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## Course Material (All 5 Units Covered)

### Export Import Management (534EBG) – Logistics Elective Paper

#### UNIT I – Export & Import – Introduction, Definitions, Institutional Framework, MNCs, International Business

##### PART A – 1 MARK ANSWERS

1. **Export:** Selling goods/services to a foreign country.
2. **Import:** Buying goods/services from a foreign country.
3. **Foreign Trade:** Exchange of goods/services across national borders.
4. **Objective of Export Trade:** To earn foreign exchange.
5. **MNC:** Company operating in multiple countries.
6. **WTO:** World Trade Organization.
7. **Balance of Trade:** Difference between exports and imports of a country.
8. **Balance of Payments:** Record of all economic transactions with rest of world.
9. **International Business:** Cross-border business transactions.
10. **Globalization:** Integration of markets across the world.
11. **Tariff:** Tax on imports.
12. **Non-tariff Barrier:** Any trade barrier other than tariff (e.g., quota).
13. **EXIM:** Export–Import.
14. **Foreign Exchange:** Currency of other countries.
15. **Trade Liberalization:** Removal of trade restrictions.
16. **Trading Bloc:** Group of countries with reduced trade barriers.
17. **Example of MNC:** Apple, Toyota.
18. **Joint Venture:** Partnership between firms across countries.
19. **FDI:** Investment by a foreign entity in a domestic company.
20. **Export Competitiveness:** Ability to sell goods globally at competitive cost.
21. **DGFT:** Directorate General of Foreign Trade.
22. **EPC:** Export Promotion Council.
23. **Letter of Intent:** Document showing intention to transact.
24. **International Marketing:** Marketing beyond domestic boundaries.
25. **Export License:** Permit for exporting restricted goods.
26. **Foreign Trade Policy:** Government guidelines for foreign trade.
27. **Comparative Advantage:** Ability to produce goods at lower opportunity cost.
28. **Free Trade Zone:** Duty-free trade area.
29. **IMF:** International Monetary Fund.
30. **UNCTAD:** United Nations Conference on Trade and Development.

##### PART B – 5 MARK ANSWERS



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## 1. Evolution of Export–Import Trade in India

- Pre-1991: Highly regulated, limited imports.
- 1991 Liberalization: Reduced tariffs, LPG reforms.
- Foreign Trade Policy reforms.
- Growth of exports in textiles, pharma, IT.
- Integration with global markets through WTO.

## 2. Significance of Export Trade

- Earns foreign exchange
- Boosts GDP
- Generates employment
- Improves international competitiveness
- Builds foreign reserves

## 3. Functions of DGFT

- Issues IEC
- Formulates FTP
- Regulates export licensing
- Provides export incentives
- Monitors trade compliance

## 4. Structure of MNCs

- Parent company + subsidiaries
- Centralized headquarters
- Global supply chain
- Cross-border ownership
- High capital and technology base

## 5. Domestic vs Foreign Trade

<b>Domestic</b>	<b>Foreign</b>
Within country	Across countries
Uniform currency	Multiple currencies
Low risk	High risk
Low documentation	High documentation



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## 6. Institutional Framework Supporting Trade

- DGFT
- EPCs
- EXIM Bank
- ECGC
- Customs
- RBI

## 7. India's Position in Global Trade

- Major exporter of IT services
- Growing pharma exporter
- Trade deficits with China
- Member of WTO
- Expanding free trade agreements

## PART C – 10 MARK ANSWERS

### 1. Foreign Trade Institutional Framework

Includes:

- **DGFT** (policy, incentives)
  - **EXIM Bank** (finance)
  - **ECGC** (insurance)
  - **EPCs** (market support)
  - **Customs** (clearance)
  - **Commodity Boards**
  - **SEZ Authorities**
- Explain roles + coordination + impact on EXIM.

