| Marks: 40 | FYJC<br>Subject: Organisation of Commerce<br>Topic –Trade (Chap. -2) (Solution) | Time: 1.5 Hrs. |
|---|---|---|

**Q.1. Select the Correct option and rewrite the sentence. (5 Marks)**

1. Retailers supply information to the Manufactures through wholesalers.
   a) Manufactures b) Government c) Consumers

2. For customs clearance the Shipping Bill is prepared by the exporter.
   a) Carting Order b) Letter of Credit c) Shipping Bill

3. Peddlers carry goods on their head in baskets or containers.
   a) Hawkers b) Peddlers c) Cheap Jacks.

4. Specialty shop retailers deal in particulars goods.
   a) General Stores
   b) Specialty shop retailers
   c) Second hand goods shops

5. Super market is known as self-service store.
   a) Department store
   b) Super market
   c) Multiple store

**Q.2. Give one word. (6 Marks)**

1. A person who moves daily from place to place to sell goods.
**Ans**. Itinerant retailers

2. The middleman between wholesaler and consumer.
**Ans**. Retailer

3. A retail shop which operates through branches.
**Ans**. Chain Stores

4. A shop where all goods are available at same price.
**Ans**. One price shop

5. A retailer who displays his goods on the road.
**Ans.** Street Traders

6. An order placed by an importer for the supply of certain goods.
**Ans.** Indent

**Q.3. Distinguish between (Any One)** **(5Marks)**

1. Wholesaler and Retailer.

**Ans**.

| Wholesaler | Wholesaler |
|---|---|
| **1. Meaning** | |
| A wholesaler is a trader who buys goods in large quantities from manufacturers and sells them in relatively small quantities to the retailers. | A retailer is a trader who normally buys goods from the wholesalers in moderate quantity and sells the same in very small lots directly to the final consumers. |
| **2. Capital** | |
| A wholesaler needs relatively large amount of capital to run and manage wholesale trade | A retailer needs relatively small amount of capital to run and manage retail trade. |
| **3. Link** | |
| A wholesaler is the first link in the channel of distribution. A wholesaler is a link between the manufacturers and the retailers. | A retailer is the last link in the channel of distribution. A retailer is a link between the wholesalers and the consumers. |
| **4. Location** | |
| Wholesalers' shops are usually located in the central market of the city. | Retailers' shops are usually located near residential areas in the city. |
| **5. Profit** | |
| Profit of a wholesaler depends on large turnover of the goods. His profit margin is comparatively less. | Profit of a retailer depends on turnover of goods. He gets more profit. |
| **6. Prices** | |
| Prices of the goods traded on wholesale basis are usually lower than the retail prices. | The prices charged by the retailers are higher than the wholesale prices. |

2. Itinerant Retailers and Non Itinerant Retailers.

**Ans**.

| Itinerant Retailers | Non Itinerant Retailers |
|---|---|
| **1. Meaning** | |
| The retailers who move from place to place and area to area to sell their goods are called itinerant retailers, e.g. peddlers, hawkers, etc. | The retailers who have fixed trading premises and do not move from one place to another to sell their goods are called Non Itinerant retailers. |
| **2. Capital Requirement** | |
| As the operational and establishment costs of non itinerant retailers are very low, they require limited amount of capital. | As the operational and establishment costs of fixed shop retailers are relatively high, they require comparatively large amount of capital |

| | |
|---|---|
| **3. Stock of goods** | |
| Itinerant retailers keep relatively limited stock of goods. | Non itinerant retailers keep relatively more stock of goods. |
| **4. Quantity of goods** | |
| The quality of goods sold by itinerant retailers is not good depending on the territory or area visited, usually, low quality goods are sold. No guarantee is given about the goods sold. | The quality of goods sold by the non-itinerant retailers are usually standardised and branded. Their quality is usually better. The seller usually gives guarantee for the goods sold. |
| **5. Variety of goods** | |
| Itinerant retailers mainly deal in goods of daily needs and perishable nature. | Non itinerant retailers mainly deal in all types goods specially durable goods. |
| **6. Prices** | |
| Itinerant retailers sell the goods at relatively lower prices due to absence of fixed cost. | Non itinerant retailers sell the goods at relatively higher prices as they are required to spend some amount on fixed cost. |

