

Name:	
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, June 2021

Course: Foreign Exchange Management and Trade Finance

Semester: II

Programme: MBA (International Business)

Course Code: INTB 7008

Time: 03 hrs.

Max. Marks: 100

SECTION A (30 Marks)

Instructions: All questions in this section are compulsory. Each question carries 5 marks.

Question No.	QUESTION	CO
Q 1	As per FEMA, an exporter is responsible for bringing in export proceeds within....days of export.	CO1
Q 2	If the conversion rate of 1 Euro goes up from INR 86.42 to INR 89.06, it is good for an Indian.....(EXPORTER / IMPORTER)	CO1
Q 3	What is the full form of “AD” level1 and what does it deal in?	CO1
Q 4	What is the other name for Pre-Shipment Credit ?	CO1
Q 5	Imports into India is a source offor/of Foreign Exchange in India (Demand / Supply)	CO1
Q 6	Buying rate and selling rates of forex is the rate at which.....buys and sells currency. (You/CBIC/Bank/DGFT)	CO1

SECTION B (50 MARKS)

Instructions: Attempt all questions. Each question carries 10 marks.

Q 1	Demand and Supply of Foreign Exchange in a country decide Foreign Exchange conversion rates. What factors affect this demand and supply? Explain atleast 8 such factors.	CO3
Q 2	In order to take care of the losses due to uncertainties / fluctuation in the forex conversion rates at a future date, an International Businessman resorts to Hedging operations. What are these operations and what are different ways in which a company can hedge its forex exposures?	CO3

Q 3	What do you understand by Transaction Risk, Translation Risk and Economic risk to foreign exchange fluctuation? Explain with examples.		CO3
Q 4	What do you understand by Buyer's Credit and Seller's Credit? How are they different from Packing Credit and Post- shipment credit? Explain with examples.		CO3
Q 5	Differentiate between Factoring export receivables and Forfaiting operations. OR Differentiate amongst EEFC Account, NOSTRO Account, VOSTRO Account and ESCROW Account used in International business.		CO3
SECTION-C (20 MARKS)			
Q	Foreign Exchange Regulation Act, which is now called FEMA, has certain regulations related to export of goods and services from India. What are those specific regulations? Elaborate atleast 10 of them. Also detail the regulations related to foreign exchange entitlement for a businessman and a normal Indian tourist while travelling abroad, as per FEMA amended as on January 2021.		CO4