

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER -III– EXAMINATION – WINTER 2021

Subject Code: 4539296

Date: 19-02-2022

Subject Name: Export Import Procedures

Time: 10:30 AM TO 01:30 PM

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q. No.	Question Text and Description	Marks
Q.1	Explain the following terms a) HS Code b) Towns of Export Excellence c) EDI d) IEC number e) Restricted items f) Canalized items g) Prohibited items	14
Q.2	(a) What are Incoterms? Explain FAS, FOB, CFR and CIF.	07
	(b) Discuss the main provisions of Foreign Trade (Development and Regulation) Act 1992	07
OR		
	(b) Explain the objective & highlights of Foreign Trade Policy 2015-20	07
Q.3	(a) Elaborate the post shipment stage in the Export procedure	07
	(b) In order to promote export of quality goods as per the international standards, the Government of India has introduced compulsory quality control and pre-shipment inspection. Which are the recognized systems of pre-shipment inspection?	07
OR		
Q.3	(a) Explain the types of custom duties levied.	07
	(b) Marine Insurance Policies are known by different names according to their manner of execution and the nature and degree of risks covered. In light of above statement explain the types of Marine Insurance Policies.	07
Q.4	(a) Describe the Risks associated with Imports. Also explain categories of Importers.	07
	(b) Before making a confirmed order, it is important for importer to ask for a sample of the original product. Explain what are samples and the provisions regarding Import of Samples.	07

OR

Q.4 (a) Enumerate the legal dimensions of the Import Procedure. **07**

(b) The Government of India offers many incentives to Indian Importers under special schemes. Explain the Import Incentive schemes. **07**

Q.5 Case Study:

Mr. Ajay Singh has been a successful Manager with Beta Tires Pvt. Ltd., Mumbai. Under Mr. Singh's leadership, within 10 years of its inception, the company was ranked fifth among tire companies in India in terms of market share in the domestic territory. Through international market research, Mr. Singh obtained a purchase order from TMG Motors in Thailand. Although Beta Tires had obtained IE Code Number from the DGFT office, the executives of the company were not well versed in export procedures and documentation.

TMG motors had called for certain documents from the exporter, while sending the purchase order. These included one original and three copies of the invoice, an original GSP Certificate of Origin issued by a competent authority, the Sight Bill of Exchange and an inspection certificate. Mr. Singh received the confirmed purchase order on 15 May and the latest date of shipment was 30 May. Mr. Singh and his team had to ship the goods within 15 days of getting the contract. The team managed to arrange and send the goods, along with the inspection certificate. The goods were dispatched to the CHA after collecting the information on the time schedule and rate charged by shipping lines from Mumbai to Bangkok.

However none of the team members were aware of the importance of the certificate of origin. The CHA also did not check whether the importer had called for the certificate of origin. The goods were loaded into the ship and the cargo arrived at the importer's port after seven days. Meanwhile Bank of Baroda, the bankers of Beta Tires, sent the export documents to HSBC Bank in Bangkok as instructed by Beta Tires, for collection of the export bill amount of USD 10000. Upon scrutiny, the HSBC bank Manager found that the exporter had not sent the certificate of origin along with the other documents and duly informed the Vice President Imports about this. Subsequently payment to Beta Tires was withheld.

(a) List down the mandatory documents required to be prepared by Beta Tires Pvt. Ltd. Discuss the salient features of each of these documents. **07**

(b) What is a GSP certificate of origin? Who issues it? Explain its significance **07**

OR

Q.5 (a) What is the role of CHA in an export transaction? **07**

(b) Elaborate bill of exchange as a method of payment. Explain the other payment methods in brief. **07**
