

Dextor and The Export Business



DEXTOR VISIT TO
INDIA TO START HIS
EXPORT BUSINESS.

Read the Full Story

Presented by

Hubco.in

Background

In this comics edition, Dexter is taking a break from his laboratory and starting own his export business.

He decided to choose India due to various schemes like make in India initiated by Prime minister. Let see how Dexter able to start his business and what problem he faced.

It is a fun series initiated by *Hubco.in*, to educate and promote export startups in India.

For more information and queries, you may contact
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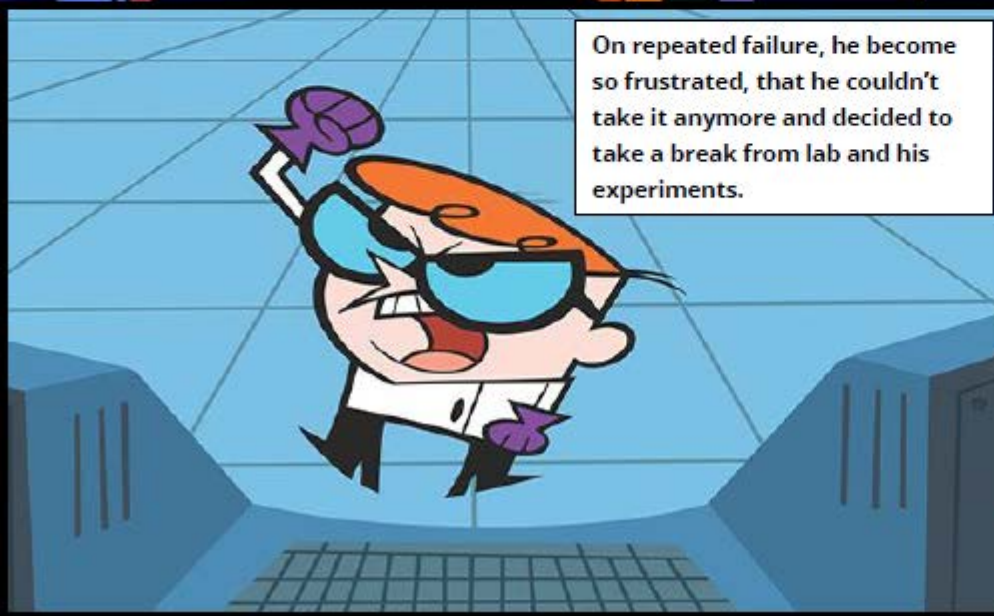
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A cartoon character with orange hair, black-rimmed glasses, and a white lab coat is working in a dark blue laboratory. He is wearing purple gloves and is focused on a small orange device with a red button. A bright blue beam of light emanates from the device. In the background, there are various lab equipment, including a purple machine with a red probe and a yellow sticky note on a wall that reads "LUNCH W/ MOM 12:00".

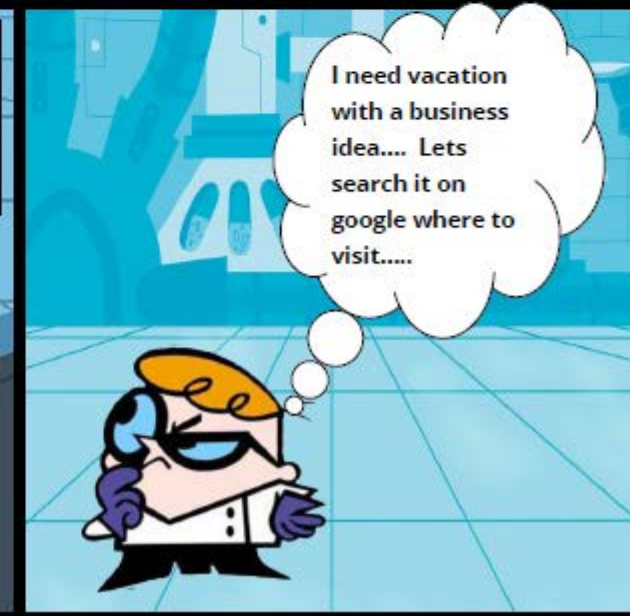
Dexter was busy at his experiments in the lab.
He is a famous scientist as we all know.

A close-up of Dexter's face. He has a surprised or perhaps slightly panicked expression, with wide eyes and a small open mouth. He is holding a test tube with blue liquid inside, which is emitting a small flame or smoke. There are some motion lines around the test tube, suggesting it might be vibrating or reacting.

