



**B.V. Patel Institute of Management,  
Uka Tarsadia University**



**Date: 13/10/2023**

**Session on INCOTERMS in Export-Import Business**

**Session Objective:** The objective of this session is to get understanding of various international terms of business provided by international chamber of commerce.

**Session Outcomes:** By the end of the programme, students will understand the in-depth knowledge about various incoterms associate in export-Import business.

Date	13-10-2023
Time	1:30 to 3:00
Venue:	GD-I Central Library
Class:	EXIM Students
No. of Students	21
Speaker:	CA Kaushik Bhalala, Partner – KP&HR Associates
Coordinator:	Mr. Parvez Malek and Dr. Vijay Gondaliya
Category	Export-Import Management

A session was held for Export-Import students on INCOTERMS on 13-10-2023 at Library room. The session was conducted by CA Kaushik Bhalala in association with Eveg International Pvt. Ltd., Surat.

Speaker has discussed the following points:

- What are INCOTERMS? INCOTERMS are International Commercial Terms that are used in international trade to specify the responsibility of buyers and sellers for the transportation of goods.
- Types of INCOTERMS: There are 11 types of INCOTERMS, which are discussed below. Each group specifies the point of delivery, transportation costs, export and import requirements, and freight insurance.

- Importance of INCOTERMS: INCOTERMS are important in international trade as they help to clarify the responsibilities of buyers and sellers, reduce misunderstandings, and provide a common language for trade.
- How to use INCOTERMS: INCOTERMS should be specified in the sales contract and should be clearly understood by both the buyer and seller. The choice of INCOTERM depends on the mode of transport, the level of service required, and the allocation of risk.
- Benefits of INCOTERMS: INCOTERMS provide clarity and consistency in international trade, reduce the risk of misunderstandings, and provide a common language for trade. They also help to specify the responsibilities of buyers and sellers, which can reduce the risk of disputes.

Incoterms are the selling terms that the buyer and seller of goods agree to during international transactions. The different incoterms in export includes:

1. EXW (Ex Works): Ex works is when the seller places the goods at the disposal of the buyer at the seller's premises or at another named place.
2. FCA (Free Carrier): The seller delivers the goods to the carrier, or another person nominated by the buyer at the seller's premises or another named place.
3. FAS (Free Alongside Ship): The seller delivers when the goods are placed alongside the vessel (e.g., on a quay or a barge) nominated by the buyer at the named port of shipment.
4. FOB (Free on Board): The seller delivers the goods on board the vessel nominated by the buyer at the named port of shipment or procures the goods already so delivered.
5. CFR (Cost and Freight): The seller delivers the goods on board the vessel or procures the goods already so delivered.
6. CIF (Cost, Insurance and Freight): The seller delivers the goods on board the vessel or procures the goods already so delivered.
7. CPT (Carriage Paid To): The seller delivers the goods to the carrier or another person nominated by the seller at an agreed place (if any such site is agreed between parties).
8. CIP (Carriage and Insurance Paid To): The seller has the same responsibilities as CPT, but they also contract for insurance cover against the buyer's risk of loss of or damage to the goods during the carriage.

9. DAP (Delivered at Place): The seller delivers when the goods are placed at the disposal of the buyer on the arriving means of transport ready for unloading at the named place of destination.
10. DPU (Delivered at Place Unloaded): The seller delivers when the goods, once unloaded, are placed at the disposal of the buyer at a named place of destination.
11. DDP (Delivered Duty Paid): The seller delivers the goods when the goods are placed at the disposal of the buyer, cleared for import on the arriving means of transport ready for unloading at the named place of destination.