerly known as Calcutta, is the country’s fourth-largest city and the main commercial capital for eastern and northeastern India. It is the headquarters for a number of foreign and Indian firms, banks and financial institutions; as such, it offers the country’s largest talent pool and low operations cost. Kolkata also features surplus electricity generation capacity and close proximity to mineral resources and international markets through its ports.

**Key Economic Indicators**
- Population (2006 estimate): 4.6 million
- Area (sq. km.): 185
- Literacy rate: 80.86 percent
- International airport: Bagdogra

**Business Opportunities and Key Industries**
- Electronics
- Agriculture
- Leather
- IT/ITES
- Tourism
- Apparel
- Aeronautics
- Mining and mineral-based products
- Research and Development (R&D)

**Chennai**

Formerly known as Madras, Chennai is India’s fifth-largest metropolitan city and the capital of the state of Tamil Nadu, one of the first Indian states to articulate ITES and biotech policies. Chennai boasts the country’s largest IT park and fastest growth rate in software exports. It has also gained a reputation as the Detroit of India due to the many automakers, domestic and foreign, flocking to the area. Chennai supplies uninterrupted quality power to industries at low tariff rates (it is the landing point for two submarine cables) and features the country’s highest value-added to industry and greatest number of factories and export-oriented units (EOUs).

**Key Economic Indicators**
- Population (2006 estimate): 4.35 million
- Area (sq. km.): 1,180
- Literacy rate: 80.14 percent
- International airport: Chennai International Airport

**Business Opportunities and Key Industries**
- Electronics
- Agriculture
- Leather
- IT/ITES
- Tourism
- Apparel
- Aeronautics
- Mining and mineral-based products
- Research and Development (R&D)
- Biotech
- Software development

**Hyderabad**

Ranked the No. 1 Indian ITES destination, Hyderabad is India’s sixth-largest metropolis and the 41st-largest metropolitan area in the world. It is home to several world-class institutions with foreign collaborations, and accounts for 23 percent of the country’s software professionals. Hyderabad is also the largest exporter of bulk drugs in India. The city was the first to develop a data protection and consumer act, and the first to have a comprehensive IT/ITES policy. Hyderabad also offers surplus energy.

**Key Economic Indicators**
- Population (2006 estimate): 3.6 million
- Area (sq. km.): 260
- Literacy rate: 80 percent
- International airport: Hyderabad International Airport

**Business Opportunities and Key Industries**
- Electronics
- Agriculture
- Leather
- IT/ITES
- Tourism
- Textiles
- Pharmaceutical
- Mining and mineral-based products
- R&D

**Bangalore**

- Electronics
- Agriculture
- Leather
- IT/ITES
- Tourism
- Apparel
- Aeronautics
- Mining and mineral-based products
- Research and Development (R&D)
- Biotech
- Software development

**Kolkata**

- Electronics
- Agriculture
- Leather
- IT/ITES
- Tourism
- Apparel
- Aeronautics
- Mining and mineral-based products
- Research and Development (R&D)

**Chennai**

- Electronics
- Agriculture
- Leather
- IT/ITES
- Tourism
- Apparel
- Aeronautics
- Mining and mineral-based products
- Research and Development (R&D)
- Biotech
- Software development

**Hyderabad**

- Electronics
- Agriculture
- Leather
- IT/ITES
- Tourism
- Textiles
- Pharmaceutical
- Mining and mineral-based products
- R&D
Tips for Doing Business in India

Visit Business Facilities

By visiting your Indian associates, you can help build rapport and credibility. Make sure to talk to important customers first, dress well and conservatively—and don’t forget to carry plenty of business cards. As a courtesy, you may want to have one side of your business cards translated into Hindi.

Meetings Dos and Don’ts

Arrange business meetings with Indian associates well in advance, ideally for late morning or early afternoon. Avoid scheduling meetings on or near national holidays, and if lunch or dinner will be served, avoid ordering beef and pork. Always be punctual and make eye contact, especially with female associates. You may also want to brush up on the latest cricket scores, business news and films—they’re easy ice breakers.

Business Etiquette

Indian society operates within a framework of strict hierarchy and etiquette. When entering a meeting room, greet the company’s most senior figure first. Make sure to address associates by formal titles, such as Mr., Mrs., Dr. and Prof. It is polite to shake hands with male associates, though Indian men generally do not shake hands with or touch women as a sign of respect; wait for female associates in India to extend their hands to you.

General Behavior of Indian Businessmen

In India, making important business decisions can be a slow and thoughtful process. Indians are generally inquisitive and fond of negotiations, so patience and flexibility will increase your chances for success.

