(FOR THE CANDIDATES ADMITTED **23UIB617**

DURING THE ACADEMIC YEAR 2025-2026 ONLY) **REG.NO.:**

N.G.M.COLLEGE (AUTONOMOUS): POLLACHI

END-OF-SEMESTER EXAMINATIONS: MAY – 2026

B.Com (IB) **MAXIMUM MARKS: 75**
SEMESTER : VI **TIME : 3 HOURS**

PART-III

INTERNATIONAL FINANCE

SECTION- A (10×1=10)
ANSWER THE FOLLOWING QUESTIONS (K1)

1. Payment made before shipment of goods is called___________
   a) Open account b) Payment in advance c) Consignment sale d) Deferred payment
2. External borrowing from foreign lenders by Indian companies is called____________
   a) ECB b) L/C c) PCFC d) TDS
3. PCFC stands for__________
   a) Pre Credit Foreign Currency
   b) Packing Credit in Foreign Currency
   c) Post Credit Foreign Currency
   d) Payment Credit Foreign Currency
4. When bank purchases export bills it provides_____________
   a) Import credit
   b) Post-shipment credit
   c) Trust receipt
   d) Buyers credit
5. Financing where importer takes goods from bank against promise to pay later is____________
   a) Trust receipt b) Factoring c) Forfeiting d) Leasing

ANSWER THE FOLLOWING IN ONE OR TWO SENTENCES (K2)

6. Define Payment in Advance.
7. State the meaning of External Commercial Borrowing (ECB).
8. Pre-shipment export finance is also called ______ credit.
9. Export bills purchased by bank for financing – ______
10. State the meaning of Buyer's Credit.

SECTION-B (5×5=25)
ANSWER EITHER (A) OR (B) IN EACH OF THE FOLLOWING QUESTIONS:-

11. (a) Describe the concept of Payment in Advance in international trade.

(OR)

(b) Outline the Open Account method of payment.

Ethical paper

(CONTD…2)

12. (a) Illustrate the short-term sources of international finance.

(OR)

(b) Give an account of Factoring.

13. (a)Explain Pre-shipment Finance (Packing Credit).

(OR)

(b) Highlight the requirements for obtaining pre-shipment finance.

14. (a) Write a note on purchase of export bills.

(OR)

(b) Expound the retention money in export finance.

15. (a) Elaborate on seller's credit in import finance.

(OR)

(b) Assess the role played by EXIM Bank in import finance.

SECTION – C (5×8=40)

ANSWER EITHER (A) OR (B) IN EACH OF THE FOLLOWING QUESTIONS:-

16. (a) Examine the different terms of payment in international trade.

(OR)

(b) Describe in detail Import Trust Receipt and Deferred Payment Imports.

17. (a) Analyze the sources of international finance.

(OR)

(b) Outline the medium and long-term sources of international finance.

18. (a) Illustrate the different types of pre-shipment finance.

(OR)

(b) Evaluate the scheme for sub-suppliers and deemed exports.

19. (a) Assess post-shipment credit in foreign currency.

(OR)

(b) Explain negotiation of export documents under Letter of Credit.

20. (a) Discuss the buyer's credit and banker's acceptance.

(OR)

(b) Elaborate the discounting of trade drafts and short-term loans from foreign banks.

****

Ethical paper