

SVKM's NMIMS
School of Distance Learning

Programme: PGDBFM

Academic Year: 2011-2012

Subject: International Banking & Foreign Exchange
Management

Semester

IV

Course

New

Marks:

70

Date: 2:1.2012

Time:

3.00 p.m to 6.00 p.m

Instructions: Candidates should read carefully the instructions printed on the question paper and on the cover of the Answer Book, which is provided for their use.

NOTE: (1) Total No. of questions FOUR
(2) Figure in brackets indicates full marks
(3) Answer to each new question to be started on a fresh page

Q. 1 Attempt any 2 (TWO) out of 3 (Marks: 2X5= 10)

- a). UCPDC 600
- b). INCOTERMS
- c). BRETTONWOODS SYSTEM

Q.2 Write short notes on any 2 (Two) out of 5 (Marks: 2X5= 10)

- a). TYPES OF DOCUMENTARY CREDITS
- b). REVALUATION & DEVALUATION
- c). DIRECT & INDIRECT RATES
- d). ADR & GDR
- e). BUYER'S CREDIT

Q.3 Attempt any 3 (THREE) out of 5 (Marks: 3X10=30)

- a). Explain the procedure adopted by Corporates in India to raise ADR and GDR's.
- b). Explain the procedure for raising ECB by a Firm or a Bank from abroad.
- c). Explain FCCB and FCEB procedures and role of FIPB.
- d). How Buyer's Credit is used by importers in India to get funds at LIBOR related rates of Interest ?
- e). The impact of FII and FDI investment on Capital Market & INR.

Q.4 Case Study (Marks – 20)

You have exported goods to Iran. US and European Central Banks have put sanction against IRAN for settlement in USD and Euro currencies. The buyer is willing to pay but Iranian Bank's are not able to pay you the money for the goods exported. Kindly give your suggestion in view of the fact that IRAN is a ACU member country and also the Govt. of India have recently paid USD 5 Billion due to IRAN for oil payment through Turkey. Explain how you will get the money and what you think RBI, IMF and Export Promotion Councils should do to solve this issue? Also, discuss FEMA 1999 provisions on ACU payments.