

TYBA-SEMESTER VI-COMMERCE PAPER-XII-EXPORT MANAGEMENT

Module I-Preliminaries of starting export business

_____ is a contract between two parties, involving transfer of rights and resources from one company to another

Under _____, a firm with valuable technical know-how or a unique patented product grants the rights to another firm to produce and/or sell a product in the host country

A firm may have production centre in one country and set up distribution centre in other countries is called as _____

At _____ stage of new product development, if the test marketing results are positive, the product will be launched in the market

Indirect exporting is suitable for _____

More promotion is required at _____ stage.

At maturity stage, the market is -----.

The data collected from various Export promotion organisation can be considered as -----
- data.

Canalising agencies are ----- agencies through which exports are made.

Export houses are the----- in indirect exporting.

Export firms with ----- US million dollars performance can be registered as one-star export houses.

Export firms with ----- US million dollars performance can be registered as five-star export houses.

The major function of packaging in export is ----- of the product.

Product-----involves all decisions related to product to be sold in export

Product development stage involves more expenditure on -----

BOT stands for -----

In direct exporting, there is ----- profit margin.

Merchant exporters are ----- in export marketing.

,-----is important for identifying a particular consignment

Guidelines for marking in export is given by-----

Packaging standards in export marketing is influenced by-----

International marketing research means marketing research related to-----

Umbrella brand strategy means using ----- name for all products

Branding in export market is influenced by -----

Environment laws affect----- in export marketing.

_____ advises Indian exportes with respect to pacakging.

<u>option 1</u>	<u>option 2</u>	<u>option 3</u>	<u>option 4</u>	<u>Answer Key</u>
Licensing	Franchising	Joint venture	Foreign Collaboration	Franchising
Franchising	Licensing	Joint venture	Foreign Collaboration	Licensing
Franchising	one country production base	Licencing	joint venture	one-country production
commercialisation	idea generation	product developement	idea screening	commercialisation
large exporter	small exporter	middlemen	foreign agent	small exporter
introduction	growth	maturity	product development	introduction
growing,	declining	expanding	saturated	saturated
primary	secondary	unreliable	product development	secondary
educational	technical	government	private	government
middlemen	manufacturer	consumer	retailer	manufacturer
3	50	100	500	3
	100	500	2000	2000
production	pricing	protection	positioning	protection
planning	positioning	packing	development	Planning
promotion	research&development	production	sales	research&development
	Book,operate and			Build,operate and
Build,operate and transf	transfer	book,outsorce and trans	build,outsorce and tra	transfer
low	medium	minimum	highest	high
manufacturer	retailer	middlemen	retailers	middlemen
marking	branding	positioning	pricing	marking
FIEO	EPC	ICU	IIFT	ICU
importer's country	manufacturer	retailer	agent	importer's country
international company	national market	international market	local market	international market
company	founder	acronyms	different	Company
local market	financial position	nature of consumers	number of countries	nature of consumers
branding	positioning	packaging	design	packaging
IIP	ITPO	IIFT	EPC	IIP

MODULE II-EXPORT PRICING

Documents against _____ are handed over to the importer on payment of bills.

_____ is a method of payment in which the exporter agrees to submit the documents to his bank along with the bill of exchange.

_____ pricing establishes the cost-volume profit relationship.

-----pricing is fixing the price on the basis of variable costs.

_____ letter of credit can be easily modified by the imporer's bank.

<u>option 1</u>	<u>option 2</u>	<u>option 3</u>	<u>option 4</u>	<u>Answer Key</u>
payment	acceptance	shipment	endorsement	payment
consignment	open account	documentary bills	cheque payment	documentary bills
skimmimg	penetration	break-even	transfer	break- even
Break-even	skimming	penetration	Marginal cost	Marginal cost
irrevocable	revocable	red	green	revocable

CIF price stands for -----.

Importer's bank is also known as ----- bank.

_____ is a beneficiary under Letter of Credit.

_____ is also known as non-fund based assistance.

Under ___ letter of credit, the exporter is held liable to the bank, if the importer does not honour the payment

Skimming pricing strategy is suitable to-----products.

Differential pricing strategy indicates ----- prices in different markets

INCO terms are introduced by-----.

_____ pricing means charging higher price to sense demand.

_____ pricing is implemented to capture a larger market share.

Exporter has ----- obligation under FOB price.

Exporter has maximum obligation under-----price.

C&F price does not include -----.

FOB price does not include ----- .

There are----- parties involved in letter of credit.

_____ is an internal factor affecting export price.

Transfer pricing strategy is adopted by-----companies

Cost,Insurance & Freight

Confirming bank

Importer

red L/C

With course

novelty

same

IMF

proble

skimming

minimum

FOB

Freight

freight

two

cost

domestic

Core Insurance &Freight

Advisory bank

Exporter

green L/C

without course

simple technology

uniform

World bank

trial

penetration

maximum

C&F

Insurance

ex-factory cost

four

demand

local

Cost, Insurance &friend

Correspondent bank

importer's bank

Back-to back L/C

confirmed

old technology

standard

ICU

transfer

probe

large

CIF

ex-factory cost

internal transport

six

competition

multinational

Cost,interval & freight

Issuing bank

exporter's bank

confirmed L/C

unconfirmed

routine

different

ICC

break-even

trial

highest

DDP

packing

packing

three

incentives

regional

Cost Insurance &Freight

issuing bank

Exporter

Back-to back L/C

with recourse

novelty

different

ICC

probe

penetration

minimum

C&F

Insurance

frieght

six

cost

multinational

Module III Export Finance

_____ is the safest method of payment in international trade.

Generally there are _____ parties involved in letter of credit.

