



THE INDIA TRADE RISK GUIDE

A Practical Guide for Exporters Selling to
India on DA 60/90/120 Terms

**2026 EXPORT
EDITION**



TABLE OF CONTENTS



Executive Summary

India Opportunity vs Payment Risk

01

02

Why Payment Risks Still Exist in India Trade

Market realities, DA terms, and risk exposure



Understanding Supplier Exposure

The hidden errors that create payment losses, buyer defaults, and unnecessary exposure.

03

04

India Buyer Risk Assessment Checklist

10 Questions Every Supplier Should Ask



EXECUTIVE SUMMARY

India Offers Opportunity.
Payment Risk Determines Growth.



THE OPPORTUNITY

India continues to be one of the fastest-growing markets for Chinese exporters across chemicals, polymers, pharma raw materials, food ingredients, and industrial products.

As competition increases, Indian buyers increasingly request DA 60/90 payment terms, creating new opportunities for suppliers willing to extend credit.



THE CHALLENGE

Many suppliers focus on increasing sales but underestimate the payment risks associated with unsecured credit.

Even with trade credit insurance, exposure gaps, buyer verification issues, and delayed recovery processes can create significant losses.

KEY TAKEAWAY



INDIA REMAINS A HIGH-GROWTH MARKET



DA TERMS CAN ACCELERATE SALES GROWTH



NOT ALL BUYERS CARRY THE SAME RISK



INSURANCE ALONE DOES NOT ELIMINATE EXPOSURE



PREVENTION IS CHEAPER THAN RECOVERY



REALITY CHECK

The challenge is not finding buyers in India. The challenge is knowing which buyers deserve credit.

SinoSecured adds structure, verification, and protection to that decision.

WHY PAYMENT RISK STILL EXISTS IN INDIA TRADE

Understanding the realities behind DA 60/90/120 payment terms.



01

The Growth Opportunity

India continues to be one of the fastest-growing markets for Chinese exporters across chemicals, polymers, pharma raw materials, food ingredients, and industrial products.

As competition increases, Indian buyers increasingly request DA 60/90 payment terms, creating new opportunities for suppliers willing to extend credit.

02

The Risk transfer

When goods are shipped under DA terms, the risk moves from the buyer to the supplier.

- 1 Goods are Shipped
- 2 Buyer Receive Inventory
- 3 Payment becomes due later
- 4 Supplier carries the credit risk

03

Where Problems Begin

Most payment losses don't start with fraud. They start with weak risk controls and poor buyer verification.



Weak Buyer
Verification



Excessive
credit limits



Delayed
follow-up



Lack of local
intelligence

TRADE REALITY

Profits are earned slowly through consistent trade.

Losses can occur quickly when a buyer fails to pay.

A single default can erase the benefit of many successful shipments.

SinoSecured helps protect what you've worked hard to build.

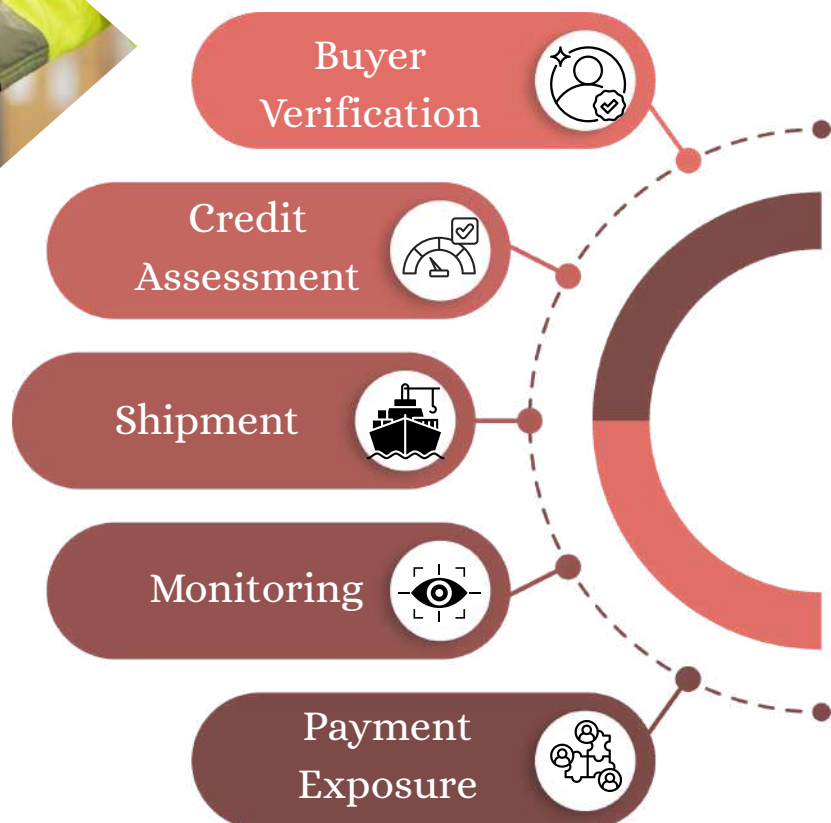
UNDERSTANDING SUPPLIER EXPOSURE

Common mistakes that quietly increase payment risk in India trade.

