

K.J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES & RESEARCH

PGDM (IB) - Trimester IV (2019-20)

International Trade Finance

End Term Examination

Marks-25

Time- 2 hours

Date : 18th Sept, 2019

Note:-

- a) **Answer any two questions from Part A & any one from Part B**
b) **Marks are indicated against each question**

Part A(Answer any Two)

1. a) What are the documents submitted by the exporter while negotiating the documents with the bank? Describe them 5
b) How does a bank help the corporates in export –import transactions? 5
- 2 a) Discuss the advantages and disadvantages of e-procurement and e-logistics 5
b) What is EDI? How does it benefit international trade ? 5
3. a) What are Inco terms? Explain with examples 5
b) What role they play in settling international trade disputes? 5

Part B (Answer any one)

- 4.** What are Spot and forward exchange rates? How is it important in trade Finance? 5
- 5.. Explain the mechanism of Letter of Credit 5,
- 6 .An importer wants to remit US\$100000 to his exporter on spot basis. What rate will the bank quote and what rupee amount will be debited to his account? 5
Assume the following:-
Spot US\$1=Rs 71.10-71.11
Exchange profit margin 2paise

