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Roll No...............

Department of Management
School of Management and Business Studies
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MBA III Semester Examination - December 2025

Subject Name: Export Import Procedure & Documents **Max. Marks: 60**

Subject Code: MBA-GE-IB-03 **Time: 2.5 Hours**

Attempt any Five Questions. All questions carry equal marks (5 x 12 = 60)

Q1.**NovaTech GmbH**, a German artificial-intelligence hardware company with a strong European presence, wants to enter the Indian market by opening a Project Office in Bengaluru to support installation of AI-driven equipment in Indian manufacturing units, coordinate with Indian suppliers, and oversee warranty and after-sales obligations. The company has secured a contract from an Indian automotive firm worth **USD 4 million**, and its audited net worth is **USD 500,000.** NovaTech applies to an AD Category-I bank with **Form FNC** and supporting documents.Using **FEMA Notification 22/2000-RB** and RBI guidelines:

a) Assess whether NovaTech qualifies to set up a **Project Office** under the automatic route.
b) Explain what business activities the Project Office can and cannot perform in India.
c) Discuss what would change if NovaTech instead wanted to open a **Branch Office**.

Q2.A biotechnology manufacturer in Hyderabad plans to expand its precision-enzyme production line by importing reactors worth **₹20 crore** under the **EPCG Scheme**. At the same time, it intends to export to the U.S., where FDA-based compliance, traceability norms, and advanced lab testing are mandatory. Discuss:

a) The EPCG compliance framework
b) Whether the company can simultaneously avail **RODTEP**, **SEIS** or **State-level incentives**, without violating FTP provisions.

Q3. A ceramics manufacturer in Morbi, Gujarat receives a high-value order from an Italian buyer for designer tiles. The exporter must ship **6 containers** through Mundra Port.

Write a comprehensive export-cycle analysis covering:
- Contract negotiation, and suitable Incoterm selection
- Pre-shipment inspection requirements for the EU
- Commercial, regulatory documentation

Q4. Prepare a comparative evaluation of **LC and DA/DP** for a scenario where an Indian pharmaceutical exporter deals with buyers from:

• **Germany** (high regulatory trust).
• **Algeria** (frequent currency restrictions),
• **South Korea** (bank-driven documentation culture), and
• **Argentina** (high sovereign risk).

Explain the most appropriate payment method for each country using international banking behaviour, sovereign risk profiles, and practical trade-finance logic.

Q5. A Bengaluru-based robotics exporter receives an order worth **USD 900,000** from a South African importer. The importer demands **FOB Chennai**, deferred payment under **DA 60 days**, and delivery in three shipments. Analyse:

a) The commercial, financial, and logistical risks under these terms.
b) Alternative Incoterms & payment mechanisms that would offer better protection to exporter.
c) The essential documents the exporter must arrange to safeguard interest, particularly under a DA arrangement.

Q6. A diamond exporter in Surat faces an issue where a **USD 250,000** export bill remains unrealised due to the Belgian importer filing for bankruptcy. Explain:

a) The complete process of filing a claim under **ECGC Standard Policy**,
b) The documentation required—including proof of shipments, reminders, and insolvency evidence.

Q7. A leather-garments exporter in Chennai wishes to import premium Italian leather through **Advance Authorisation**, specialised accessories under **DFIA**, and modern cutting machines under **EPCG**. Discuss the comparative eligibility criteria, export obligation requirements, value-addition rules, and transferability conditions of AA, DFIA, and EPCG.

Q8. A precision tools exporter in Coimbatore must ship CNC components to a Turkish buyer. The buyer insists on **CIF Istanbul**, while the exporter prefers **FCA Coimbatore Factory**. Analyse:

a) Responsibility, cost, and risk-transfer points under both Incoterms.
b) Practical issues involving freight booking, marine insurance, customs clearance, and transport documentation.
c) Using a hypothetical cost breakdown, recommend which Incoterm is more suitable for the exporter.