International banking. Paper instructions: This case study deals with the decision facing an Indian leather-garment-manufacturing start-up, engaged in exports and seeking to expand. The company started with a few clients in the United States and is now looking to find more clients in that country, as well as expanding its export business in Canada. Throughout this process a primary concern of the company is to minimize commercial risk. The case allows for a discussion of various concepts related to Documentary Letters of Credit as a means for payment in international trade and how it benefits both exporters and importers. Throughout the case the student will be able to ascertain the essential role played by international banking in facilitating and financing trade. The case gives students the opportunity to: • Identify various risks in international trade such as carriage (transport risk), commercial (non-payment) risk, currency risk and country (political and economic risk and how to manage then • Describe various payment methods in international trade and their comparative advantages and disadvantages for exporters and importers • Identify the best payment mode for minimizing the commercial (non-payment) risk for exporters • Understand the concept of the Documentary Letter of Credit (DLC) and its applications in international businesses • Describe various types of Documentary Letters of Credit (DLC) and their usefulness This is what needs to be answered: Explain the concept and mechanics of a Documentary Letter of Credit (DLC) and its application in international business (see attached exhibit). How does a Documentary Letter of Credit (DLC) work as a credit enhancement device for importers and a credit risk mitigating tool for exporters?