3. General stores and Specialty stores.

**Ans**.

| General stores | Specialty stores |
|---|---|
| **1. Meaning** | |
| The General stores is a retail shops which deal in wide range of articles of daily use. | The specialty stores is a retail shops which deal in a special or single line of products. |
| **2. Location** | |
| These stores are established near the residential localities or in local markets. | These stores are established in central markets or in busy shopping centres of the cities. |
| **3. Prices** | |
| The prices charged are normally lower. | The prices charged are generally higher. |
| **4. Type of goods** | |
| The general stores sell the goods of daily use such as food grains, edible oils, toothpaste, biscuits, soap, coconuts, etc. | The speciality stores usually sell special products such as cloth, stationery, shoes, furniture, etc. |
| **5. Advertisement** | |
| The general stores do not spend any amount on advertising the products. Hence, the selling cost remains low. | The specialty stores spend more amount on advertising the products. Hence, the selling cost remains comparatively higher. |
| **6. Variety of products** | |
| The general stores keep less varieties of each product for sale. | The specialty stores keep more varieties of each product for sale. |

4. Departmental stores and Chain stores.

**Ans**.

| Departmental stores | Chain stores |
|---|---|
| **1. Meaning** | |
| A large-scale retail organisation having several departments under one roof or management, each dealing in one particular type of product is called a departmental store. | A large-scale retail organisation which controls a number of stores, established in different localities over a wide area, dealing in identical products operating under a central ownership is called chain stores. |
| **2. Variety of goods** | |
| Departmental stores deal in large number of goods in large variety. | Chain stores deal in a goods of a specific manufacturer only. |
| **3. Location** | |
| Departmental stores are located at the central market places in big cities. Such stores require a lot of space. | Chain stores are located in the interior of cities and towns in the vicinity of residential areas. They require relatively less space. |
| **4. Capital** | |
| Departmental stores require relatively huge amount of capital in comparison to the chain stores. | Chain stores require relatively less amount of capital in comparison to the departmental stores. |
| **5. Price** | |
| The price charged by the department stores is very high due to high cost of operation. | The price charged by the chain stores is comparatively less due to low cost of operation. |
| **6. Buying and selling** | |
| Departmental stores are based on the principle of centralised buying and selling. | Chain stores are based on the principle of centralised buying but decentralised selling. |

5. Import Trade and Export Trade

**Ans**.

| Import Trade | Export Trade |
|---|---|
| **1. Meaning** | |
| Import Trade is that part of the foreign trade in which the goods and services are purchased by the residents of a home country from abroad. | Export Trade is that part of the foreign trade in which the goods and services are sold to other countries in the world from the home country. |
| **2. Foreign exchange** | |
| The import trade results in the outflow of foreign exchange from the home country. | The export trade results in the inflow of foreign exchange from abroad. |

| 3. Effect on the economy | |
|---|---|
| Imports of goods and services on a large scale adversely affect the domestic industries. | Exports of goods and services bring prosperity to the industries in the home country. |
| **4. Balance of Payments** | |
| The import trade loses the foreign exchange. It ultimately results in unfavourable balance of payments position or increase in foreign debts. | The export trade earns foreign exchange. It ultimately results in favourable balance of payments position. |
| **5. Restroctions** | |
| The import trade is always restricted by the government by imposing quotas, tariff duties, import licences and several other restrictions. | In comparison of import trade, export trade is less restricted. On the contrary, it is encouraged by giving export incentives. |

**Q.4. Study the following case / situation and express your opinion (6 Marks)**

1. Sonupant purchases his grocery material every month from nearest Nandulal grocery shop and he purchases wheat, rice and pulses in bulk for whole year from Gorhe and Son's, Market yard.
   i) Who is Wholesaler?
   ii) Who is retailer?
   iii) Any one difference between Wholesaler and retailer

**Ans**. (i) In the above case, Gorhe and Son's, market yard is a wholesaler.
(ii) In the above case, Nandulal grocery shop is a retailer.
(iii) The wholesaler Gorhe and Son's, market yard sells grocery items such as wheat, rice and pulses in large (bulk) quantity whereas Nandulal grocery shop sells grocery material in small quantity.

