

**Subject : Elective-V : Foreign Exchange Management (Financial Management)**

Day : Friday

Date : 16/12/2016

**S.D.E.**



Time : 02.00 P.M. TO 05.00 P.M.

Max Marks : 70 Total Pages : 1

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**N.B.**

- 1) Attempt any **FOUR** questions from Section – I and any **TWO** questions from Section – II.
  - 2) Answers to both the sections should be written in the **SAME** answer book.
  - 3) Figures to the right indicate **FULL** marks.
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**SECTION – I**

- Q.1** Explain nature, importance and significance of Foreign Exchange. **(10)**
- Q.2** What are Trade Settlement Methods? **(10)**
- Q.3** What do you understand by ‘Letter of Credit’? What are its advantages? What are the parties involved. **(10)**
- Q.4** What do you understand by ‘Internal Techniques of Hedging’? Explain any four methods of ‘Internal Techniques Hedging’ with suitable example. **(10)**
- Q.5** Explain in detail various sources of capital. **(10)**

**SECTION – II**

- Q.6** Explain pre-shipment finance and post shipment finance. **(15)**
- Q.7** Explain the concept of UCPDC . **(15)**
- Q.8** Write short notes on any **THREE** of the following: **(15)**
- a) Arbitrage
  - b) Transaction exposure
  - c) Indexation clause in contracts
  - d) Political risk

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