_____ finance is referred as packing credit.

_____ provides medium term and small scale finance to small units.

Post-shipment finance is available for a period of ___ days.

_____ covers credit risks of exporters.

In India, exporter must realize the payment within ___ days of shipment for export of 270

Pre shipment finance is given----- the shipment of goods.

Buyer's insolvency is a part of _____ risk.

_____ provides seed capital assistance.

_____ scheme provides immediate cash receipts.

SIDBI provides loans to _____ type of businesses.

ECGC provides protection to the _____.

Under _____ method, the documents are released to the importer against payment of bills.

The exporter prefers _____ letter of credit.

Non fund based assistance is provided by commercial banks as _____.

ECGC covers _____ type of risks.

The bank to which the beneficiary presents his documents for payment under letter of

Post shipment finance is given----- the shipment of goods.

----- provides loans to overseas buyers.

Non-payment by importer is considered as ----- .

ECGC is a company wholly owned by _____.

Packing credit is provided for a period of _____ days.

_____ guarantees credit risks.

option 1

Dcuments against acceptance

6

Pre-shipment

EXIM

180

ECGC

before

commercial

SIDBI

letter of credit

small scale exporters

Document against acceptance

revocable

Pre-shipment inefficiency

issuing bank

before

EXIM

commercial risk

Government

180

SIDBI

option 2

Deferred credit

3

Post-shipment

SIDBI

360

EXIM

180

after

marine risk

ECGC

EPCG

large scale banks

letter of credit

irrevocable

Post-shipment political

confirming bank

after

commercial

marine risk

exporters

360

EXIM

option 3

letter of credit

2

ECGC

ECGC

90

Marine insurance

90

during

comprehensive

EXIM

ECGC

medium scale government

advanced payment

with recourse

bank guarantee

inconsistency

negotiating bank

during

RBI

political risk

SIDBI

90

ECGC

option 4

advance payment

5

SIDBI

none of above

60

commercial bank

360

always

political

commercial bank

Forfaiting scheme

small and medium scale scale

exporters and banks

open credit

revocable and irrevocable

finance

personal

Reserve bank

always

SIDBI

all of above

IDBI

380

none of above

Answer Key

Dcuments against acceptance

6

Pre-shipment

SIDBI

90

ECGC

180

before

commercial

SIDBI

Forfaiting scheme

scale

exporters and banks

document against payment

irrevocable

bank guarantee

political

negotiating bank

after

EXIM

commercial risk

Government

180

ECGC

Forfeiting scheme is providing by _____.

ECGC

EXIM

SIDBI

Letter of Credit

EXIM

Module IV Export Documentation and Procedure

The exporter's bill for the goods exported is called as _____

Carting order is issued by _____.

_____ number of copies are issued for Bill of Lading

It is _____ to obtain RCMC certificate.

Only after the _____ is stamped by the customs, the cargo is allowed to be carted

The certificate of origin is issued by _____.

Let Ship Order is issued by _____.

_____ is the basic document required for exports.

Consular invoice is issued by consulate of _____.

_____ is an important document to be submitted to the custom authorities in 5 copies

Bill of lading is required for _____.

_____ is an important document required for realisation of export proceeds.

_____ is required to get the goods inside the dock for examination of goods.

_____ is a document title to goods.

Let Export Order is issued by _____.

A copy of Shipping bill is required by _____.

_____ is required for excise clearance.

_____ is required for realisation of export proceeds.

_____ number of copies are issued for consular invoice.

Certificate of origin is issued by _____

Shipping bill is an important document required by _____ for clearance of goods.

Registration with _____ is compulsory for exporters.

_____ is a document title to goods.

The exporter does not pay excise duty but export the goods under -----.

The Mate's Receipt is handed over to the shipping company to obtain _____

option 1

Commercial Invoice

DGFT

2

voluntary

customs bill

Exporter

Custom Preventive

Officer

Commercial Invoice

exporting country

Mate's Receipt

custom clearance

GR Form

Let Export Order

Mate's Receipt

Custom Preventive

Officer

Custom authorities

Shipping Bill

ARE form

5

DGFT

exporter

RBI

commercial invoice

Export under bond

Commercial invoice

option 2

consular invoice

Port Trust

3

compulsory

shipping bill

Importer

Custom Examiner

Certificate of Origin

importing country

Shipping Bill

shipment of goods

ARE-1 Form

Let Ship Order

GR Form

Custom Examiner

importer

ARE form

GR Form

4

Chamber of Commerce

custom authorities

SEBI

consular invoice

export under rebate

GR form

option 3

shipping bill

shipping company

4

not compulsory

commercial invoice

DGFT

DGFT

Consular Invoice

shipping company

Bill of Lading

importing of goods

Shipping Bill

Carting order

Bill of Lading

DGFT

Chamber of Commerce

Bill of Lading

Consular Invoice

3

SIDBI

shipping company

DGFT

Bill of Lading

export by sea

Bill of Lading

option 4

Bill of Lading

RBI

5

illegal

Consular Invoice

RBI

EXIM

Bill of Lading

neighbouring country

Consular Invoice

packing of goods

Packing list

Bill of Lading

Shipping Bill

EXIM

RBI

Consular Invoice

Commercial invoice

2

EXIM

DGFT

EXIM

certificate of origin

guarantee

Consular Invoice

Answer Key

Commercial Invoice

Port Trust

3

compulsory

Shipping Bill

DGFT

Custom Preventive

Officer

Commercial Invoice

importing company

Shipping Bill

shipment of goods.

GR Form

Carting order

Bill of Lading

Custom Examiner

Custom authorities

ARE form

GR form

2

Chamber of

custom authorities

DGFT

Bill of Lading

Export under bond

Bill of Lading