Notes on Communicating

English is the language of business in India, but keep in mind that the levels of writing skills may vary. You may also want to familiarize yourself with traditional Indian numbering. For example, 100,000 = 1 Lakh and 100 Lakhs (10 million) = 1 Crore.
Importing and Exporting
Preparing your shipment involves understanding the two modes of entry.

The following pages explain the various key documents and requirements for exporting goods into India from the U.S. and importing goods into the U.S. from India. Note: Based on the type of goods you are shipping and the details of your shipment, you may need additional documentation. Visit FedEx® Global Trade Manager for more information.

There are two clearance modes for exporting and importing to India. Each entry method has unique requirements, so keep these classifications in mind when preparing your shipment:

**Courier (OBC) or Express Mode Entry**
These shipments are generally non-commercial packages such as documents, samples and gifts valued up to US$200, and dutiable shipments valued up to US$1,750. This method is generally faster than formal entry, but is also highly restrictive with regulations on certain items, commodities, values and weights.

**Cargo or Formal Entry**
This mode of entry is required for shipments valued at US$1,750 or more, as well as for all shipments meant for 100 percent export-oriented units.

Did you know?
India has several clearance locations. Courier shipments valued up to $1,750 are cleared through Mumbai and New Delhi. Cargo shipments are cleared through one of the following 16 locations: Ahmedabad, Coimbatore, Jaipur, Mumbai, Bangalore, Goa, Kolkata, New Delhi, Chennai, Hyderabad, Ludhiana, Pune, Cochin, Indore, Moradabad, Varanasi.
Import and Export Documents
Providing appropriate and accurate documentation with your shipment will help prevent a delay at customs.

Exporting to India
First, no one can import or export goods without obtaining an Importer-Exporter Code (IEC) along with a Business Identification Number (BIN) from the Regional Licensing Authority. In addition to a FedEx® International Air Waybill, the following five documents and certifications are most commonly required for sending shipments to India from the U.S.

1. Commercial Invoice
A Commercial Invoice is required for the majority of nondocument shipments to India. It is the most common customs form.

2. Certificate of Origin
The type of commodity being exported will determine if a Certificate of Origin is required with your shipment. Visit FedEx Global Trade Manager for details.

3. Packing List
You will likely need to complete a packing list, especially for large or multiple-package shipments. The packing list details the total number of packages, as well as the weight and contents by package for your shipment.

4. Shipper’s Export Declaration (SED)
You must submit an SED if you can answer “yes” to any of the following questions about the commodity items in your shipment:
- Does the total customs value of any single classification in your shipment exceed US$2,500?
- Is an export license or permit required? Most commodities don’t require an export license or permit. For information on export licenses, go to www.commerce.gov.
- Is your shipment subject to the International Traffic and Arms Regulations (ITAR) but exempt from license requirements?
- Does your shipment contain rough diamonds falling under HTS 7102.10, 7102.21, and 7102.31?

5. Bill of Entry
For courier shipments, a Courier Bill of Entry must be filed at customs. Cargo shipments require a Formal Bill of Entry, which must be filed by an authorized customs house agent (CHA). The recipient must appoint their own broker or utilize a FedEx broker for clearance.

Importing from India
As when exporting to India, there are two modes of clearance for importing from India, courier and cargo. India-based exporters must also complete the following: Commercial Invoice, Certificate of Origin, Packing List, Shipper’s Letter of Instruction (SLI), Seller’s Declaration Form (SDF), Guaranteed Remittance Form (GR), or Exchange Control Declaration (ECD).

When importing items into the U.S. with a declared value exceeding US$2,000, you must have an IRS Employer Identification Number (EIN) or a Social Security Number (SSN) on file with U.S. Customs and Border Protection (CBP). Visit FedEx Global Trade Manager for additional documentation requirements unique to your shipment.

Note: The U.S. Census Bureau updates SED regulations and requirements frequently. You can keep track of these updates and find out if they affect you by visiting the SED section of fedex.com. All SEDs for FedEx International Priority shipments must be filed electronically with the Automated Export System (AES). You will need to either self-file your electronic SED at www.aesdirect.gov or designate your FedEx agent to file on your behalf.
Tools to Help Your Business

Once you have gathered the preliminary information and reviewed the key documents and certifications you need to ship to India (i.e., the Commercial Invoice, Certificate of Origin, Packing List, Shipper’s Export Declaration and Bill of Entry), you’re ready to process your shipping label. You can do so quickly and easily at FedEx Ship Manager® at fedex.com.

FedEx provides a number of additional tools to help prepare your shipment to India, including the following online resources that enable you to:

- **Estimate Duties and Taxes**
  Get an estimate of the duties and taxes you can expect to pay by entering the details of your shipment at FedEx Global Trade Manager. Provide as much detail as possible and try to avoid underestimated duties and taxes. For more information on duties and taxes, go to FedEx Global Trade Manager.