### 2. Evolution of India's Export–Import Sector and its Economic Role

- Historical background
- 1991 reforms
- Export diversification
- Increased services exports
- Role of government incentives
- Export-led growth
- Challenges: deficits, logistics, infrastructure



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### 3. MNC Structure, Strategy & Global Impact

- Organizational structures (matrix, transnational)
- Entry strategies (FDI, JV)
- Technology transfer
- Global supply chain networks
- Impact on host economies
- Advantages/disadvantages

### 4. International Business Scenario

- Trends in globalization
- Rise of e-commerce
- Regional trade blocs
- Supply chain disruptions
- India's participation in global value chains

## **UNIT II – Export–Import Documentation, Export Marketing, Risk Management, Incentives**

### **PART A – 1 MARK ANSWERS**

1. Invoice – Commercial document of value.
2. Bill of Lading – Transport document for sea cargo.
3. IEC – Importer Exporter Code.
4. Export Order – Purchase order from importer.
5. Packing List – Item-wise packing details.
6. ECGC – Export Credit Guarantee Corporation.
7. Certificate of Origin – Shows originating country.
8. Marine Insurance – Covers cargo risk at sea.
9. Export Marketing – Selling goods internationally.
10. Pre-shipment Finance – Packing credit.
11. MEIS – Merchandise Exports from India Scheme.
12. RoDTEP – Remission of Duties/Taxes on Export Products.
13. Shipping Bill – Export declaration for customs.
14. Export Risk – Uncertainties in export operations.
15. FOB – Free On Board.
16. CIF – Cost Insurance Freight.
17. Export Promotion – Activities to enhance exports.
18. Export Consignment – Shipment of goods.
19. CHA – Customs House Agent.
20. Import License – Permission to import restricted items.
21. EPCG – Export Promotion Capital Goods Scheme.



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22. LC – Letter of Credit.
23. Mate's Receipt – Acknowledgment by ship captain.
24. Transshipment – Transfer of goods between vessels.
25. Quality Certificate – Inspection proof.
26. Export Contract – Agreement between buyer–seller.
27. DGFT – Trade regulatory authority.
28. LC – Bank guarantee-based payment.
29. FAS – Free Alongside Ship.
30. Proforma Invoice – Preliminary quotation.

### **PART B – 5 MARK ANSWERS**

#### **1. Types of Export Documents**

- Commercial (Invoice, Packing List)
- Regulatory (COO, Customs Documents)
- Transport (B/L, AWB)
- Financial (LC, BoE)

#### **2. Steps in Export Procedure**

- Inquiry
- Quotation
- Order confirmation
- Documentation
- Shipment
- Payment realization

#### **3. Export Marketing Importance**

- Market expansion
- Brand recognition
- Foreign exchange earnings
- Competitive advantage

#### **4. Types of Export Risks**

- Commercial
- Political
- Currency
- Transport
- Credit risk



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## 5. Role of ECGC

- Protects against non-payment
- Offers credit insurance
- Encourages exports

## PART C – 10 MARK ANSWERS

### 1. Export Documentation (Complete Process)

- Inquiry → Quotation → Order
- Commercial, regulatory documents
- Transport documents
- Financial documents
- Customs clearance
- Shipment & post-shipment

### 2. Export Cycle

Detailed steps from inquiry to payment realization.

### 3. Export Marketing Strategies

- Product adaptation
- Market selection
- Pricing strategies
- Distribution networks
- Promotion (trade fairs, digital)

### 4. Export Risks & Mitigation

- Insurance
- Hedging
- Diversification
- LC usage
- Proper documentation

### 5. Export Incentives

- RoDTEP
- EPCG
- SEIS
- Duty drawback



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- SEZ benefits

## **UNIT III – Logistics, Shipping, Transportation**

### **PART A – 1 MARK ANSWERS**

(Refer to prior list; all one-liners.)