One day, he was doing a certain experimenent,
which react a little bit more...D...

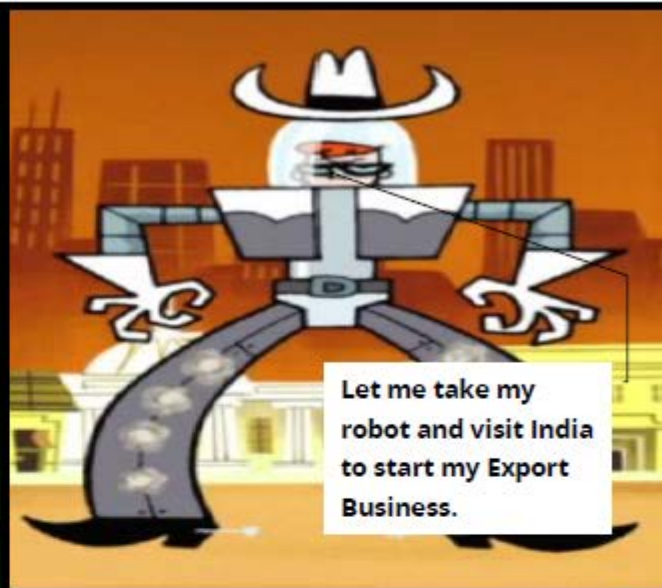
Dexter is shown from the waist up, looking very frustrated. His mouth is wide open in a shout or scream, and his eyes are squeezed shut. He is holding a purple object, possibly a tool or a piece of equipment, in his right hand. The background is a simple blue grid pattern.

On repeated failure, he become
so frustrated, that he couldn't
take it anymore and decided to
take a break from lab and his
experiments.

Dexter is standing in a blue-tinted room, looking thoughtful. He has his hand on his chin. A large thought bubble is coming from his head, containing text about needing a vacation and searching for business ideas on Google.

I need vacation
with a business
idea.... Lets
search it on
google where to
visit.....

He searches on google, the best place to visit and to start business?
And after applying his brain, he choose INDIA



Dexter comfortably reaches India, He is looking forward to start the export business in India, lets see if he will be able to do it :)

Dexter directly visited the government officer to tell all his requirements

I want to start the export business from India, please tell me how to proceed?

Office is closed, visit tomorrow



Dexter visited the office in the morning next day at 10'o clock

Hello, Is there anyone?

Come tomorrow, Sir is on leave today.



Dexter becomes so irritated day by day, that he decided to visit the consultant office Mr. ? instead of government office. let see what happens next..!



Not getting any solution, Dexter
boils into anger...



I don't need any help, I
will do it on my own.....



I am almost ready with
my product, now I will
export....



Dexter started his business without
any approval or registration....

Dexter was taking the goods to the sea port to fulfil his first export order...

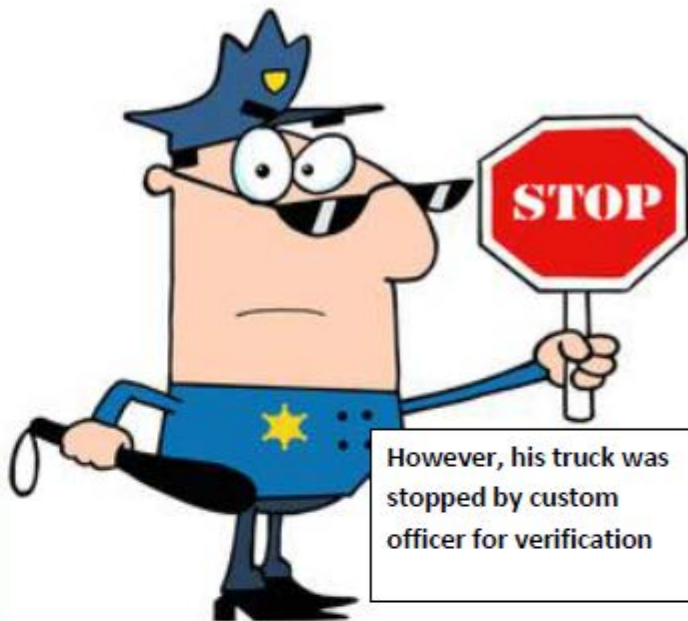


You don't have
invoice...

You don't have
IEC code...

You are not
registered

You are fired



However, his truck was
stopped by custom
officer for verification

Help..! Help..!
Help..! Help..!



