

**SIXTH SEMESTER U.G. DEGREE EXAMINATION, MARCH 2022**

(CBCSS—UG)

Economics with Foreign Trade

EFT 6B 13—FOREIGN TRADE FINANCING AND PROCEDURE

Time : Two Hours and a Half

Maximum : 80 Marks

**Section A***Answer at least ten questions.**Each question carries 3 marks.**All questions can be attended.**Overall Ceiling 30.*

1. Export promotion.
2. Foreign exchange markets.
3. Vent for surplus.
4. International monetary system.
5. Bill of exchange.
6. Rupee Payment Area.
7. Central sales tax.
8. FEMA.
9. Deteriorating terms of trade.
10. Dirty float.
11. Xenocurrency.
12. Call option and put option.
13. Euro dollar.
14. Duty draw back.
15. Swap.

(10 × 3 = 30 marks)

**Turn over**

**Section B**

*Answer at least five questions.*

*Each question carries 6 marks.*

*All questions can be attended.*

*Overall Ceiling 30.*

16. Discuss the operation of Bretton Woods system.
17. What do you mean by exchange rate of a currency? Explain how exchange rates are determined.
18. What are the functions of IMF?
19. Differentiate between spot transactions and forward transactions in a foreign exchange market.
20. Discuss the evolution and operation of gold standard.
21. Define letter of credit. Explain the salient features of a letter of credit.
22. Explain different types of exchange rates. What are the merits and demerits of spot rate and forward rate?
23. Explain the structure and functions of EXIM bank.

(5 × 6 = 30 marks)

**Section C**

*Answer any two questions.*

*Each question carries 10 marks.*

24. Discuss the fiscal incentives for exporting. Highlight export incentives provided by India in order to boost exports.
25. What do you mean by currency derivatives? Explain various types of currency derivatives?
26. Explain pre-shipment and post-shipment. Examine the method and procedure of pre-shipment rupee export credit.
27. Discuss the meaning and structure of balance of payments. Differentiate between current account and capital account.

(2 × 10 = 20 marks)

**SIXTH SEMESTER U.G. DEGREE EXAMINATION, MARCH 2022**

(CBCSS–UG)

Economics with Foreign Trade

EFT 6B 11—SHIPPING AND INSURANCE

Time : Two and half an Hour

Maximum : 80 Marks

**Section A***Answer atleast ten questions.**Each question carries 3 marks.**All questions can be attended.**Overall ceiling 30.*

1. Inland container depot.
2. Shipping bill.
3. Certificate of insurance.
4. ICTT.
5. Product liability insurance.
6. Risk sharing.
7. IRDA Act.
8. Multi-modal transport document.
9. Insurance claim.
10. Insurance contract.
11. Premium and bonus.
12. Insulated containers.
13. Small exporter's policy.
14. CIP in shipping.
15. No-claim bonus.

(10 × 3 = 30 marks)

**Turn over**

**Section B**

*Answer atleast five questions.*

*Each question carries 6 marks.*

*All questions can be attended.*

*Overall ceiling 30.*

16. What is meant by shipping ? Discuss the size and significance of world shipping industry.
17. Describe the procedure for excise and customs clearances in respect of containers.
18. Discuss different types of ocean shipping.
19. What are the different types of cargo for transportation ?
20. Explain the meaning, categories and significance of thermal container.
21. What is cargo insurance and claim procedure ?
22. Discuss the role and functions of Export Credit Guarantee Corporation of India.
23. What is dry cargo market ? What are the main categories of dry cargo vessels ?

(5 × 6 = 30 marks)

**Section C**

*Answer any two questions.*

*Each question carries 10 marks.*

24. Discuss marine insurance and its different types. Evaluate the significance of marine insurance.
25. What is meant by export credit risk insurance ? Discuss important advantages of export credit insurance.
26. Discuss present status of Indian shipping industry. What are the major problems faced by the shipping industry in India ?
27. Explain the meaning and types of containerization. Narrate the advent and development of containerization in India.

