# UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
## End Semester Examination, December 2023

**Course :** Foreign exchange management  **Semester :** 3rd
**Program :** B Com LLB (H)  **Time :** 03 hrs.
**Course Code :** FINC2069  **Max. Marks:** 100

**Instructions: All questions are compulsory**

## SECTION A
### 5Q x 2M = 10Marks

| S. No. |  | Marks | CO |
|---|---|---|---|
| Q1 | ............... market determines foreign exchange rates for every currency.<br><br>A. Exchange counter.<br><br>B. Export import.<br><br>C. Foreign exchange.<br><br>D. None of these. | 2 | 1 |
| Q2 | ............ is an electronic funds tranfer that simplifies the process of sending money for overseas wire transfers.<br><br>A. Telegraphic transfer.<br><br>B. NEFT.<br><br>C. RTGS.<br>D. None of these. | 2 | 1 |
| Q3 | FCRA rules 2022 allows indians to receive upto Rs... . . . . in a year from relatives staying abroad.<br><br>A. 5 lakhs.<br><br>B. 10Lakhs.<br><br>C. 15 Lakhs.<br><br>D.  None of these. | 2 | 1 |
| Q4 | . . . . . . . . .. is a customized contract between two parties to buy or sell an asset at a specified price on a future date.<br><br>A. Future contract.<br>B. Forward contract. | 2 | 1 |

| | | | |
|---|---|---|---|
| | C. Both a and b.<br>D. None of these. | | |
| Q5 | . is a method of trade finance that allows exporters to obtain cash by selling their medium and long term foreign accounts receivables.<br><br>A. Forfeiting.<br><br>B.Selling.<br><br>C. Financing.<br><br>D. None of these. | 2 | 1 |

## SECTION B
## 4Q x 5M = 20 Marks

| | | | |
|---|---|---|---|
| Q6 | Explain the concept of direct quote and indirect quote. | 5 | 2 |
| Q7 | Gaurav eamed Rs.9,60,000 taxable income from all sources during the last financial year. The assessing officer demands 20% tax on this amount. Is he justified. If not what is the correct amount of tax payable as per income tax provisions | 5 | 2 |
| Q8 | All commercial bank have to keep a part of its total deposits with RBI as all the customers will not withdraw whole amount on a single day. Define the concept indicated in this statement. | 5 | 2 |
| Q9 | Foreign exchange market involves many participants. Explain any three of them | 5 | 2 |

## SECTION-C
## 2Q x 10M = 20 Marks

| | | | |
|---|---|---|---|
| Q10 | SEBI has issued many guidelines for investors who deal in different investments. Explain such guidelines | 10 | 3 |
| Q11 | Spot market and forward market are the two different markets through which foreign transactions can be done. Explain the manner of conducting transactions in these markets. | 10 | 3 |

## SECTION-D
## 2Q x 25M = 50 Marks

| | | | |
|---|---|---|---|
| Q12 | All people working in foreign countries have to transfer money to their family members in home country. Which concept is indicated in this statement. Explain the concept along with its provisions of foreign exchange management act. | 25 | 4 |
| Q13 | Money market techniques enables foreign investors to earn profit by investing in different currencies. Explain with example. | 25 | 4 |