

**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES****School of Business****End-Semester Examination, May 2018**

<b>Program</b>	<b>: MBA (Energy Trading)</b>	<b>Semester</b>	<b>: II</b>
<b>Subject</b>	<b>: Trade Procedures and Documentation</b>	<b>Max. Marks</b>	<b>: 100</b>
<b>Course Code</b>	<b>: INTB 7004</b>	<b>Duration</b>	<b>: 3 Hrs</b>
<b>No. of page/s</b>	<b>: 2</b>		

---

**Section 'A' (30 Marks)**

**All questions in this section are compulsory. Each question carries 2 marks.**

1. The main registration certificate issued by DGFT to start export-import business is called.....  
(PAN/ST49/IEC/EPCG)
2. Export promotion council called APEDA deals in ..... products.
3. The document used for calculation of Customs Duty is usually ....(Invoice/Softex/LEO/Packing List).
4. In case of "CIF" terms of contract, Customs duty on import clearance is borne by .....(seller /buyer).
5. Items falling under Prohibited List can be imported provided you have a licence issued by DGFT.  
(True/False)
6. VAT was exempted on purchase of raw material meant for Export by submitting.....  
(PAN/Invoice/ST49).
7. EPCG licence is issued for zero customs duty on import of..... (raw material/capital equipment/prohibited goods).
8. The document LEO (Let Export Order) is also known as .....? (Bill of Lading/Shipping Bill/Bill of Entry)
9. In case of **EXPORTS**, which document is issued first, a Bill of Lading or a Shipping Bill?
10. A "claused bill of lading" means.....?
11. The document used for calculation of Freight is called..... (Invoice/Softex/LEO/Packing List).
12. House AWB is issued by..... (Airlines/Customs/Buyer/Seller/Freight Forwarder/DGFT).
13. A Packing List does not contain..... (name of Buyer/consignee/volume and weight of boxes/ rate)
14. Shipping bill is issued for shipments made by ..... (Rail/Air/Road/none of the options given).
15. The document SDF is submitted by..... to .....

**Section B (40 marks)**

**Attempt any 4 questions. Each question carries 10 marks.**

1. What do you understand by Prohibited items, Restricted Items, Channelised Items and Free items as per the Foreign Trade Policy? List out the steps to find out whether a given product can be imported freely or is prohibited.
2. A Contract and Quotation are one of the most important documents in business and have strong legal implications. How is a Quotation different from a Contract and who issues to whom? List the **main and important** contents of both these documents.
3. Trade mostly follows a specific sequence of operations and a procedure has to be followed. List out that sequence to complete a business transaction, starting from 'Enquiry letter' and ending at 'payment collection' by the seller and 'receipt of goods' by the buyer. Explain each step briefly.
4. What are "INCOTERMS"? What is the purpose of having incoterms in business? Explain at least 5 incoterms 2010.
5. A Mate's Receipt is linked with the Bill of Lading. How are the two documents connected? What are the different types of Bill of Lading?
6. There are various methods of payments in international business. L/C is one of them. What is an L/C? How does it work and how does it ensure that the seller gets his payments and buyer gets his goods?

**Section C (30 Marks)**

Documentation is the backbone of any business activity and knowledge of the purpose each document serves, is important for success in business. The following documents sound similar but have different purposes of issuance in international business:

1. Bill of Lading
2. Bill of Entry
3. Bill of Export
4. Bill of Exchange
5. Shipping Bill

Explain

- a) The **purposes** EACH of the above mentioned document serves in international trading,
- b) The **time** or stage of business when EACH document is issued,
- c) By **Whom** EACH document is issued,
- d) **To Whom** EACH document is issued.