(2 × 10 = 20 marks)

**SIXTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION  
MARCH 2022**

Economics with Foreign Trade

EFT 6B 14—FOREIGN TRADE FINANCING AND PROCEDURE

(2014—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.*

**Part A**

*Answer all questions.*

*Each question carries ½ mark.*

1. A set of predefined rules established by the International Chamber of Commerce on Letters of Credit :
  - (a) UCPDC.
  - (b) CUDPC.
  - (c) CUPDC.
  - (d) UCDPC.
2. 'Freight Collect' is to be paid by :
  - (a) The buyer at the port of discharge.
  - (b) The Insurer.
  - (c) The seller at the port of discharge.
  - (d) The shipper at the port of discharge.
3. A technique used to avoid risks associated with the changing value of foreign currency :
  - (a) Currency Swap.
  - (b) Currency Derivatives.
  - (c) Foreign Exchange.
  - (d) Currency Hedging.
4. The Drawee of a Bill refers to :
  - (a) The Importer.
  - (b) The Exporter.
  - (c) The Importer's Bank.
  - (d) The Exporter's Bank.
5. Devaluation is associated with a ———— exchange rate.
  - (a) Fixed Exchange Rate Regime.
  - (b) Flexible Exchange Rate Regime.
  - (c) Floating Exchange Rate Regime.
  - (d) None of the above.

**Turn over**

6. A Bill of Exchange in which the due date is counted from the date of acceptance of the bill
- (a) Documentary Bill of exchange.      (b) Usance Bill of Exchange.  
(c) Clean Bill of Exchange.      (d) Bill of Exchange after Sight.
7. In effect ——— means payable at sight.
- (a) Documents Against Credit.      (b) Documents Against Acceptance.  
(c) Documents Against Payments.      (d) Documents Against Debit.
8. ——— was established in 1934 for standardization of credit terms offered by different nations.
- (a) European Union.      (b) Credit Union.  
(c) I.L.O.      (d) Berne Union.
9. It is necessary that the date on which an export insurance becomes effective is ——— the date of issuance of the transport documents.
- (a) Same or latter than.      (b) Same or earlier than.  
(c) Earlier than.      (d) Earlier than.
10. ——— must have details of shipping marks and numbers consistent with other documents.
- (a) Inspection Certificate.      (b) Commercial Invoice.  
(c) Packing List.      (d) Combined Transport Document.
11. Post-shipment finance can be extended up to ——— of the invoice value of goods.
- (a) 50 %.      (b) 75 %.  
(c) 90 %.      (d) 100 %.
12. ——— is a type of discount given to exporters only, if the in house cost of production is higher in relation to international prices.
- (a) Insurance Certificate.      (b) Duty Drawback.  
(c) Commercial Invoice.      (d) Certificate of Origin.

(12 × ½ = 6 marks)

**Part B (Very Short Answer Questions)**

*Answer any ten questions.*

*Each question carries 2 marks.*

13. Draft.
14. Spot Rate.
15. Futures.
16. Capital Account.
17. Currency swaps.
18. Terms of Payment.
19. Bill of Lading.
20. Forfeiting.
21. Pre Shipment Inspection Certificate.
22. Packing List.
23. FEMA.
24. Commercial Invoice.

(10 × 2 = 20 marks)

**Part C (Short Essay Questions)**

*Answer any six questions.*

*Each question carries 5 marks.*

25. Explain what is meant by a Certificate of Origin
26. Write a note on Pre-shipment Credit in Foreign Currency (PCFC).
27. Who are the main parties involved in a bill of lading.
28. Differentiate between devaluation and depreciation.
29. Distinguish between a Red clause and Green clause Letter of Credit.
30. List the limitation of the spot exchange market that led to the development of forward exchange market.

Turn over

31. What is a Combined Transport Document ?
32. Differentiate between Speculators and Arbitragers.

(6 × 5 = 30 marks)

**Part D (Essay Questions)**

*Answer any two questions.*

*Each question carries 12 marks.*

33. What is a Letter of Credit ? What are the different types of L/C ?
34. Detail the various types of exchange rate regimes in existence.
35. Discuss in depth, the role of EXIM Bank in foreign trade promotion.
36. What are the various components of a BOP Account ?

