GL BAJAJ
Institute of Management & Research
Approved by A.I.C.T.E., Ministry of HRD, Govt. of India

Roll No…………

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

POST GRADUATE DIPLOMA IN MANAGEMENT (2019-21)
END TERM EXAMINATION (TERM -IV)

Subject Name: Value Added Course on Export-Import Management	Time: **02.30 hrs**
Sub. Code: VAC-III	Max Marks: **60**

Note:
1. All questions are compulsory in Section A& C. Section A carries 8 questions of 2.5 marks each, Section B carries 5 questions of 04 marks each, and Section C carries 1 Case Study of 20 marks.

SECTION - A

Attempt all questions. All questions are compulsory. **2.5×08 = 20 Marks**

Q.1 (A): Discuss three financial allowances offered of Export Promotion Council.
Q.2 (B): Discuss the steps involved in export business, if you have to enter into it as an entrepreneur.
Q.3 (C): What is Bill of lading? Explain with suitable example.
Q.4 (D): What is HS CODE? Explain its structure briefly.
Q.5 (E): Explain the process of becoming an importer and list mandatory documents required for import of goods into India.
Q.6 (F): Describe briefly the role of FIEO (Federation of Indian Export Organizations).
Q.1 (G): Explain the term EX-WORKS and FCA under INCO Terms with respect to two responsibilities of sellers and buyers in each.
Q.1 (I): Discuss the role of Banks in an export-import transaction.

SECTION – B

Attempt any five out of six questions **04×05 = 20 Marks**

Q. 2: With the help of diagram, explain the content and Mechanism of Letter of Credit.
Q. 3: Discuss the role and responsibilities of seller and buyer in INCO terms 2020.
Q. 4: Explain the role of Export Credit and Guarantee Corporation of India (ECGC). Why Registration with ECGC is important for exporters?
Q. 5: Compare and contrast FAS – FREE ALONG SIDE THE SHIP and FOB – FREE ON BOARD (Named Port of Shipment) with their terms for Sea and inland water Transport.
Q. 6: Discuss and exhibit the benefits and incentives available under of current foreign trade policy 2015-20.
Q. 7: What is Marketing Development Assistance Scheme? Explain four Highlights of MDA Scheme.

SECTION – C

Read the case and answer the questions **10×02 = 20 Marks**

Q. 8: Case Study: A Global Manufacturing Hub in the Making

Question

From the concept of a closeted public sector enclave focusing on export, Special Economic Zones (SEZs) are now turning into large-scale integrated manufacturing complexes managed by public–private partnerships. Today, at least 120 countries have established SEZs. With 266 zones, USA alone has generated over 400,000 zone-related jobs. China has created 360,000 employment avenues from its zones. The Philippines generates 67% of its exports from SEZs. As much as 37% of Sri Lanka's exports originates from SEZs, while India could generate only less than 5% of its export from them. The impact of the contribution of SEZs to wealth creation, employment generation, and regional development has not yet been felt in India as it has been in other similar economies. The SEZ in Kerala, the Cochin Export Processing Zone (CEPZ) at Kakkanad, was established in 1986. Realizing the changing image of Kerala as an investment destination and to increase the awareness of its potential, the Ministry of Commerce and Industry recently gave permission to set up India's first Port-Based Special Economic Zone (PBSEZ) in Kochi. For the Kochi PBSEZ, the opportunities lie in the accelerating trend of outsourced manufacturing. At present, developed countries confi ne this outsourcing to basic components. This manufacturing sector demands higher skills and derives a higher degree of inbuilt margin. The remaining part of manufacturing outsourcing is assembling, which is a semi-skilled job requiring a higher proportion of low-cost labour, available in plenty in developing countries. Outsourced manufacturing of the semi-skilled kind can be accommodated at the proposed PBSEZ in Kochi. The PBSEZ will focus upon generating substantial employment. However, through an evolutionary process, the expertise built up in performing semiskilled functions could be enhanced to attempt manufacturing critical components and moved in to higher value markets.

The Kochi Port has earmarked 448 hectares in Vallarpadam and Puthuvypu for developing the PBSEZ. The PBSEZ is proposed to be developed in a public–private partnership format. A major part of the terminal-related activity of the international container terminal will be performed in the SEZ. This aspect will provide a cutting edge to the terminal's performance vis-à-vis competing terminals. An SEZ in the proximity of the container terminal will have the advantage of imports at the lowest freight rate and minimal transit distance from the port to the manufacturing plants, thereby saving costs. The international scene is also littered with failures of SEZ projects that are an eye opener. Causes of failures of SEZ world-wide can be attributed to business strategies based heavily or solely on tax holidays, imposition of rigid eligibility norms, and poor and suppressed labour relations. Instances of initial over-subsidy, poor maintenance of common facilities, and poor locations spelling doom for SEZs are also not rare. The key positive trend observed in the success and growth of SEZs is the competitive advantage driven by logistics. The developments in the software sector and the prospects of increased flights from the international airport are some of the factors in favour of the PBSEZ. The investors in PBSEZ can take maximum advantage by capitalizing on logistics. With a series of mutually supportive projects also coming up in the vicinity of Kochi Port, opportunities are aplenty.

Q1 (A): Discuss in detail the various rationales for having a PBSEZ.

Q8 (B): Explain the major causes of failure of SEZ world-wide. How PBSEZ can take maximum advantage of having a SEZ in the proximity of the container terminal.