2. Anurag is selling goods to Japan. Kavita is buying goods from USA where as Ganesh is buying raw material from South Africa and after processing it sells finished goods to Malaysia.
   i) Who is exporter?
   ii) Who is importer?
   iii) What is Entrepot Trade?

**Ans**. (i) In the above case, Anurag is exporter.
(ii) In the above case, Kavita is importer.
(iii) Entrepot trade means buying raw materials from foreign country and after conversion of raw material into finished products selling it to other country.

**Q.5. Shorts notes. (Any Two) (8 Marks)**

1. State any four features of one price shop.

**Ans**. The features of One Price Shop:

**(1) Uniform price**: In one-price shops, all articles are sold at one, uniform and fixed price. As the price is fixed for all articles, there is no scope for the customers for bargaining at all.

**(2)** **Low priced articles**: Low priced articles of daily use having continuous and recurrent demand are sold. e.g. cutlery, toys, plastic goods, stationery. etc.

**(3)** **Variety of goods**: This shop keeps many varieties of various lines of products. Due to uniformity of prices, the quality of the goods may be different. As the different and large variety of goods are kept in the one price shops, there is ample scope for selection.

**(4)** **Location**: One-price shops are located at crowded places, near railway and bus stations. busy localities, street corners, trade centers, etc. where a large number of people come together.

**(5)** **Cash sales**: The one price shops sell the goods on cash basis. No credit is granted to the customers. Hence, there is no risk of bad debts.

2. Sate any four services of Wholesalers to manufactures.

**Ans**. (**1)** **Large purchases**: Wholesaler purchases a larger quantity of goods from the manufacturer and sells them to the retailers as per their requirements. Sometimes he also sells the goods to consumers. The wholesalers relieve the manufacturers of the trouble and expenses of collecting small orders from and distributing the same to the numerous retailers. Thus, manufacturers can fully concentrate on the production.

**(2)** **Storage**: The wholesaler buys the goods in bulk and stores them in the warehouses. He uses warehouse storage facility to fill the time gap between production and consumption of goods. He relieves the manufacturers from the problem of holding surplus stock of goods.

**(3)** **Transportation**: Wholesaler uses his own transportation to collect the goods from the place of production and carry them to the place of his warehouses where he stores the goods till he sell them to retailers.

**(4)** **Financial assistance**: The wholesaler buys goods from the manufacturers on cash basis, pays substantial amount in the form of advances against orders, grants loans, accepts short term bills to enable the manufacturer to raise finance, etc. He also provides finance for working capital and relieves the manufacturer of the tension of holding stock of goods for a longer period.

**(5)** **Provide market information**: The wholesaler collects information about changes in customers' tastes, buying patterns, habits, fashions, etc. from the retailers and supplies it to the manufacturer. On the basis of such information, it is easier for the manufacturer to make changes in the existing products and develop new products.

**(6)** **Risk Bearing**: The wholesalers buy the goods from the manufacturers soon after they are produced. Moment the goods are purchased, all the business risks pass over to the wholesalers. For instance risk of loss due to fall in prices, changes in the taste of customers, changes in fashion, technology, accident, fire, thefts, etc.. are borne by the wholesalers. .

**(7)** **Marketing functions**: The wholesaler performs important marketing functions such as assembling, warehousing, standardising, grading, packing, labeling, branding, transporting, etc. on behalf of manufacturer.

3. Write any four services of retailers to Consumers.

**Ans.** **(1)** **Regular supply of goods**: The consumers require numerous commodities for their day-to-day consumption. Retailers keep sufficient stock of these goods and regularly supply them to the customers as per their requirements.

**(2)** **Local convenience**: The retail shops are situated around the residential localities. Therefore, the consumers find it convenient to buy their requirements from such nearby shops. Thus, much of their time and labour are saved.

**(3)** **Home delivery**: The retailers also provide the facility of home delivery of goods to their customers. This facility is given free of charge. This facility is given to attract more and more customers, to make and maintain good relations with them.

**(4)** **Variety of goods**: Since the retailer keeps a wide variety of goods, the consumers can select their articles by comparing one with the other. The retailer guides them in making a proper choice.

