

<b>Name:</b>	
<b>Enrolment No:</b>	

**UPES**  
**End Semester Examination, December 2023**

<b>Course: Custom Clearance Procedures</b>	<b>Semester: V</b>
<b>Program: BBA(FT)</b>	<b>Time : 03 hrs.</b>
<b>Course Code: INTB3010</b>	<b>Max. Marks: 100</b>

**Instructions:**

**SECTION A**  
**10Qx2M=20Marks**

S. No.		Marks	CO
Q1	What is the primary purpose of a letter of credit (LC) in international trade?  A) To facilitate communication between buyers and sellers B) To provide a guarantee of payment to the seller C) To regulate shipping and transportation D) To determine product quality and authenticity	2	CO1
Q2	What is the role of the confirming bank in a confirmed letter of credit transaction?  A) The confirming bank inspects the quality of the goods being shipped B) The confirming bank verifies the authenticity of the documents presented by the seller C) The confirming bank adds its confirmation to the letter of credit, promising payment to the seller D) The confirming bank provides insurance coverage for the shipment	2	CO1
Q3	What is a shipping bill in the context of international trade?  A) A document that provides details about the shipment, including quantity, weight, and destination B) A bill sent by the shipping company to the buyer for the transportation services C) A document used for customs clearance, containing information about the exported goods D) A financial statement issued by the exporter to the importer	2	CO1
Q4	When is a shipping bill generated in the export process?  A) Before the goods are packed B) After the goods reach the destination C) After customs clearance and before shipment D) Upon receiving payment from the buyer	2	CO1

Q5	<p>What is a bill of exchange?</p> <p>A) A written order by the exporter to the buyer, instructing payment at a future date  B) An invoice sent by the seller to the buyer detailing the products purchased  C) A receipt issued by the shipping company upon delivery of goods  D) A document certifying the quality of the exported goods</p>	2	CO1
Q6	<p>What is the maturity date of a bill of exchange?</p> <p>A) The date the bill is issued  B) The date the goods are shipped  C) The date on which payment is due  D) The date the bill is received by the drawee</p>	2	CO1
Q7	<p>What is the purpose of HS codes in international trade?</p> <p>A) To identify the shipping company  B) To determine the quality of goods  C) To standardize and classify products for customs and trade purposes  D) To indicate the price of goods</p>	2	CO1
Q8	<p>Which organization publishes and updates the Incoterms rules?</p> <p>A) World Trade Organization (WTO)  B) International Chamber of Commerce (ICC)  C) United Nations Conference on Trade and Development (UNCTAD)  D) International Monetary Fund (IMF)</p>	2	CO1
Q9	<p>Which party is responsible for arranging and paying for the main carriage of goods in an Incoterm like "CIF"?</p> <p>A) The seller  B) The buyer  C) The carrier  D) The insurance company</p>	2	CO1
Q10	<p>Which of the following is a common objective of government incentive schemes for businesses?</p> <p>A) Increase government revenue  B) Encourage economic growth and investment  C) Impose stricter regulations on businesses  D) Limit competition in the market</p>	2	CO1
<p><b>SECTION B</b>  <b>4Qx5M= 20 Marks</b></p>			
Q11	<p>Describe the significance of having a Registration cum Membership Number.</p>	5	CO2
Q12	<p>What is the primary purpose of a Certificate of Origin in international trade?</p>	5	CO2

Q13	Define what a Negative List is in the context of trade	5	CO2
Q14	What is the definition of Countervailing Duties in international trade, and how do they differ from other types of tariffs and duties?	5	CO2
<b>SECTION-C</b> <b>3Qx10M=30 Marks</b>			
Q15	Discuss the initial procedures necessary for setting up a business enterprise and the essential registrations needed before engaging in export activities.	10	CO3
Q16	Compare and contrast the main differences between FOB and CIF shipping terms, highlighting their implications for both the buyer and the seller.	10	CO3
Q17	Explain the structure of the ITC-HS Code and how it helps in classifying goods for international trade. Provide examples of how products are categorized using this code.	10	CO3
<b>SECTION-D</b> <b>2Qx15M= 30 Marks</b>			
Q 18	Provide a thorough manual explaining the procedures that a business involved in regular international trade must take in order to choose the right Incoterm for a certain kind of transaction. Take into account risk management, various forms of transportation, and regulatory requirements.	15	CO4
Q19	Analyze the key differences between a Letter of Credit and a Bill of Exchange, highlighting their distinct roles and functions in commercial transactions.	15	CO4