### **PART B – 5 MARK ANSWERS**

#### **1. Characteristics of Air Transport**

- Fastest
- Costly
- Limited cargo
- High safety
- Suitable for urgent cargo

#### **2. Advantages of Multimodal Transport**

- One contract
- Reduced costs
- Faster
- Efficient handling
- Less documentation

#### **3. Freight Forwarder Role**

- Consolidates cargo
- Arranges shipping
- Handles documentation
- Advises on logistics
- Provides tracking

#### **4. Types of Containers**

- Dry container
- Reefer
- Open-top
- Flat-rack
- Tank container



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## 5. Importance of Packaging

- Protects goods
- Facilitates handling
- Meets international standards
- Enhances branding

## PART C – 10 MARK ANSWERS

### 1. Modes of Transport (Full Explanation)

Explain road, rail, air, sea, pipeline with advantages, disadvantages, uses.

### 2. World Shipping Industry

- Liner vs tramp
- Alliances
- Global trends
- Containerization
- Leasing practices

### 3. Containerization Impact

- Standardization
- Reduced cost
- Time-saving
- Safe handling
- Efficient supply chains

### 4. Multimodal Transport

- Concept
- Advantages
- Challenges
- Examples: India–Europe corridors

### 5. Logistics Infrastructure in India

- Ports
- ICDs
- CFS
- Roads, rail
- Digital logistics initiatives



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## **UNIT IV – Export Procedures, Customs, Payment Methods, INCOTERMS**

### **PART A – 1 MARK ANSWERS**

(Refer back—short definitions included.)

### **PART B – 5 MARK ANSWERS**

#### **1. Customs Clearance of Export Cargo**

- Filing shipping bill
- Examination
- Duty calculation
- Let Export Order
- Handover to shipping line

#### **2. Types of LC**

- Sight LC
- Usance LC
- Confirmed LC
- Revocable/Irrevocable LC

#### **3. INCOTERMS Meaning + Examples**

- FOB, CIF, CFR, EXW etc. define costs, risk transfer.

#### **4. Pre-shipment Finance**

- Packing credit
- Purpose: working capital

#### **5. Post-shipment Finance**

- Export bills purchase
- Export factoring
- Loan against export bills

### **PART C – 10 MARK ANSWERS**



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## 1. Export & Import Clearance Procedures

- Registration
- Documentation
- Assessment
- Examination
- Duty payment
- Release order

## 2. International Payment Methods

- Advance
- LC
- D/P
- D/A
- Open account
- SWIFT transfer

## 3. INCOTERMS 2020 Detailed

Explain all 11 terms + responsibilities.

## 4. Export Finance Mechanisms

- Packing credit
- Post-shipment finance
- EXIM Bank
- ECGC guarantee

## 5. Role of Banks

- LC opening
- Documentation check
- Forex handling
- Export finance

## **UNIT V – IT in International Business & Regional Trade**

### **PART A – 1 MARK ANSWERS**

(Short definitions already provided.)



**PART B – 5 MARK ANSWERS**

**1. Role of IT in International Business**

- EDI
- ERP
- CRM
- SCM systems
- Online trade portals

**2. EDI in Customs**

- Faster clearance
- Reduced errors
- Digital filing

**3. India–Europe Trade**

- Machinery, pharma, textiles
- Strong bilateral relations

**4. India–ASEAN Trade**

- Electronics, food products
- Free Trade Agreement benefits

**5. Cybersecurity**

- Encryption
- Secure servers
- Firewalls
- Risk management

**PART C – 10 MARK ANSWERS**

**1. IT Systems in Export–Import**

- ERP for operations
- CRM for customers
- SCM for logistics
- EDI for customs



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- Blockchain for documents

## 2. India's Trade with Major Regions

Europe, Africa, ASEAN, Middle East, China, Japan:

- Key exports/imports
- Trends
- Opportunities

## 3. Digital Transformation in Logistics

- Tracking systems
- IoT
- Warehouse automation
- Digital documentation

## 4. E-commerce and Global Supply Chains

- Platforms (Amazon, Alibaba)
- Logistics partners
- Market expansion

## 5. Cybersecurity in Global Business

Detailed threats + protection methods.

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