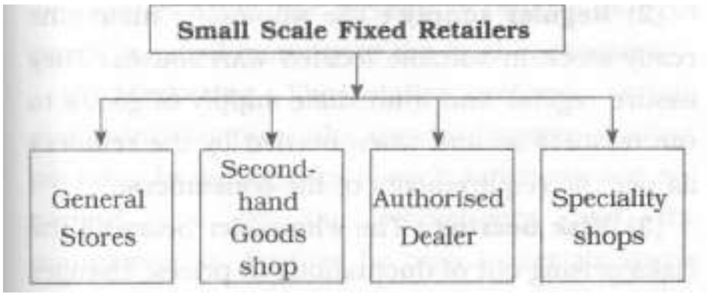
**(5)** **Credit facilities**: In many cases, the retailers extend credit facilities to their regular customers whom they know personally. It is helpful to many customers who are in short of money. Credit facility given by the retailers increases and creates large customer base for the business.

**(6)** **After sales services** : Some retailers offer sales service such as replacement of defective articles, guarantee for a certain period, repairs and maintenance, replacement of spare parts, etc. Household articles (commodities) such as television sets, refrigerators, wall clocks, sewing machines, computers, laptops, mobiles, etc. require after-sales services. Such services create confidence in the minds of consumers for further purchases.

**(7)** **Information**: The retailers display and show new products introduced by the manufacturers. He provides necessary information about the usefulness, durability and other qualities of the products sold, new arrivals in the market which will help to choose better product. Such information is useful to buy right product quickly and also helps to build good image of the shop in the mind of consumers

4. Sate any two types of small scale fixed shop retailer.

**Ans.** The classification of small scale fixed shop retailers is shown in the following chart:




(**1)** **General Stores :** These shops deal in different kinds of consumers goods of day-to-day use such as food grains, edible oils, toffees, biscuits, toothpaste, soaps, coconuts, stationery, medicines, umbrella, etc. They stock almost all the household items. They keep small quantities of several varieties of each item. They conduct their business on a small-scale with relatively small capital. They are mostly run by individual traders. They purchase their requirements from the wholesalers and sometimes even directly from the producers. Usually, they are established at central places in the midst of residential localities. They extend credit facilities to their regular customers. They offer facilities of home delivery, replacement of defective articles, etc. Grocers' shops, stationery shops, provision stores are some of the examples of general shops.

**(2)** **Second-hand Goods Shop:** These retailers buy old and second-hand goods either at auction sales or from insolvent traders or from local people and sell them at higher prices. They usually deal in books, furniture, utensils, garments, used automobile vehicles, etc. After repairing the goods and setting them in a working condition, the goods are sold to the customers. They get goods at lower prices. So, they can sell the same at little higher late. However, no guarantee of goods is given by these retailers. These goods lack quality, durability, Be. Their customers usually belong to low income groups, who cannot afford to buy new costly articles. Sometimes certain invaluable old items are also available at such shops, e.g. a book written by old author may be available in such shops. This type of business requires limited capital. In bigger cities, there are particular localities where second-hand goods are sold.

**(3)** **Authorised Dealer**: Authorised dealer get authorised dealership from a particular manufacturer to sell its products. These authorised dealers usually sell durable goods or articles such as T.V. sets, washing machines, motor vehicles, two wheelers, etc. These authorised dealers give more preference or priority in selling the goods of those manufacturers whom they represent. Authorised dealers always try to increase sale of goods as they get good commission from the manufacturers. They promote the goods by advertisement, attractive scheme, window display, etc.

(**4)** **Speciality Shops**: These shops specialise only in one line or particular line of goods such as cloth, stationery, televisions, books, toys, watches, leather goods, plastic goods, shoes, furniture, medicines, ready made dresses, mobiles, etc. Although they deal in one line of goods, they stock all the varieties, designs or brands within that line. Thus, they provide ample choice for customers. They offer goods at reasonable prices as they purchase in lots from the wholesalers. They offer goods at varying price range and provide wide choice to the customers. These retailers give expert advice to their customers about the use of goods. These shops are generally situated in shopping centres in central parts or specific markets of towns. They have to spend on layouts, internal and external displays, showrooms, etc. The chemist shops, cloth stores, book stalls, etc. are the examples of the speciality shops.

