

B.Com. (Semester – VI) (Repeat) Examination, October/November 2018
BANKING AND FINANCIAL SERVICES (Major-2)
Foreign Exchange, Foreign Trade and International Finance

Duration : 2 Hours

Total Marks : 80

Instructions : 1) **All** questions are **compulsory**, however **internal** choice is available.

2) Answer sub-questions in Question 1 and 2 in **not** more than **100** words **each**.

3) Answer questions from Question 3 to 6 in **not** more than **400** words **each**.

4) Figures to the **right** indicate maximum marks to the question.

1. Write short note on **any four** of the following :

(4×4=16)

a) International Financial System.

b) Speculation.

c) Forward Rate Agreement.

d) Petro Dollar Market.

e) Off Shore Finance.

f) International Money Market.

2. Answer **any four** of the following :

(4×4=16)

1) Explain any four Export Promotion Incentives.

2) What is Bill of Lading ?

3) Describe any four Shipping documents.

4) Write short note on Arbitrage.

5) What is Cross Rate ? Explain with example.

6) If a bank in India paid Rs. 3,00,000 to a customer and claimed reimbursement by air mail by \$ 19,798.50 from the remitting bank, what is the rate of exchange in terms of Rs. 100 ?

P.T.O.



3. X) What is Exchange Rate ? Discuss in brief different Exchange Rate System in detail. 12

OR

- Y) Explain how Foreign Exchange Rates are determined in International market. 12

4. X) Explain in detail different types of NRI Accounts that can be opened by NRI. 12

OR

- Y) What is Post Shipment Finance ? Discuss in brief different types of Post Shipment Finance provided by Commercial Banks to Exporter. 12

5. X) Elaborate in detail different type of financial facilities provided by EXIM Bank to Indian Exporter. 12

OR

- Y) Discuss in brief role of ECGC in financing of International Trade. 12

6. X) Explain in detail Direct Quotation and Indirect Quotation with example. 12

OR

- Y) 1) You are required to book forward sale contract for USD 1.00 million delivery 3rd Month and another forward purchase contract for USD 2.00 Million for delivery 2nd Month. Given that USD/INR spot is 48.9100/9200, premium quoted as under, calculate rates for merchant transactions, if the exchange margin of 0.15% is to be loaded for the purchase transaction and 0.20% for the sale transaction.

Premium (in Paise) : 1 m 0750/0850

2 m 1800/1900

3 m 2750/28500

- 2) Write a short note on Speculation and Swap.

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