



**INDIAN INSTITUTE OF MATERIALS MANAGEMENT**

**Dec 2015**

**INDIAN INSTITUTE OF MATERIALS MANAGEMENT**  
**Post Graduate Diploma in Materials Management**  
**Graduate Diploma in Materials Management**  
**PAPER No. 7 (New)**

**International Trade**

**Date: 14.12.2015**

**Time: 10.00 a.m. to 1.00 p.m.**

**Max. Marks: 100**

**Duration: 3 Hrs.**

**Instructions:**

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

**Part – A**

**32 Marks**

**(Attempt all questions Each sub questions carries 1 mark.)**

**Q.1. Select appropriate answer**

1. CVD is a type of  
 (a) Export duty (b) custom duty (c) anti dumping duty (d) service tax
2. EPCG scheme is  
 (a) export promotion (b) import restriction (c) import of weapons (d) none of above
3. L/C is issued by  
 (a) importer (b) exporter (c) clearing agent (d) bank
4. Special additional duty (SAD) IS  
 (a) cenvatable (b) safeguard duty (c) non cenvatable (d) merged with service tax
5. FOB term includes  
 (a) clearing expenses (b) freight & cost (c) freight & insurance (d) cost of item
6. Bill of lading is  
 (a) negotiable document (b) non negotiable document  
 (c) freight receipt (d) delivery order
7. Value addition is  
 (a) value added on export (b) value added on import  
 (c) value added on services (d) value addition on taxes
8. Following is a type of trade block  
 (A) BRIC (b) advance authorization (c) anti dumping duty (d) CESS on CVD

**Q. 2 Give Full Forms**

- |         |           |         |          |
|---------|-----------|---------|----------|
| (1) B/E | (2) CVD   | (3) WTO | (4) GATT |
| (5) CFS | (6) C I F | (7) DBK | (8) BG   |

**Q. 3 Mention True Or False**

1. IEC is must for every export/ import activity
2. Anti dumping duty once imposed is for ever
3. Import policy is published by finance minister
4. Supplies to SEZ is at par with export
5. FEMA is import policy
6. Economic order quantity is a tool of inventory control
7. IMF IS Indian monetary FUND
8. Transaction value is a method of valuation in customs

**Q.4. RELATE THE FOLLOWING**

Sr. No.		Sr. No.	
1	B G	1	Foreign Trade Devt & Regulation Act
2	C. Excise	2	Delivery Terms
3	International Trade	3	Restriction On Export
4	Export Duties	4	Type Of Insurance
5	ECGC	5	Document Issued By The Bank
6	CIF	6	WTO
7	FTDR Act	7	Goods And Service Tax
8	GST	8	Tax On Manufacturing

**PART-B**

**Write any three (3) of the following questions 16 marks each**

**(48 Marks)**

Q.5 Discuss sale on high seas -

Q. 6 Role of WTO in international trade

Q. 7 Discuss advance authorization and its importance to enhance the exports

Q. 8 Discuss the types of export promotion schemes

**Q. 9 Short notes ( any four )**

- (1) Provisional assessment
- (2) Export documents
- (3) Types of L/C
- (4) Duty refund
- (5) Export promotion COUNCIL
- (6) Different types of payment terms in international trade

## PART- C

20 marks

**(Compulsory)**

Q 10. Read the case study carefully and answer the 5 question given at the end.

A business house has unit in Chennai which is 100 % EOU.

The unit has placed orders with a Japanese company to import raw materials. Work out the following in INR. Decimal fig may be rounded off (use of calculator is allowed)

- (1) CIF cost
- (2) Basic duty
- (3) CVD
- (4) Landed cost
- (5) Duty leviable
- (6) Duty forgone

Use following data

- (1) Price US \$ 400 C & I per kg
- (2) Quantity 500 kgs
- (3) Freight US \$ 1500 / 500 kg
- (4) US \$ = RS. 60.0 , landing charge 1 % of cif cost
- (5) BCD 5 % on ass value
- (6) CVD 12.5 % on ASS. VALUE + BCD

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