

INDIAN INSTITUTE OF MATERIALS MANAGEMENT
Post Graduate Diploma in Logistics Management

JUNE-2010

PAPER 7

LEGAL ASPECTS AND IMPORT / EXPORT PROCEDURE

Date: 14 .06.2010
Time: 2.00 PM to 5.00 PM

Max Marks : 100
Duration : 3 hours

Instructions:

1. From Part A : Answers all questions (compulsory). Each sub-question carries 1 mark.
Total Marks:32
 2. From Part B : Answer any three questions out of 5 questions. Each questions 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.
Total Marks:20
 4. Please read and follow the instructions given on the answer sheets carefully.
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PART A

Q.1 Indicate whether following statements are 'TRUE' or 'FALSE'

- A. Air way Bill is a non-negotiable documents.
- B. Excise Duty is indirect tax.
- C. Packaging must protect what it sells and sell what it protects.
- D. Packing list is a list showing details of goods contained in each parcel / shipment.
- E. Bill of a Lading is a document issued by customs Department.
- F. Income Tax is indirect tax.
- G. The most effective method of collecting customs duty is not at the entry points / ports.
- H. The method of the examination of the goods will not vary depending on the nature of the cargo.

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

- | | | | |
|----------|--------|--------|---------|
| 1. CEGAT | 2. OGL | 3. FOB | 4. DGFT |
| 5. BOP | 6. WTO | 7. L/C | 8. CIF |

Q.3 Match the following:

1	Sight Draft	A	Poison
2	Demand	B	Import
3	Tonic	C	Payment immediately on presentation of Bill of exchange
4	Export	D	supply
5	Packing List	E	Transportation by Air
6	Bill of lading	F	Short Shipment of goods
7	Short Shipment form	G	Details of goods
8	Air way Bill	H	Transportation by sea

Q.4 Select the most appropriate alternative

1. Global Sourcing is necessary for
 - a) Better quality and lower prices
 - b) Flow of advanced technology
 - c) Counter trade requirements
 - d) All of the above

2. International sourcing accounts for an estimated one 3rd –(1/3) of
 - a) World business
 - b) The World Trade
 - c) World sale
 - d) World income

3. The IMF combines three major functions namely regulatory, financial and air
 - a) Advisory
 - b) Business
 - c) Consultance
 - d) Sale

4. Import transactions in India
 - a) Procurement of Goods from abroad against valid contract
 - b) Subject to Customs act and other rules and regulations
 - c) Out flow of foreign exchange from India
 - d) All the above entries

5. The eighth and the latest round of the multilateral trade negotiations held under the Auspicious of the GATT is known as the
- Uruguay Round
 - Sri Lanka Round
 - Brszil Round
 - Paris Round
6. The assessable value of goods consists of four major elements, FOB value; freight Incurred for bringing the goods in to India, Insurance premium and
- Demurrage charge
 - Landing charges
 - clearing charges
 - Loading and loading charges
7. Customs duty is duty levied on goods imported in to or
- Exported out of India
 - Manufactured in India
 - Sale in India
 - Purchase in India
8. There are four main declaration forms prescribed in valuation of goods under customs Act i.e. P.P. form, VP/COD form, softex form and
- GR form
 - P form
 - A.R. form
 - M. M. form

PART - B

Answer any three questions out of five questions :

Q.5 Discuss provisions of balance of payment.

Q.6 What are the principles of GATT.

Q.7 Write short notes on any two of the following.

- Globalsourcing
- Shipping Bill
- Mat Receipt
- Parties to the letter of credit
- Port shipment credit

Q.8 Distinguish between (Any two)

- (1) WTO and GATT
- (2) Direct Tax and Indirect tax
- (3) Bill of Entry and Shipping bill
- (4) Air Bill and Bill of lading

Q.9 Explain import clearance procedure with documents required for clearance of Imported goods.

Part C – Case Study (Compulsory)

Q.10 Read the case and answer the questions given at the end.

The bill of lading is a document issued by the shipping company or its agents acknowledging the receipt of goods mentioned in the bill for shipment on board the vessel and undertaking to deliver the good in the like order and condition as received to the consignee or his order, provided the freight and other charges specified to the will of lading have duly paid.

A bill of lading is generally made out in the sets of two or three originals. The types of bill of lading required will depend upon the terms of letter of credit.

1. Who issues bill of lading ?
2. What bill of lading acknowledge ?
3. What bill of lading under lakes ?
4. How many sets are prepared of bill of lading ?
5. On whom the type of bill of lading depends ?