

(FOR THE CANDIDATES ADMITTED  
DURING THE ACADEMIC YEAR 2019 ONLY)

(NO OF PAGES: 2)

19UIB620

REG.NO

NGM COLLEGE (AUTONOMOUS) POLLACHI  
END-OF-SEMESTER EXAMINATIONS: JULY- 2022

B.COM -IB  
VI SEMESTER

MAXIMUM MARKS: 75  
TIME: 3 HOURS

PART III

INTERNATIONAL FINANCE

SECTION – A

(10 X1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS

MULTIPLE CHOICE QUESTIONS

(K1)

1. A bank may refuse to accept an export bill for collection\_\_\_\_\_
  - a. When the customer has sufficient limits under bill discounting facility
  - b. When the documents have discrepancies when compared to letter of credit requirements
  - c. When the documents are received from a non customer
  - d. When the documents are received from a customer
  
2. A letter of credit is one\_\_\_\_\_
  - a. Confirmed by the bank in the exporters country
  - b. confirmed by the importers to be correct
  - c. Confirmed by the exporter that he agrees to the condition
  - d. Confirmed to be authentic
  
3. Duty drawback is available for\_\_\_\_\_
  - a. Import duty on imported documents
  - b. central excess on indigenous companies
  - c. Both a and b
  - d. Both a and b & VAT
  
4. Export factoring is available for\_\_\_\_\_
  - a. Short term export
  - b. Medium term exports
  - c. All exports
  - d. Export under consignment basis
  
5. Packing credit is\_\_\_\_\_
  - a. An advance made for packing goods for export
  - b. pre-shipment finance for exports
  - c. A priority sector advance
  - d. Advance for importer

ANSWER THE FOLLOWING IN ONE OR TWO SENTENCES

(K2)

6. Define the term 'Deferred payment'
7. What is the extension period of credit for export?
8. What does factoring refer to?
9. How many percentage of contract value can the exporter get as an advance?
10. In which foreign currency, pre-shipment credit can be availed?

SECTION – B

(5 X 4 = 20 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)

11. a) Compare domestic and international finance

(CONTD .... 2)

(OR)

b) Explain different modes of payment in international business with its functions.

12. a) Differentiate amongst a CONSIGNOR, CONSIGNEE, BUYER, SELLER and NOTIFY PARTY.

(OR)

b) Describe the following documents and differentiate them from each other?

- a) Bill of Lading                      b) Bill of Export                      c) Shipping Bill                      d) Bill of Entry

13. a) Assess the features of Deemed Exports

(OR)

b) Interpret the types of pre-shipment finance.

14. a) Explain post shipment credit in foreign currency.

(OR)

b) Differentiate pre-shipment and post-shipment finance.

15. a) Describe about buyers credit-short term loans from foreign banks.

(OR)

b) Explain the features of Import finance.

#### SECTION - C

(4 X 10 = 40 MARKS)

**ANSWER ANY FOUR OUT OF SIX QUESTIONS**

**(16<sup>th</sup> QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS**

**(FROM Qn. No : 17 to 21)**

**(K4 (Or) K5)**

16. Analyze the terms of payment in International Trade.
17. Explain the meaning of Import trust receipt and its usage.
18. Discuss the different sources of finance in International financing
19. Determine the requirements for getting Pre-shipment finance.
20. Summarise the categories of duty drawback and the necessary elements for drawback.
21. Discuss in detail the functions of EXIM Bank