23FTU629N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2026
(Sixth Semester)

Branch – **COMMERCE (FOREIGN TRADE)**

MAJOR ELECTIVE COURSE –II EXIM FINANCE AND SHIPPING

Time: Three Hours Maximum: 75 Marks

SECTION-A (10 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	EXIM finance mainly helps in improving. (a) Domestic savings (b) Balance of Trade (c) Inflation rate (d) Population growth	K1	CO1
	2	Pre-shipment finance is granted before shipment mainly to. (a) Pay income tax (b) Purchase fixed assets (c) Meet working capital needs (d) Repay loans	K2	CO1
2	3	Post-shipment credit is granted (a) After shipment of goods (b) Before receiving export order (c) After import (d) Before manufacturing	K1	CO2
	4	Discounting of documents is applicable when exports are made under. (a) Cash in advance (b) Confirmed export orders (c) Barter system (d) Open account only	K2	CO2
3	5	ECGC stands for. (a) Export Credit Guarantee Corporation (b) Export Council of Global Commerce (c) External Credit General Corporation (d) Economic Credit Growth Corporation	K1	CO3
	6	EXIM Bank plays a developmental role by. (a) Financing only imports (b) Controlling inflation (c) Supporting export-oriented industries (d) Managing stock exchanges	K2	CO3
4	7	The Euro was introduced in physical form in. (a) 1995 (b) 1999 (c) 2002 (d) 2010	K1	CO4
	8	Convertibility on current account allows. (a) Free capital movement (b) Gold exchange only (c) Trade payments without restriction (d) Import ban	K2	CO4
5	9	Sea piracy refers to: (a) Legal trade (b) Robbery at sea (c) Port management (d) Shipbuilding	K1	CO5
	10	Sea transport is economical because: (a) It is fastest (b) It carries large volume at low cost (c) It avoids documentation (d) It uses no fuel	K2	CO5

Cont…

23FTU629N
Cont...

SECTION - B (35 Marks)

Answer **ALL** questions
ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Describe the importance of export finance.	K4	CO1
		(OR)		
	11.b.	Explain the process of obtaining packing credit.		
2	12.a.	Explain the need for post-shipment finance.	K2	CO2
		(OR)		
	12.b.	Outline the different kinds of L/C.		
3	13.a.	Assess the role of EXIM Bank in promoting India's international trade.	K4	CO3
		(OR)		
	13.b.	Compare the different types of export credit risks covered by ECGC.		
4	14.a.	Explain the difference between fixed and floating exchange rates.	K2	CO4
		(OR)		
	14.b.	Interpret the significance of the Euro currency system.		
5	15.a.	Examine how freight charges are calculated for international shipments.	K3	CO5
		(OR)		
	15.b.	Classify the use of different types of ships for specific cargo.		

SECTION -C (30 Marks)

Answer **ANY THREE** questions
ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Construct how to process and sanction packing credit to an exporter. Discuss the different documentation required	K3	CO1
2	17	Explain the procedures for negotiation of documents under Letter of Credit and discounting of documents under confirmed orders.	K2	CO2
3	18	Construct the various covers offered by ECGC and Explain export credit risk.	K3	CO3
4	19	Analyze the impact of the European Union and the Euro on international financial stability.	K4	CO4
5	20	Evaluate the importance of shipping in world trade. Discuss different kinds of shipping	K5	CO5

Z-Z-Z END