Most supplier losses do not begin when a payment is missed. They begin much earlier—during buyer approval, credit decisions, shipment planning, local market assessment, and ongoing monitoring. By the time a payment default occurs, the underlying exposure has often been building for months.



THE TRADE PROCESS WHERE EXPOSURE BUILDS



Many suppliers focus heavily on securing new business opportunities but pay less attention to the decisions that determine payment security. Weak buyer verification, unrealistic credit limits, limited local visibility, and delayed response to warning signs can quietly increase risk throughout the trade cycle.

Successful exporters understand that payment protection is not a single action. It is a process that begins before shipment and continues until payment is received. Understanding where exposure enters the trade cycle is the first step toward protecting receivables, preserving cash flow, and supporting sustainable growth in India.



Most supplier losses begin long before a payment is missed.

REAL LIFE SCENARIO
CASE-01

THE BUYER WHO NEEDED MORE TIME

A routine payment delay becomes a growing collection problem.

A Chinese supplier ships a USD 100,000 order to an Indian buyer under DA 90-day payment terms.

The goods are delivered successfully, and the buyer receives inventory immediately. For the first few weeks, communication remains normal and the supplier expects payment as agreed.

As the due date approaches, the buyer begins requesting additional time, citing temporary cash-flow challenges. Communication gradually becomes less consistent, payment commitments are repeatedly postponed, and recovery efforts begin only after the account becomes overdue.

By this stage, the supplier has already lost valuable time and leverage. The problem was not created when payment was missed—it developed much earlier through limited buyer visibility, delayed warning signs, and the absence of local monitoring.

THE LOCAL ADVANTAGE

Our local India team continuously monitors buyer activity, payment behaviour, and early warning indicators throughout the trade cycle.

Potential concerns are identified before they become serious payment issues, allowing suppliers to take informed action earlier and reduce exposure before a default occurs.

THE TRUSTED BUYER TRAP

When a good payment history creates a false sense of security.

A Chinese supplier begins working with an Indian buyer on 20% Advance and 80% TT payment terms.

During the first several shipments, payments arrive on time. The relationship grows stronger, trust increases, and order volumes gradually expand. What began as one or two containers per shipment soon grows into six, eight, or even ten containers at a time.

Because the buyer has established a positive payment history, the supplier becomes more comfortable extending larger amounts of credit and reducing scrutiny.

Eventually, the buyer places another large order and pays the initial 20% advance as expected. The goods are shipped and received, but the remaining balance is repeatedly delayed. Communication becomes inconsistent, payment commitments are missed, and the supplier suddenly finds itself exposed on a significantly larger amount than any previous shipment.

The loss is not caused by a single transaction. It is created when growing trust is not matched by ongoing buyer assessment and exposure controls.

THE LOCAL INTELLIGENCE ADVANTAGE

A buyer's payment history is important, but it should never be the only measure of risk.

SinoSecured helps suppliers continuously assess buyer behaviour, financial position, market reputation, and changing business conditions in India. As shipment volumes increase, our local team helps identify emerging risks and supports informed decisions before additional exposure is created.

REAL LIFE SCENARIO
CASE-03

THE WAREHOUSE DEFAULT SCHEME

When the buyer controls the goods but avoids the payment.

A Chinese supplier ships multiple containers to an Indian buyer under extended payment terms.

The goods arrive successfully and are moved into the buyer's warehouse. Initially, communication remains positive, and the supplier expects payment according to the agreed schedule.

As the due date approaches, the buyer begins delaying payment and requesting additional time. While discussions continue, the inventory remains under the buyer's control and is gradually sold or transferred through local channels.

When recovery efforts eventually begin, the supplier discovers that the remaining inventory has little practical value for repayment. In some cases, legal proceedings and recovery actions take months, creating significant uncertainty and additional costs.

The supplier believed the risk started when payment was missed. In reality, the exposure began much earlier when control of the goods was transferred without adequate local protection mechanisms.

THE LOCAL RECOVERY ADVANTAGE

When a payment problem occurs, speed matters.

SinoSecured's local India team helps monitor the situation, engage with the buyer, coordinate recovery actions, and activate agreed protection mechanisms before valuable time is lost.

Local presence, local intelligence, and structured escalation can significantly improve recovery outcomes compared to managing a default remotely from overseas.

