



A DIMERCO CASE STUDY:

Dimerco legal and compliance expertise eases electric scooter company's passage to India



Challenge

India has become a popular destination for manufacturers looking to expand production. But companies underestimate the complexity of the country's customs, regulatory, and logistics requirements. This can lead to massive delays, added costs, and damaged customer relationships.

An electric scooter manufacturer based in Asia was anxious to expand to the growing India market and shipped its products to India without recognizing that India is a currency-restricted country. That means companies must obtain approval from the Indian Central Government in order to transfer funds from overseas.

Because the company pursued market expansion without the proper guidance, it was cited for compliance violations by the Indian government, causing major project delays. Related financial losses led to urgent cash flow problems. The scooter company contacted Dimerco to help guide a more structured, compliant entry into the India market.

Solution

Dimerco's legal and trade compliance teams in India helped establish the required interlinks between various government agencies to address the currency exchange issue. The solution included:

- Defining the HS Code for the company's products to ensure that the correct import duty was paid.
- Assisting with the submission of documentation and working with carriers to obtain DG shipment approvals.
- Settling payments within the company's endorsement to solve the foreign company exchange challenges.

Results

This scooter company is now thriving in the world's largest market for electric scooters. Dimerco has become its full strategic partner for freight transportation, local logistics, and compliance as the company plans its first factory in India.

