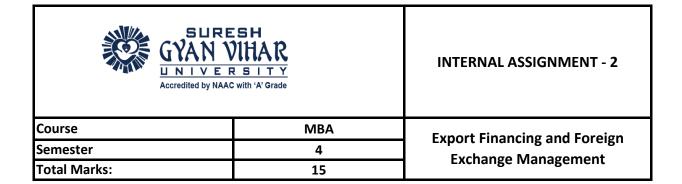


Q.1.	Write answers	for any two	questions from	below. (5 i	marks each – '	Word limit – 500)
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Α.	In what way can	authorized deale	rs and exporters in	ı India cover e	xchange risk
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- **B.** Discuss the obligations imposed on the issuing and the negotiating banks under the Uniform Customs and Practice for Documentary Credits 600 (Art. 7 and 2).
- **C.** Write a detailed note on the role of the Reserve Bank in financing foreign trade/export promotion.
- Q.2. Write short notes on all of the following topics (1 mark each Word limit 100)
- **A.** Explain re-discounting.
- **B.** Define cross border banking.
- **C.** What is credit worthiness?
- **D.** Explain inter-bank business.
- E. Private Loan



## Q.1. Write answers for any two questions from below. (5 marks each – Word limit – 500)

- A. You purchased a bill for £30,000 at 30 days' sight on D/P terms. However, the drawee refused to accept the bill advising the presenting bank in London that the terms of the contract were D/A bill at 60 days' sight. The bill was therefore dishonored. In the meantime, the steamer carrying the goods arrived and the shipment was unloaded at the port of destination.
- **B.** Distinguish between different types of commercial credit. Which is the most popular and why?
- C. As a negotiation bank, you have negotiated an export bill from a valued customer under reserve and against an indemnity from the customer for certain discrepancies noticed in the documents in terms of the relative L/C, and have forwarded the documents to the issuing bank with suitable advice. The issuing bank informs you, after about three months, that the documents are not acceptable to the openers and that to protect the goods and avoid demurrage, they issuing bank) have cleared and stored the goods to your (negotiation bank's) order, and seeks further instructions. Discuss the action of the opening bank with reference to the liabilities and responsibilities detailed in the Uniform Customs and Practice for Documentary Credits-600. What stand would you take as a negotiating bank in the matter?

- Q.2. Write short notes on all of the following topics (1 mark each Word limit 100)
- A. EEFC
- **B.** Explain foreign branches.
- **C.** Explain resources.
- **D.** FOB
- E. What is MCLR?