

**FOR THE CANDIDATES ADMITTED
DURING THE ACADEMIC YEAR 2020 ONLY**

REG.NO

20UIB620

NGM COLLEGE (AUTONOMOUS) POLLACHI

END-OF-SEMESTER EXAMINATIONS: MAY-2023

B.Com-International Business

MAXIMUM MARKS: 70

VI SEMESTER

TIME: 3 HOURS

PART III

INTERNATIONAL FINANCE

SECTION – A (10 X1 = 10 MARKS)

**ANSWER THE FOLLOWING QUESTIONS
MULTIPLE CHOICE QUESTIONS**

(K1)

- 1) When the letter of credit does not put any condition for the negotiation of documents is known as _____
 - a) Free Negotiable letter of credit
 - b) Transferable Letter of Credit
 - c) Standby credit
 - d) Deferred period of credit.
- 2) The exporter instructs the bank to deliver the documents to the importer provided the importer accepts the enclosed bill of exchange is known as _____
 - a) Document against payment
 - b) Documents against acceptance
 - c) Documents against L/C
 - d) Documents against negotiation
3. Understanding between agents engaged in business with each other that allows the exchange of goods and services without any immediate exchange of money.
 - a) Trade credit
 - b) Bill of exchange
 - c) Document against payment
 - d) Standby Credit
4. A situation, where the exporter agrees to receive the proceeds after a period extending beyond six months is known as _____
 - a) Negotiation of Export
 - b) Consignment export
 - c) Deferred payment export
 - d) Packing credit
5. A document to be signed by the importer or his agent for getting the goods cleared from customs_____
 - a) Bill of lading
 - b) Bill of Entry
 - c) Letter of Credit
 - d) Document against acceptance

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. Define payments in advance
7. Explain Packing Credit
8. Define Forfeiting
9. Explain LIBOR
10. What is Buyer's Credit?

(CONTD.....2)

SECTION – B (5 X 4 = 20 MARKS)**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS (K3)**

11. a) Describe the various factors determine Terms of payment.
(OR)
b) Describe a) Documents against payment b) Documents against acceptance
12. a) Examine the Packing Credit to Sub Supplier.
(OR)
b) Describe the Pre-shipment Credit in Foreign Currency.
13. a) Find the Benefits of forfeiting to the Exporter
(OR)
b) Discover the different Types of Factoring
14. a) Describe Advance against Undrawn Balances
(OR)
b) Assess the Post-shipment Credit in Foreign Currency.
15. a) Examine the Discounting of Trade Draft
(OR)
b) Interpret the financing under Foreign Credit

SECTION – C (4 X 10 = 40 MARKS)**ANSWER ANY FOUR OUT OF SIX QUESTIONS.****(16TH QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS FROM Q.NO: 17 TO 21)****(K4) OR (K5)**

16. Discuss the Different types of Letter of Credit
17. Evaluate the procedures to avail packing credit
18. Appraise the various short term sources of finance for International business
19. Analyse the different methods of post-shipment finance
20. Summarise the Sources of finance for Import
21. Discuss the role of EXIM Bank.