Mistake 01: Trust Without Verification

Why strong relationships can still create hidden payment risk.

MISTAKE 01



APPROVING BUYERS BASED ON RELATIONSHIPS INSTEAD OF VERIFICATION



THE MISTAKE

Extending credit based on referrals, previous transactions, or buyer representations without conducting independent verification. Relationship-driven decisions often create exposure that remains hidden until payment issues arise.



WHY IT HAPPENS

Commercial pressure, positive past experiences, and the desire to accelerate sales often reduce the level of due diligence performed. As trust increases, verification standards frequently decrease.



THE COST

Financial stress, ownership concerns, legal disputes, or deteriorating payment behaviour may remain undetected. By the time warning signs become visible, significant exposure may already have been created.



HOW SINOSECURED HELPS

SinoSecured conducts independent buyer verification through financial reviews, ownership checks, legal screening, payment behaviour analysis, and local market intelligence. This helps suppliers make credit decisions based on verified information rather than assumptions.

Mistake 02 :Insurance Misconceptions

Understanding the risks that remain after coverage is in place.

MISTAKE

02



ASSUMING INSURANCE COVERS EVERYTHING



THE MISTAKE

Believing that trade credit insurance eliminates all payment risk. Many suppliers assume that once a policy is in place, every loss will automatically be covered regardless of the circumstances surrounding the transaction.



WHY IT HAPPENS

Insurance creates a strong sense of security and confidence. Suppliers often focus on the protection percentage while overlooking exclusions, claim requirements, waiting periods, documentation obligations, and policy limitations.



THE COST

When a problem occurs, suppliers may discover coverage gaps they never anticipated. Delayed claims, uncovered exposures, and policy restrictions can create financial pressure when cash flow is already under stress.



HOW SINOSECURED HELPS

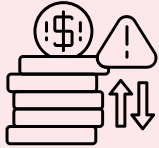
SinoSecured helps suppliers understand where insurance protection begins and ends. We identify potential exposure gaps, structure additional safeguards, and provide local market intelligence before shipments are released.

Mistake 03: Exposure Growth Without Control

How expanding sales can quietly increase payment exposure.

MISTAKE

03



EXTENDING CREDIT FASTER THAN RISK CONTROLS



THE MISTAKE

Increasing shipment volumes and credit limits as buyer relationships grow without reassessing financial strength or updating exposure controls. Trust gradually replaces disciplined risk management.



WHY IT HAPPENS

Consistent payment performance creates confidence and encourages suppliers to approve larger orders. As business expands, credit decisions are often based on history rather than current risk.



THE COST

A buyer who once represented manageable exposure can become a major concentration risk. One default may erase profits generated across multiple successful shipments.



HOW SINOSECURED HELPS

SinoSecured continuously monitors buyer exposure as transaction volumes increase. Through local market intelligence, financial reviews, and ongoing risk assessment, suppliers can grow sales while maintaining disciplined credit controls and protection.

Mistake 04: Missed Warning Signals

Why payment problems rarely arrive without advance signals.

MISTAKE

04



IGNORING EARLY WARNING SIGNS



THE MISTAKE

Overlooking payment delays, communication changes, management issues, or signs of financial stress that indicate a buyer's risk profile may be deteriorating.



WHY IT HAPPENS

Suppliers often believe problems are temporary or that long-standing relationships will prevent serious payment issues from developing.



THE COST

Early warning signs that go unaddressed can quickly escalate into payment delays, disputes, or defaults that become difficult and costly to recover.



HOW SINOSECURED HELPS

SinoSecured continuously monitors buyers through local intelligence, payment behaviour tracking, and ongoing risk reviews. Early detection allows suppliers to take corrective action before exposure becomes a significant loss.

Mistake 05: Documentation Weakens Recovery

The role of documentation in protecting future receivables.

MISTAKE

05



POOR DOCUMENTATION AND RECORD KEEPING



THE MISTAKE

Shipping goods without maintaining complete documentation, signed agreements, buyer acknowledgements, and transaction records needed to support recovery efforts.



WHY IT HAPPENS

Suppliers focus on fulfilling orders and building relationships. Documentation is often viewed as an administrative task rather than a critical risk management tool.



THE COST

When disputes or defaults occur, missing documents can delay recovery actions, weaken legal claims, and reduce the chances of recovering outstanding payments.



HOW SINOSECURED HELPS

SinoSecured helps suppliers establish structured documentation requirements before shipment. Through clear agreements, transaction records, and local support in India, suppliers are better positioned to protect and recover their receivables.

Mistake 06: Waiting Too Long to Act

How slow action can weaken recovery opportunities.

MISTAKE

06



DELAYING COLLECTION ACTIONS UNTIL IT'S TOO LATE



THE MISTAKE

Allowing overdue payments to continue without structured follow-up, escalation, or corrective action in the hope that the buyer will eventually pay.



