



INDIAN INSTITUTE OF MATERIALS MANAGEMENT

Dec 2015

Post Graduate Diploma in Logistics Management

Paper No 7(New)

Import/Export Procedure

Date : 14.12.2015

Max Marks: 100

Time : 2.00 p.m to 5.00 p.m.

Duration: 3 hours

Instructions:

1. From Part A: answer all questions (compulsory) Each sub-question carries 1 mark **Total marks – 32**
2. From Part B: answer any 3 out of 5 questions Each question carries 16 marks. **Total marks – 48**
3. Part C is a case study with sub-questions (compulsory). Read the case study and answer all the questions.
4. Please read and follow the instructions given in the answer sheet carefully. **Total marks – 20**

PART-A

(32 x1 =Total: 32 Marks)

Q.1] Select the most appropriate answer from the options given:

8 marks

1. The Customs department functions under the Ministry of
 - a. Finance
 - b.Commerce
 - c. Home
 - d. Defence
2. Insurance risk in foreign trade is covered by
 - a RBI.
 - b.ECGC
 - c. LIC
 - d. None of the above
3. The duration of the EXIM Policy is normally
 - a. 3 years
 - b.4 years
 - c.5 years
 - d.6 years

4.:US Short Ton is

- a. 706 kgs
- b. 810 kgs
- c. 100 kgs
- d. 907 kgs

5 Advance license can be issued for

- a .Physical exports
- b. Intermediate supplies
- c.deemed exports
- d.All of the above

6.The time within which the goods must be exported from the date of removal from the factory is

- a. 1 month
- b. 3 months
- c. 6 months
- d. 9 months

7. Duty free replenishment certificate is valid for a period of

- a. 6 months
- b.18 months
- c. 3 months
- d. 12 months

8. India adopted the Aligned documentation system in

- a. 1991
- b. 2001
- c. 2011
- d. 1981

Q.2] Write the full form of the following:

8 marks

- 1. DGFT
- 2. IEC
- 3. LIBOR
- 4. ECGC
- 5. EIC
- 6. RBA
- 7. ICD
- 8. CENVAT

Q.3] State whether the following statements are true or false:

8 Marks

- a. A bill of lading is a negotiable instrument.
- b. Combined transport document is also known as multi-modal transport document.
- b. UCP is promulgated by the Indian chamber of commerce
- d. Export- Import Bank of India was set up in 2002
- e. Star trading houses have been exempted from the purview of pre-shipment inspection
- f. Attending to port formalities is not one of the important functions performed by C&F agent
- g. No sales tax/value added tax is payable on goods meant for exports
- h. CONCOR operates under the ministry of commerce

Q 4) Fill in the blanks

8 Marks

- a. An exporter who buys products from another source and then exports them is called a -----
----- exporter
- b. FEMA, 1999 is managed and regulated through -----
- c. Mate receipt is issued by----- of the ship
- d. Forfaiting is a mechanism of financing -----
- e. Under VAT rules ,export sales are rated at -----tax
- f. UCP is uniform customs and practice for documentary -----
- g. The world's leading inspection,verification,testing and certification company is-----
- h. GSP is general system of-----

PART- B

Total (3x16 = 48) Marks

Answer any three from the following questions

Q 5 Write short notes on (any four) (4 x 4 = 16 Marks)

- a. Airway Bill
- b. Post Shipment Credit
- c. Duty Drawback
- d. Export Cycle
- e. Certificate of Origin
- f. Ports in India

Q.6] a. List out the commercial documents in international commerce.

b. Discuss the essentials of an export contract.

- Q.7] a Explain containersation .List out at least six container types.
b Explain deemed exports.
- Q.8] a. Explain import clearance procedure.
b. Explain the export certification systems available with EIC.
- Q.9] Discuss in detail the role of Export-Import Bank of India in export finance

Part C – (Compulsory)

Total : 20 Marks.

Q.10] Read the following case study carefully and answer the questions below:

Shirtwel a manufacturer and exporter of ready made shirts grew rapidly during the last decade aided by its product quality and overall recognition of India's textile industry..The company with multi-crore business had focussed on quality which won it several prestigious awards.

In course of time,as generally experienced by companies, Shirtwel experienced growing pain such as regulatory documentation, invoice etc. It also wanted to move away from stand-alone PCs and upgrade its infrastructure to boost employee productivity.It also wanted to project to its customers a competent organisation having well managed infrastructure . While recognising that tools such as reliable E-mail was an important part of its requirement, Shirtwel decided to install an IT infrastructure that would meet its current and future requirements

It decided to create its networked IT infrastructure as a first step to achieving business efficiencies for which it took the help of Beta systems,a Infosoft Business partner and an IT consultant.

Beta systems helped set up local area network and the company also implemented Infosoft Small Business Server,2008 to manage its data applications and Infosoft Exchange Server to create the relevant messaging infrastructure.

Shirtwel also worked closely with local solution provider to implement an integrated accounting and documentation solution custom built for the company.,which helped generate the documents required during the export process.

Hands-on training was imparted to all the employees to familiarise with the technology which enabled to improve business operations by streamlining processes.

Shirtwel introduced a system of motivating employees to maintain the competitiveness by awarding outstanding suggestions involving IT .

Shirtwel engaged a top international consultant to further strengthen quality and design capabilities and to stay abreast of world-class production and productivity standards.

Questions:

- 1 Why did Shirtwel face growing pain?
- 2 How did Shirtwel manage to solve the problem faced?

- 3 What training was given to the employees?
- 4 What did Shirtwel do to motivate employees?
- 5 How did Shirtwel try to maintain its various standards?.
