


Name:	 UPES UNIVERSITY WITH A PURPOSE
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, December 2021

Program: B Com BMI

Semester: 5th

Subject/Course: Foreign Exchange Management in Banking Operation

Max. Marks: 100

Course Code: FINC 3022 P

Duration: 3 Hours

SECTION A

1. Each Question will carry 2 Marks

20 Marks

2. Instruction: Complete the statement / Select the correct answer(s)

S. No.	Question	CO
Q 1	Type of contract which involves future exchange of assets at a specified price is classified as A. Future contracts B. Present contract C. Spot contract D. Forward contract	CO1
Q2	Foreign Exchange rates in India are determined by: A. Finance Ministry B. RBI C. FEDAI D. Market forces of demand/supply	CO1
Q3	Foreign Currency Non-Resident (Banks) account can be opened in the name of the following: A. Non-resident Indian B. Person of Indian origin C. Overseas Corporate Bodies D. Both A and B	CO1
Q4	The acronym SWIFT stands for A. Safety Width In Financial Transactions. B. Society for Worldwide International Financial Telecommunication. C. Society for Worldwide Interbank Financial Telecommunication. D. Swift Worldwide Information for Financial Transaction.	CO1
Q5	Balance of Trade means: A. Net position of capital account B. Current account balance C. Imports less exports D. Exports less imports	CO2
Q6	A contract which affords adequate protection to an exporter or an importer against exchange risk is : A. Hedging B. Guarantee C. Letter of Credit D. Forward Contract	CO1
Q7	Which of the following is NOT a capital account transaction? A. Investment in foreign securities. B. Transfer of immovable property outside India C. Export and import into India D. Raising foreign currency loans in India and abroad	CO1
Q8	Bretton woods agreement arrived at in A. July 1944 B. July 1954 C. June 1960 D. June 1964	CO2

Q9	International Development Association established in A. 1970 B. 1962 C. 1960 D. 1958	CO2
Q10	A foreign currency account maintained by a bank abroad is its A. Nostro account B. Vostro account C. Loro account D. Foreign bank account	CO2
SECTION B		
1. Each question will carry 5 marks. Attempt any four Marks 2. Instruction: Write short / brief notes		20
Q1	Compare Capital account and Current account transactions.	CO2
Q2	Explain the concept of organisation of a political nature“ under the Foreign Contribution (Regulation) Act, 2010.	CO2
Q3	Compare with recourse and without recourse factoring.	CO2
Q4	Analyze and discuss the importance of Derivative as a financial instrument.	CO4
Q5	Analyze the monetary and fiscal policy initiatives directed by the RBI for exchange rate management.	CO4
SECTION C		
1. Each question will carry 10 marks. Attempt any three. Marks 2. Instruction: Short Answer Type		30
Q 1	Discuss the Payment and Settlement System and Banking Regulation Act of Reserve Bank.	CO2
Q 2	Analyze and discuss the power of the Reserve Bank to issue directions to authorized person	CO4
Q 3	Explain "foreign contribution" and "foreign source". Discuss the powers of Central Government under FCRA to prohibit receipt of foreign contribution	CO2
Q4	Explain the significance of Bretton Wood's agreement in international monetary environment in the post war period?	CO2
Section D		30 Marks
1. Each Question carries 15 Marks. 2. Instruction: Write long answer. 3. Attempt any two questions		
Q1	Discuss the need, for foreign exchange market. Examine the role of the Reserve Bank of India in foreign exchange market	CO2
Q2	Discuss the Acquisition and Transfer of Immovable Property in India under FEMA	CO2
Q3	“FEMA Act provides that persons having definite cultural, economic, educational, religious and social programmes should get themselves registered with the Government of India before accepting any “foreign contribution”. Analyze and discuss this statement highlighting the organisations/individuals specifically debarred from receiving foreign contribution.	CO4