(2 × 12 = 24 marks)

CHMK LIBRARY UNIVERSITY OF CALICUT



**SIXTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION, MARCH 2022**

Economics with Foreign Trade

EFT 6B 12—SHIPPING AND INSURANCE PRACTICES

(2014—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A (Objective Type Questions)***Answer all twelve questions.**Each question carries ½ mark.*

1. Exporter's export risk insurance is covered by :
  - a) GIC.
  - b) LIC.
  - c) RBI.
  - d) ECGC.
2. Marine Insurance Act was passed in :
  - a) 1900.
  - b) 1905.
  - c) 1906.
  - d) 1910.
3. \_\_\_\_\_ provides integrated dredging services to the major port of India.
  - a) Hooghly Dock and Port Engineers Ltd.
  - b) Dredging Corporation of India.
  - c) Ministry of Shipping.
  - d) Shipping Corporation of India.
4. GIC stands for :
  - a) General Insurance Company.
  - b) Group Insurance Company.
  - c) Gender Insurance Company.
  - d) General Information Company.
5. The head quarter of Shipping Corporation of India is located at :
  - a) Chennai.
  - b) Mumbai.
  - c) Delhi.
  - d) Kolkata.

6. The process of evaluating the risk to be insured is called :
- a) Insurance.
  - b) Contract.
  - c) Arbitration.
  - d) Underwriting.
7. Which among the following is a standard unit of measure in the shipping industry ?
- a) TEU.
  - b) REEFER.
  - c) UOM.
  - d) None of these.
8. Identify the term which covers the operation of shifting the cargo to or from the vessel :
- a) Rigging.
  - b) Slings
  - c) Carnage.
  - d) Forced discharge.
9. Cochin Shipyard Limited is :
- a) Established in 1972.
  - b) The largest shipbuilding and maintenance facility in India.
  - c) Trains graduate engineers in marine engineering.
  - d) All the above.
10. Identify the deepest land locked port of India :
- a) Mumbai.
  - b) Kandla.
  - c) Vishakhapatnam.
  - d) Marmagao.
11. Marine insurance covers the loss or damage of :
- a) Ships.
  - b) Cargo.
  - c) Terminals.
  - d) All the above.
12. Insurance helps to :
- a) Make assets continuously productive.
  - b) Prevent adverse situations from occurring.
  - c) Negate all consequences of adverse situations.
  - d) Reduce the financial consequences of adverse situations.

**Part B (Very Short Answer Type Questions)**

*Answer any ten questions.*

*Each question carries 2 marks.*

13. What do you mean by inland container depot ?
14. What is meant by shipping ?
15. Define certificate of insurance.
16. What is meant by ICTT ?
17. What is product liability insurance ?
18. Define risk sharing.
19. What do you mean by dry cargo market ?
20. What is insurance claim ?
21. Prepare a note on IRDA Act.
22. Distinguish between premium and bonus.
23. What is CIP in shipping ?
24. What is an insurance contract ?

(10 × 2 = 20 marks)

**Part C (Short Essay Type Questions)**

*Answer any six questions.*

*Each question carries 5 marks.*

25. What is an export cargo ? What are the different types of cargo for transportation ?
26. What is meant by thermal container ? Point out various types of thermal container.
27. What is meant by ECGC ? Discuss the functions of ECGC.
28. Explain the purpose of product liability insurance.
29. Discuss the fundamentals of insurance.
30. Examine the methods to enhance India's shipping capacity.
31. Prepare a note on Small Exporter's Policy.
32. Explain the meaning and advantages of export credit risk insurance.

(6 × 5 = 30 marks)

**Turn over**

**Part D (Essay Type Questions)**

*Answer any **two** questions.*

*Each question carries 12 marks.*

33. Explain containerization. Examine various types of containers.
34. What do you mean by marine insurance ? Discuss different types of marine insurance.
35. Discuss different types of ocean shipping.
36. Examine present status of Indian shipping industry. Explain major problems faced by the shipping industry in India.

(2 × 12 = 24 marks)

CHMK LIBRARY UNIVERSITY OF CALICUT