

Roll No.

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Total No. of Pages: 02

Total No. of Questions: 10

MBA (IB) (Sem. – 4)

FINANCING OF INTERNATIONAL TRADE

Subject Code: MBAIB403-18

M Code: 77802

Date of Examination: 16-12-2022

Time: 3 Hrs.

Max. Marks: 60

INSTRUCTIONS TO CANDIDATES:

1. SECTION-A is COMPULSORY consisting of EIGHT questions carrying TWO marks each.
2. SECTIONS-B consists of FOUR Sub-sections : Units-I, II, III & IV. Student has to attempt any ONE question from each Sub-section carrying EIGHT marks each.
3. SECTION-C is COMPULSORY carrying TWELVE marks.

SECTION-A

1. Write briefly:
 - a) Letter of credit
 - b) Advance payment
 - c) Post shipment credit
 - d) Deferred payments export credits
 - e) Political risk
 - f) Open account
 - g) Marine insurance
 - h) Port clearance

SECTION-B

UNIT-I

2. Discuss the procedure for drawing various LoC and their operations.
3. Elaborate the international commercial terms. Discuss the contract term for carriage by sea transport.

UNIT-II

4. Discuss the procedure and documents needed for Pre-shipment credit.
5. Discuss in detail bill purchased discounted under limits granted to customers.

UNIT-III

6. Discuss the standard policies of export credit insurance. What are the guarantees for covering export finance?
7. What is FEMA? Discuss the regulation and procedure of FEMA in India.

UNIT-IV

8. Discuss the processing of an export order. Along with customs and port clearance.
9. Explain the objectives and organizations functions of EXIM bank.

SECTION-C

10. Case Study

SGS's client selected the Comprehensive Cover package as being the best option for its cargo of palm products loaded in Indonesia and discharged in Mozambique. The service included FOG as well as Marine Insurance. SGS was able to arrange a tailor made package extending the Marine Insurance to cover final inland transit by road from Mozambique to Zambia, Zimbabwe and beyond. The extended insurance covered loss by theft, pilferage and road accident for all trucks undertaking the cross border inland transit. SGS inspectors supervised the vessel loading in Indonesia and the discharging inspection in Mozambique. Every step of the loading and discharging operation was followed, checked and documented by SGS specialists. Available in speaking the local languages. The loading of each truck was supervised by SGS to verify that the quantities were correct and that the products were in good condition prior to transportation inland. Unfortunately, en route to the final destination, Zambia, one truck was involved in an accident in Harare and lost more than 23 tons of the product, RBD Palm Olein, that it was carrying.

- a) Discuss the various types of marine insurance policies.
- b) What are the perils covered under marine insurance?

NOTE : Disclosure of Identity by writing Mobile No. or Marking of passing request on any paper of Answer Sheet will lead to UMC against the Student.