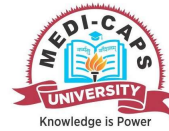


Enrollment No.....



Faculty of Management Studies

End Sem (Even) Examination May-2022

MS5EF13 / MS5ET06 Export-Import Finance

Programme: MBA

Branch/Specialisation: Finance / Foreign Trade

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.

- Q.1 i. The term EXIM finance means- 1
 (a) Exit, Entry (b) Export import finance
 (c) EXIM possible (d) None of these
- ii. _____ is a term of payment in international trade. In this term, the 1
 documents under consignment are delivered to buyer/importer only
 after collecting payment of goods by buyer's bank.
 (a) Documents Against Acceptance D/A
 (b) Documentary Credit under Letter of Credit L/C
 (c) Documents Against Payment D/P
 (d) None of these
- iii. Which of the following is a short-term money market instrument that 1
 comes handy in international trade?
 (a) Fixed Asset (b) Long term borrowings
 (c) Debentures (d) Bankers' Acceptance
- iv. A bill of exchange or a document ordering someone to pay a particular 1
 amount at a particular time that is used to pay for goods.
 (a) Trade Draft (b) Treasury bill
 (c) Promissory note (d) Commercial paper
- v. _____ is only issued to that exporter who has the export order in his 1
 own name.
 (a) Pro shipment credit (b) Put shipment credit
 (c) Pre shipment credit (d) None of these
- vi. The goods exported to EOU & SEZ within India is known as _____. 1
 (a) Deemed Exports (b) Physical Exports
 (c) Capital Exports (d) Project Exports

P.T.O.

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- vii. Full form of ECB: **1**
 (a) External credit borrowings
 (b) External committee borrowings
 (c) External constitution borrowings
 (d) External commercial borrowings
- viii. EXIM Bank commenced operations on the- **1**
 (a) 1 March 1982 (b) 1 February 1982
 (c) 31 January 1983 (d) 1 February 1983
- ix. Which of the following form is used for ECGC claims arising out due to non-payment of goods accepted by the buyer? **1**
 (a) Form no. 501 (b) Form no. 502
 (c) Form no. 503 (d) Form no. 506
- x. The percentage of loan covered under Export Finance (Overseas Lending) Guarantee is- **1**
 (a) 90% (b) 60% (c) 75% (d) 80%

- Q.2 i. Define Export Import Finance. **2**
 ii. Explain any three needs for Export Financing. **3**
 iii. Explain the different parties to the letter of credit. **5**
 OR iv. Elaborate any five types of letter of credit. **5**

- Q.3 i. What is the meaning of Bankers' acceptance? **2**
 ii. Define Forfeiting. What are pros and cons of forfeiting. **8**
 OR iii. "Commercial Bank Finance - a Key factor in Export trade". Explain about the various loan schemes provided by the commercial bank to the exporters. **8**

- Q.4 i. What do you mean by Pre-shipment Finance? What are the objectives of Pre-shipment Finance? **3**
 ii. Explain the classification of Post-shipment Finance. **7**
 OR iii. Define Deemed Exports. Explain the various categories of supply under deemed export. **7**

- Q.5 i. Mention any four objectives of EXIM Banks. **4**
 ii. Briefly explain the finance scheme available for Indian Exporters. **6**
 OR iii. Explain the problems faced by the banks in export-import finance. **6**

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- Q.6 Attempt any two:
- i. Explain the role of Export Credit Guarantee Corporation. **5**
 ii. "ECGC Guarantees for covering export finance". Briefly explain any five types of guarantees offered by ECGC. **5**
 iii. Briefly explain about the risk covered under standard policies. **5**

Marking Scheme
MS5EF13 / MS5ET06 Export-Import Finance

- Q.1 i. The term EXIM finance means- **1**
 (b) Export import finance
- ii. _____ is a term of payment in international trade. In this term, the documents under consignment are delivered to buyer/importer only after collecting payment of goods by buyer's bank. **1**
 (c) Documents Against Payment D/P
- iii. Which of the following is a short-term money market instrument that comes handy in international trade? **1**
 (d) Bankers' Acceptance
- iv. A bill of exchange or a document ordering someone to pay a particular amount at a particular time that is used to pay for goods. **1**
 (a) Trade Draft
- v. _____ is only issued to that exporter who has the export order in his own name. **1**
 (c) Pre shipment credit
- vi. The goods exported to EOU & SEZ within India is known as _____. **1**
 (a) Deemed Exports
- vii. Full form of ECB: **1**
 (d) External commercial borrowings
- viii. EXIM Bank commenced operations on the- **1**
 (a) 1 March 1982
- ix. Which of the following form is used for ECGC claims arising out due to non-payment of goods accepted by the buyer? **1**
 (a) Form no. 501
- x. The percentage of loan covered under Export Finance (Overseas Lending) Guarantee is- **1**
 (c) 75%

- Q.2 i. Definition of Export Import Finance 2 marks **2**
 ii. Any three needs (1 mark * 3) 3 marks **3**
 iii. Any five parties (1 mark * 5) 5 marks **5**
 OR iv. Any five types (1 mark * 5) 5 marks **5**
- Q.3 i. Meaning of Bankers' acceptance 2 marks **2**
 ii. Definition of Forfeiting 2 marks **8**

- Any three Pros of forfeiting (1 mark * 3) 3 marks
 Any three Cons of forfeiting (1 mark * 3) 3 marks
 OR iii. Introduction 2 marks **8**
 Various loan schemes 6 marks
- Q.4 i. Meaning of Pre-shipment Finance 1 mark **3**
 Any two objectives (1 mark * 2) 2 marks
 ii. Any seven classification (1 mark * 7) 7 marks **7**
 OR iii. Definition of Deemed Exports 2 marks **7**
 Any five categories (1 mark * 5) 5 marks
- Q.5 i. Any four objectives of EXIM Banks (1 mark * 4) 4 marks **4**
 ii. Introduction 1 mark **6**
 Any five finance scheme (1 mark * 5) 5 marks
 OR iii. Any six problems faced (1 mark * 6) 6 marks **6**
- Q.6 Attempt any two:
 i. Any five role (1 mark * 5) 5 marks **5**
 ii. Any five guarantees (1 mark * 5) 5 marks **5**
 iii. Commercial Risk 2.5 marks **5**
 Political Risk 2.5 marks
