

**PARUL UNIVERSITY**  
**FACULTY OF MANAGEMENT**  
**MBA, Winter 2017 - 18 Examination**

**Semester: 3**  
**Subject Code: 06204202**  
**Subject Name: Foreign Trade Procedure**

**Date: 02/01/2018**  
**Time: 2:00 pm to 4:30 pm**  
**Total Marks: 60**

---

**Instructions**

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

**Q.1 Do as Directed.****A). Fill in the blanks.****(05)**

1. \_\_\_\_\_ is unique 10 digit code issued by the Director General of Foreign Trade, Ministry of Commerce, Government of India to Indian Exporters and Importers.
  - a) IEC Code
  - b) RCMC Code
  - c) BIN Code
  - d) EIC Code
2. \_\_\_\_\_ refers to the pricing of goods transferred from one subsidiary to another or to the parent company.
  - a) Competitive pricing
  - b) Transfer Pricing
  - c) Penetration pricing
  - d) Skimming pricing
3. The government of India has set up \_\_\_\_\_ to monitor the quality of goods meant for export.
  - a) Local chamber of Commerce
  - b) Director General of Foreign Trade
  - c) Export Promotion Council
  - d) Export Inspection Council
4. Commercial Invoice is also known as a \_\_\_\_\_.
  - a) Document of Content
  - b) Document of Ownership
  - c) Document of Acceptance
  - d) Document of Payment
5. Import of restricted items is permitted through licensing only while canalized through specified \_\_\_\_\_ Enterprises.
  - a) State Trading Enterprise
  - b) Export Oriented Unit
  - c) Export House
  - d) Export Agency

**B). Define the following.****(05)**

1. Restricted Goods
2. EDI
3. Letter of Credit
4. Carting Order
5. Hull Insurance

**C). Direct questions.****(05)**

1. Write full form of RCMC
2. What do you mean by FOB price?
3. What is ARE-I?
4. What do you understand by the term stale Bill of lading?
5. Distinguish between DFIA and DEPB

**Q.2 Answer the following questions.****A).** Following is the cost data of Ram export Ltd.**(07)**

Ex Works Cost	Rs. 9000
Special Packing Charges	Rs. 2500
Transportation Charges	Rs. 1000
Marine Loading Charges	Rs. 1200
Contribution	7% on FOB cost
Duty Drawback	9% on FOB Price

a) Calculate Minimum FOB price if \$1 = Rs.67

b) What will be C&amp;F price if Marine freight is \$ 70?

**B).** Write a note on Documentary Bills. Compare and Contrast D/A and D/P.**(08)****Q.3 Answer the following questions.****A).** What are the formalities to be completed during shipping stage of exports?**(07)****B).** Discuss in detail duty remission and exemption Schemes.**(08)****Q.4 Attempt any two questions.****(15)**

1. Discuss in detail the procedure for obtaining license or authorization for export or Import of restricted items.
2. What are the methods of settling International Trade Transactions?
3. What are the two ways of obtaining excise clearance for exportable goods? What are the conditions and limitations for the same?
4. What do you mean by the retirement of import documents? Discuss the procedure for retirement of Import Documents?