Dexter was sad, In the last 10 days, he had been through troubles, goods were confiscated, police was after him and many other

I never thought that it is so much difficult to do export business in India

Dexter...!!!!

Then Dexter suddenly heard a voice from somewhere.... He looked around and found his old intelligent friend

TWEETYYY
Y....

YIPPEEE...

TWEETYYYYY.... I
am so much happy
to see you here

Dexter was very happy to see Tweety here, because Tweety is in India was last 3 years and running his own export business.

Lets see how Tweety will help the Dexter setting up the business here.



Don't worry Dexter, I am consultant to various businesses. I will help you out.

Tweety, I have left with no idea on How to proceed with my Export business? Please help me.



So, you want to start the Export Business..
Hmmm...



Now, Just listen up my boy....

- ✓ India is not a free country and most things are regulated by government. However, India is on a liberalized mood and things are moving fast.
- ✓ To start any business in India, you must choose the type of entity you want to form. The following types of entity can be formed:
 - Sole Proprietorship (Individual)
 - Partnership
 - HUF
 - Limited Company (Including Private Limited)
 - Trust or Registered societies
 - Limited Liability Partnerships

- ✓ Proprietorship is the easiest form of business to start with. You can start your business by taking any local license like Service tax, VAT etc.
- ✓ Companies are little bit difficult to form but provides you various benefit of being a separate legal entity.
- ✓ Since, you are new to the business, start with proprietorship and then convert it into a company later on.

Keep
Listening



I got it..., I have got
registered in VAT, now I
can start.... Hurayyyy



POW!

- ✓ Lets incorporate "Dexter Exporting Business", a sole proprietorship concern. Take the VAT registration with this name.
- ✓ In India, there are mainly three types of indirect taxes:
 - **Excise Duty:** It is applicable in case you manufacture the goods (Exemption to small business: 1.5 Cr)
 - **VAT & CST:** Applicable to traders, who only sell goods and do not manufacture. (Exemption Limited varies from 5 Lakh to 20 Lakh).
 - **Service Tax:** Applicable only to Service Providers. (Exemption limit: 10 Lakh)
- ✓ India has the policy, "Export the goods and not the taxes", hence if you export the goods, then you can claim back your indirect taxes paid to the government.

I told you to listen it
properly and I am not
finished yet...It is just a
start, there are many
other things still left..



NOW, I WILL TELL
YOU ABOUT
EXPORT BUSINESS



- ✓ Once, you are registered with VAT authorities, then you should open your Current Account with the Bank.
- ✓ After bank account, if you want to start your export business, then you must apply for IMPORT EXPORT CODE (IEC).
- ✓ No one can conduct any business of import and export without IEC code.

Meanwhile, Dexter slept while listening to Tweety.



Tweety saw Dexter sleeping, so she decided to complete the lecture for now and Let Dexter face some more problem, to better understand the concepts.



DEXTERRRR
RRRR.....





I have almost explained you about the ground work which is to be done, before starting any business in India. Now, start your business, and in case you face any problem, just shout "Tweetyyyyyy".. I will be there!



Thanks a lot Tweety for explaining me the things so easily. You are my dear friend....

And now, I am starting my business and will call you for more solutions. Thanks!



And Dexter after understanding the basics about the Export business went on to start the business in India.

We will see how Dexter is able to actually export the goods from India and what all problems he faced. Stay tuned for Next comic on "Dexter and The Export Procedure"



KEY TAKEAWAYS FROM THIS EDITION

Like Dexter, there are many entrepreneurs who face many problems relating to their business and the following tips may be useful.

- ✓ Hire a good consultant. Directions are always more important than speed.
- ✓ Chose a business entity wisely. It is really important. You may start with proprietorship and later on upgrade it to other complex forms like Private Limited Company.
- ✓ Export procedure in India ([Click here](#) to read the full procedure) is a bit complex. We will explain every bit of information in next comics. But to start with, you must acquire the import export code ([IE Code](#)).
- ✓ VAT registration is also mandatory, however you don't need to charge VAT/CST on export.
- ✓ Make sure you always clear goods from shop, godown or factory under a proper invoice.
- ✓ When you start something new, problems will come but if you don't lose hope, you will get through.



Thanks for reading the Comics edition of Learning Finance. We innovate and develop the easiest way to educate and promote different business.

Not everyone can find Tweety, but you can find Hubco.in! Give a chance to be your Tweety.



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