WHY IT HAPPENS

Suppliers want to maintain positive relationships and avoid confrontation. Many believe payment delays are temporary and prefer to give buyers additional time.



THE COST

As delays increase, communication often becomes less reliable and recovery becomes more difficult. Valuable time is lost while exposure continues to grow.



HOW SINOSECURED HELPS

SinoSecured provides structured escalation, local engagement, and on-ground support in India as soon as warning signs appear. Early intervention helps suppliers maintain leverage, reduce uncertainty, and improve recovery outcomes.

Mistake 07: Managing India From a Distance

The challenges of managing India risk from overseas.

MISTAKE

07



Operating Without Local Intelligence and Support



THE MISTAKE

Making buyer approval, credit, and recovery decisions from overseas without access to reliable local information, market intelligence, or on-ground support.



WHY IT HAPPENS

Many suppliers do not have a local presence in India and must rely on buyer-provided information, remote communication, and limited visibility into changing business conditions.



THE COST

Potential risks may go unnoticed until payments are delayed or disputes arise. By then, suppliers often have fewer options and less leverage to protect their interests.



HOW SINOSECURED HELPS

SinoSecured provides local market intelligence, buyer verification, ongoing monitoring, and recovery support across India. With on-ground visibility and local expertise, suppliers can make better-informed decisions and respond more effectively when risks emerge.

INDIA BUYER RISK ASSESSMENT CHECKLIST

10 Questions Every Supplier Should Ask Before Approving Credit



- | | | |
|---|--|-------------|
| ① |  Company Registration | ✓ |
| ② |  Ownership | ✓ |
| ③ |  Import History | ✓ |
| ④ |  Financial Standing | ✓ |
| ⑤ |  Trade References | ✓ |
| ⑥ |  Payment Behaviour | ✓ |
| ⑦ |  Litigation History | ✓ |
| ⑧ |  Market Reputation | ✓ |
| ⑨ |  Credit Limit | ✓ |
| ⑩ |  Monitoring Plan | ✓ |
| | | Established |



GREEN FLAGS (8–10 checks)

Proceed with confidence

- ✓ Transparent ownership
- ✓ Consistent imports
- ✓ Positive references
- ✓ Stable business history



YELLOW FLAGS (5–7 checks)

Investigate further

- ⚠ Large first order
- ⚠ Aggressive credit request
- ⚠ Limited operating history
- ⚠ Inconsistent information



RED FLAGS (0–4 checks)

Require immediate review

- ✗ Refuses references
- ✗ Poor payment reputation
- ✗ Unclear ownership
- ✗ Legal disputes or defaults

Score below 8? Book a buyer risk assessment. We will tell you exactly where your exposure sits before your next shipment.



IF YOU CANNOT INDEPENDENTLY VERIFY THESE 10 POINTS FOR YOUR INDIAN BUYER — SINOSECURED CAN DO IT FOR YOU. WE ASSESS EVERY BUYER BEFORE YOUR GOODS MOVE.

WHEN AN **INDIAN** BUYER STOPS PAYING

Preparation turns a crisis into a recoverable situation.

MISTAKE
03

Why Most Suppliers Struggle

No local presence in India

Delayed warning signals

Weak documentation and evidence

No recovery strategy or process

Limited legal visibility



Shipment Delivered

Goods reach buyer as agreed



Payment Overdue

Payment due date is missed



Buyer Follow-up

Buyer is contacted for payment



Guarantee Activation

SinoSecured activates guarantee process



Recovery Process

Local legal & recovery action begins



Supplier Receives Payment

Receivables are protected

MISTAKE
04

With SinoSecured

Local market intelligence

On-the-ground action

Structured legal & recovery mechanism

Clear view at every stage

Organized recovery support

READY TO SELL TO INDIA WITH **CONFIDENCE** ?

You've just identified the 8 mistakes that put India payments at risk. SinoSecured was built to eliminate every one of them — starting with securing collateral from your Indian buyer before your goods leave port.



BUYER VERIFICATION

We verify the legitimacy and business background of Indian buyers.



CREDIT RISK ASSESSMENT

In-depth analysis of buyer creditworthiness and payment behavior.



PAYMENT PROTECTION STRUCTURE

Tailored solutions to secure your payments before shipment.



LOCAL RECOVERY SUPPORT

On-the-ground support in India to manage and recover overdue receivables.



ON-GROUND BUYER MONITORING

Track warning signs before they become payment problems.



Book A Confidential Consultation

Discover how SinoSecured helps Chinese exporters secure payments before shipment and reduce exposure in India.

**INDIA CREATES OPPORTUNITY.
SINO**SECURED** HELPS PROTECT IT.**