**Q.6. Long Answers. (Any one)** **(10 Marks)**

1. Explain services of Wholesalers.

**Ans.** **[A]** Services to Manufacturers:

(**1)** **Large purchases**: Wholesaler purchases a larger quantity of goods from the manufacturer and sells them to the retailers as per their requirements. Sometimes he also sells the goods to consumers. The wholesalers relieve the manufacturers of the trouble and expenses of collecting small orders from and distributing the same to the numerous retailers. Thus, manufacturers can fully concentrate on the production.

**(2)** **Storage**: The wholesaler buys the goods in bulk and stores them in the warehouses. He uses warehouse storage facility to fill the time gap between production and consumption of goods. He relieves the manufacturers from the problem of holding surplus stock of goods.

**(3)** **Transportation**: Wholesaler uses his own transportation to collect the goods from the place of production and carry them to the place of his warehouses where he stores the goods till he sell them to retailers.

**(4)** **Financial assistance**: The wholesaler buys goods from the manufacturers on cash basis, pays substantial amount in the form of advances against orders, grants loans, accepts short term bills to enable the manufacturer to raise finance, etc. He also provides finance for working capital and relieves the manufacturer of the tension of holding stock of goods for a longer period.

**(5)** **Provide market information**: The wholesaler collects information about changes in customers' tastes, buying patterns, habits, fashions, etc. from the retailers and supplies it to the manufacturer. On the basis of such information, it is easier for the manufacturer to make changes in the existing products and develop new products.

**(6)** **Risk Bearing**: The wholesalers buy the goods from the manufacturers soon after they are produced. Moment the goods are purchased, all the business risks pass over to the wholesalers. For instance risk of loss due to fall in prices, changes in the taste of customers, changes in fashion, technology, accident, fire, thefts, etc.. are borne by the wholesalers. .

**(7)** **Marketing functions**: The wholesaler performs important marketing functions such as assembling, warehousing, standardising, grading, packing, labeling, branding, transporting, etc. on behalf of manufacturer.

**[B]** **Services to Retailers:**

**(1)** **Stock of goods:** By buying the goods in bulk, the wholesaler keeps large stock of goods in his godown. Wholesaler supplies all such goods to the retailers at regular intervals.

**(2)** **Regular supply**: The wholesaler maintains ready stock in suitable located warehouses. They assure regular and immediate supply of goods to] die retailers as and when needed by the retailers as per die requirements of die consumers.

**(3)** **Risk bearing** : The wholesaler bears all the risks arising out of fluctuations in prices, changes in fashion, fall in demand, etc. besides the usual risks of fire, theft, etc. that involved in warehousing and transporting to die retailers" shops. Therefore, retailers are free from such risks. Retailers risks at die most restricted only to the small stock of goods held by them.

**(4)** **Financial support**: Generally, the wholesalers sell die goods to the retailers on credit basis. He also gives financial assistance and discount facilities to their regular retailers. Usually, accounts are settled periodically, say every month or every quarter. Such financial support reduces the requirement of working capital needed by the retailers. .

**(5)** **Market information**: The wholesaler furnishes information about market trends, position of competitors, arrival of new products, latest varieties, new trends, substitutes to the existing products, latest prices prevailing in the market, manufacturers' plans, policies, new schemes on existing products, etc. to the retailers.

**(6)** **Sales promotion**: Often, the wholesalers advertise their products and create a demand for the same. They also provide sales literature, brochures, small posters to the retailers for display in their shops for the promotion of sales. Retailers thus need not exert on selling efforts to push their products.

2. Define import Trade. Explain its procedure in detail.

**Ans. . [A] Definition**: Import trade is that part of foreign trade in which the goods and services are purchased by the residents of a home country from abroad. When an Indian company purchases latest technology from America, it is an example of import trade for India.

**(B) Procedure of Import trade:**

**(i) Preliminary Stage:**

**(1)** **Registration**: The importer is required to get himself registered with different authorities such as: (i) Directorate General Foreign Trade to get Import-Export Certificate Number (ii) Income Tax authority to get Permanent Account Number (PAN) and (iii) To get Formalities done regarding GST.

**(2)** **Negotiation:** The importer has to negotiate with the overseas suppliers regarding (i) Price of goods (ii) Delivery schedule (iii) Credit period and (iv) Terms and conditions regarding sale, payment and delivery.