- **Locate International Documents**
  Find and print copies of the documents that must accompany your shipment to India at FedEx Global Trade Manager. This online resource will identify which documents you need based on the details of your shipment.

- **Denied-Party Screening**
  Identify individuals, companies and other entities that have had their U.S. export privileges revoked or limited by the U.S. government, or with whom U.S. parties are prohibited from doing business, by utilizing this searchable database.

- **Universal Currency Converter**
  Get accurate currency exchange rates by using this daily-updated, interactive calculator.

- **Metric Converter**
  Convert measurements to the Metric System with this handy converter.

- **Worldwide Holidays**
  Plan your shipment’s arrival date so that it does not conflict with important observed holidays in India by accessing this simple calendar.

Getting to the Resources

All these tools can be located on the FedEx international home page. Here you can quickly access all the international tools.

fedex.com/us/international
# FedEx® Shipping Services

We continue to offer a variety of high-quality shipping services to move your business with India.

<table>
<thead>
<tr>
<th>Delivery Speed</th>
<th>Service</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fastest</td>
<td>FedEx® International Next Flight</td>
<td>- Available 24 hours a day, 7 days a week, 365 days a year.</td>
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<tr>
<td></td>
<td></td>
<td>- Door-to-door customs clearance.</td>
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<tr>
<td></td>
<td>FedEx® International Priority®</td>
<td>- Time-definite delivery.</td>
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<td></td>
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<td>- Monday-Friday service for shipments 150 lbs. or less.</td>
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<td></td>
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<td>- Saturday service available to select destinations.</td>
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<tr>
<td></td>
<td></td>
<td>- Door-to-door customs clearance.</td>
</tr>
<tr>
<td></td>
<td>FedEx® International Priority® DirectDistribution®</td>
<td>- Monday-Friday service for consolidated shipments.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Door-to-door customs clearance.</td>
</tr>
<tr>
<td>1 - 4 business days</td>
<td>FedEx® International Priority® Freight</td>
<td>- Monday-Friday service for palletized freight more than 150 lbs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Door-to-door customs clearance.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Advance confirmation required.</td>
</tr>
<tr>
<td>2 - 5 business days</td>
<td>FedEx® International Economy®</td>
<td>- Monday-Friday service for shipments 150 lbs. or less.</td>
</tr>
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<td></td>
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<td>- Door-to-door customs clearance.</td>
</tr>
<tr>
<td>1 - 4 business days</td>
<td>FedEx® International Economy® Freight</td>
<td>- Monday-Friday service for palletized freight more than 150 lbs.</td>
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<td></td>
<td></td>
<td>- Door-to-door customs clearance.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Advance confirmation required.</td>
</tr>
<tr>
<td>Within 5 business days</td>
<td>FedEx® International Economy® Freight</td>
<td>- Monday-Friday service for palletized freight more than 150 lbs.</td>
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<tr>
<td></td>
<td></td>
<td>- Door-to-door customs clearance.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Advance confirmation required.</td>
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</tbody>
</table>

*Typical delivery times to major cities. Check transit times specific to your shipment destinations.

For more information on our shipping services to and from India, go to [fedex.com](https://fedex.com).
Shipping to India Checklist
A few things to go over before you start.

With FedEx, shipping to and from India is fast, reliable and easy. Reference this helpful checklist when preparing your next international shipment. Go to fedex.com and FedEx Global Trade Manager for more details.

NOTE: If your shipment contains only paper documents (printed or typed communications with no monetary value), you will need only your FedEx® International Air Waybill for FedEx® Express® shipments.

Prepare your documents for shipping.
- Include full contact information for the shipper and recipient on all documents.

The most common documents and certifications for shipping to India from the U.S. are:
- Certificate of Origin
- Commercial Invoice
- Shipper’s Export Declaration (SED)
- Bill of Entry
- Packing list

Ensure your information is accurate and consistent across all required documents.
- Underestimated duties and tax calculations may result in delays and additional costs.
- Applicable to some forms – include the correct Harmonized Tariff Systems Number.
- What is the item (such as a four-slot electric toaster or a queen-size duvet cover)?
- What materials is the item made of (such as glass, 100% cotton, steel)?
- What is the item’s intended use?
- What are the item’s parts or serial numbers?
- What is the item’s value, per unit and in total?

Be sure that the declared value for customs on the Commercial Invoice is accurate.
- Specify the country of original manufacture for each item in your shipment.
- Sign and date your documents.
- Record your FedEx tracking number.

Utilize Our Online Resources
Easily process your shipments online at fedex.com. You can find the correct forms at the FedEx International Resource Center. FedEx® Global Trade Manager can be found at fedex.com/gtm/international.