

Enrollment No.....



Faculty of Management Studies
End Sem Examination Dec-2023

MS3ET01 Export-Import Finance

Programme: BBA

Branch/Specialisation: Management

Duration: 3 Hrs.**Maximum Marks: 60**

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d. Assume suitable data if necessary. Notations and symbols have their usual meaning.

- Q.1 i. Advance payment guarantee assures- 1
 (a) The beneficiary that the exporter will make advance payments
 (b) The exporter that the importer will make advance payments
 (c) The importer to refund the money he has advanced to the exporter, if the latter fails
 (d) The exporter that the bank will extend credit for the contract
- ii. Open account method of payment is beneficial to- 1
 (a) The buyer (b) The seller
 (c) The buying agent (d) Both the buyer and seller
- iii. The term EXIM stands for- 1
 (a) Ex -import
 (b) Export and Import management
 (c) Export and import
 (d) All of these
- iv. A _____ is an unconditional written promise by one party to pay 1
 money to another party.
 (a) Sight draft (b) Time draft
 (c) Cheque (d) Promissory note
- v. The amount of packing credit should not normally exceed- 1
 (a) The local cost of manufacture for the exporter
 (b) FOB value of the export contract
 (c) CIF value of the export contract
 (d) The cost of manufacture or FOB value of the export contract whichever is less

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vi.	Packing credit is-	1
	(a) An advance made for packing goods for export	
	(b) Post-shipment finance for export	
	(c) A priority sector advance	
	(d) Advance for importer	
vii.	Duty drawback is the refund of duty chargeable on-	1
	(a) Exported material	
	(b) Imported material	
	(c) Damaged material	
	(d) Exports to Indian owned warehouses in Europe	
viii.	Availing post-shipment credit in foreign currency is compulsory for-	1
	(a) Exporters who have not availed packing credit	
	(b) All exporters who have availed packing credit	
	(c) Exporters who have availed pre-shipment credit in foreign currency	
	(d) Exporters who have availed credit from banks	
ix.	For export-oriented units, Exim bank finances-	1
	(a) Term loans only	
	(b) Both working capital and term loans	
	(c) Term loans, working capital and long-term working capital	
	(d) For investment from overseas	
x.	Exim bank lending to foreign governments take the form of-	1
	(a) Soft loans	
	(b) Commercial loans	
	(c) Lines of credit	
	(d) Relending facility	
Q.2	i. What is advance payment in export import?	2
	ii. Explain open account method of payment in international trade.	3
	iii. What are the four methods of payment in international trade?	5
OR	iv. Differentiate the term documentary bill and documentary credit under L/C.	5
Q.3	i. What is a banker's acceptance for import and export?	2
	ii. Do commercial bank provide medium and long term loan?	8
OR	iii. Explain the purpose and features of promissory notes.	8
Q.4	i. What is pre-shipment finance?	3
	ii. Explain the schemes for sub-suppliers.	7
OR	iii. Explain EXIM banks scheme for deemed exporters.	7

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Q.5	i. Define the term undrawn balance.	4
	ii. Explain negotiation of export documents drawn under L/C.	6
OR	iii. Explain the term goods sent on consignment.	6
Q.6	Attempt any two:	
	i. Give forfaiting mechanism meaning with example.	5
	ii. Explain the problems of export and import finance with suitable example.	5
	iii. Define the term post-shipment credit in foreign currency.	5