**(II) Pre-Import stage:**

**(1)** **Quota Certificate**: Certain items which are to be imported from the foreign country are subjected to quota restrictions. The importer has to obtain import quota certificate from the government authorities. Quota certificate mentions the maximum quantity of goods which can be imported.

**(2)** **Foreign Exchange Clearance**: The importer has to make an application through an foreign exchange bank to obtain foreign exchange clearance from Reserve Bank of India (RBI).

**(3)** **Order Placement**: The importer has to place an order with the overseas supplies. This order is called indent. The importer negotiates the terms and conditions of the import contract, confirms and places order.

**(4)** **Letter of Credit (LC)**: The exporter wants some sort of assurance from the importer as regards payment after the goods are exported. For this purpose, the importer obtains a Letter of Credit from his bank and sends it to the exporter through the indent form. A letter of credit is an undertaking given by the importer's bank guaranteeing the payment to the exporter on behalf of importer.

**(5)** **Clearing and Forwarding Agent (C & F Agents)**: The importer is required to appoint C & F agents to undertake various custom formalities and clear the goods from customs and documentation work in respect of import of goods.

**(6)** **Shipment advice**: The importer receives an Advice Note from the exporter. Shipment advice contains the details about the goods, invoice number, bill of lading, etc. which enables the importer to make necessary arrangement for custom clearance and unloading of goods sent bj| the Exporter.

**(III) Import Stage:**

**(1)** **Receipt of documents:** The importer receives the documents from the exporter's bank. Those documents include: bill of lading, packing | list, commercial invoice, certificate of origin, certificate of inspection, etc.

**(2)** **Bill of Entry**: Cleaning and Forwarding agents prepare bill of entry required for custom clearance. The bill of entry contains the details such as number of packages, quality of goods, price of goods, etc.

**(3)** **Delivery order:** The C & F agents obtain delivery order from the shipping company on payment of freight. Delivery order enables C & F agents to unload the goods from vessels.

**(4)** **Custom clearance**: The purpose of custom clearance is to get bill of lading, bill of entry and packing list certified from custom authority.

**(IV) Post-Import Stage:**

**(1)** **Port Trust Dues**: The C & F agent have to pay (clear) the dues of Port Trust.

**(2)** **Custom duty**: The C & F agents are required to make payment to custom authorities in respect of imported goods.

**(3)** **Insurance premium**: The importer is required to pay the amount of insurance premium under FOB (Free On Board) contract.

**(4)** **Payment of Freight**: The importer has to pay the amount of freight under shipping contract.

**(5)** **Exporters payment**: The importer is required to make payment to the exporter as per the terms of contract. The exporter also draws a bills of exchange for the payment.

**(6)** **Follow up**: The importer is required to take follow up in respect of import of goods. If any discrepancies are detected, the importer should bring such discrepancies to the notice of exporter for immediate action.

3. What is export Trade? Explain its procedure in details.

**Ans. [A]** **Meaning:** Export is that part of the foreign trade in which the goods and services are sold to the other countries to earn foreign exchange. When the government of India sells minerals, food grains and raw materials to the government of Japan, it is export trade for India.

**[B]** **Procedure of Export Trade:**

**(I) Preliminary Stage:**

- (**1)** **Registration**: The exporter is required to get himself registered with the various authorities like (i) Directorate General Foreign Trade to get import-export certificate number, (ii) Income Tax authorities to obtain Permanent Account Number (PAN) and (iii) Other authorities like Export Promotion Council (EPC) and GST authority.
- **(2)** **Appointment of Agent**: To collect orders from the foreigners, exporter has to open sales office in the foreign country and appoint agents or sales representatives.

**(II) Pre-shipment stage:**

- **(1)** **Receipt of order**: When the order is received exporter has to check and confirm the order. He is also required to verify Restrictions on Import in importer's country.
- **(2)** **Letter of Credit**: The exporter is required to approach importer to obtain Letter of Credit drawn in his favour. The receipt of letter of credit from the importer's bank will clear the foreign exchange and other restrictions.
- **(3)** **Pre-shipment Finance**: The exporter has to obtain pre-shipment finance from his banker to meet the need of working capital.
- **(4)** **Production of goods**: The exporter has to manufacture the goods as per the requirement of importer. If exporter is a trader, he has to buy the goods from other local suppliers or manufacturers.
- **(5)** **Packaging**: The exporter has to get the goods properly packed. Packing is required for (i) Protection of goods while they are in transit (ii) Preservation of quality and (iii) Promotion of goods.
- **(6)** **Export Credit and Guarantee Corporation Cover (ECGC):** The exporter may take cover from ECGC to protect himself against credit risk i.e. if the importer fails to make the payment of import bill, the exporter can get 90% of the amount due from ECGC
- **(7)** **GST formalities' (Goods and Service Tax):** The exporter is required to complete the formalities of GST in respect to export trade.
- **(8)** **Marine Insurance:** The exporter has to pay necessary marine insurance premium and obtain marine insurance policy under CIF (Cost Insurance and freight) contract.
- **(9)** **C & F agents**: Clearing and Forwarding agents appointed by importer are responsible for forwarding the goods.

**(III) Shipment stage:**

- **(1)** **Processing of document**: The exporter has to prepare the shipping bill and get all the documents processed at custom house.
- **(2)** **Examination of goods**: The C & F agents obtain carting order from Port Trust Authority (PTA) to cart the goods inside the docks.
- **(3)** **Loading of goods:** After checking the goods CE (Custom Examiner) issue 'Let Export' order. The C & F agents then obtains Let Ship Order' from Custom Preventive Officer (CPO). Then goods are loaded on ship for which a 'Mate's Receipt' is obtained. The C & F agents then collect Bill of Lading from shipping companies.

**(IV) Post Shipment Stage:**

**(1) Shipment Advice**: The exporter has to send shipment advice to the importer informing him about the dispatch of the goods. Along with shipment advice he has to send the copy of packaging list, commercial invoice and non-negotiable copy of loading.

**(2) Presentation of Documents**: The exporter has to submit all the necessary documents to the bank for realisation of export proceeds.

**(3) Realisation of Export incentive**: The exporter has to make an arrangement to obtain export incentive from the related authorities. Refund of GST, duty drawbacks, etc., if paid are included in the incentive.

**(4) Follow-up**: The exporter is required to take follow-up to know the buyers reaction about the goods exported.

4. Explain different services of retailers.

**Ans. (A) Services to Wholesaler:**

**(1) Connecting Link**: The retailers help the wholesalers to sell their products to the final consumers. Thus, the retailers establish the link between the wholesalers and the final consumers.

**(2) Help to distribute**: The retailers help in easy and quick distribution of goods. The retailers also dispose of perishable goods like dairy products, fruits, vegetables, flowers, pulses, fish, etc. more quickly. Thus, the retailers relieve the wholesaler from the anxiety of distribution of Goods in small quantity to the final consumers.

**(3) Marketing**: The retailer performs certain marketing functions like standardisation, grading, packing, branding, etc. if such functions are not carried out by the wholesalers and the manufacturers. Further, he repacks certain goods in smaller quantities and carries out the other marketing functions like marketing, labelling, etc. He also handles transportation on his own. Sometimes, retailer tries to solve shortages problem or advertises for better sale.

**(4) Provide information**: The wholesaler can get the information about the consumers' likes, dislikes, buying habits, etc. from the retailer. Thus, the wholesaler can, accordingly, decide the buying and selling policies.

**(5) Attract consumers**: Often retailers do the advertising and publicity of the goods purchased from the wholesalers. The retailers attract consumers by advertising and publicity of the goods. In such cases, the wholesalers expenses are minimised to a certain extent. This activity also directly helps the wholesaler to increase his turnover.

**(6) Create demand**: The retailer displays the posters of the new products supplied by the wholesalers in his shop. He also distributes other publicity material like free samples, handouts, et., and creates demand for new products.

**[B] Services to Consumers**:

**(1) Regular supply of goods**: The consumers require numerous commodities for their day-to-day consumption. Retailers keep sufficient stock of these goods and regularly supply them to the customers as per their requirements.

**(2)** **Local convenience**: The retail shops are situated around the residential localities. Therefore, the consumers find it convenient to buy their requirements from such nearby shops. Thus, much of their time and labour are saved.

**(3)** **Home delivery**: The retailers also provide the facility of home delivery of goods to their customers. This facility is given free of charge. This facility is given to attract more and more