

Roll No.  
SAP ID



**UNIVERSITY OF PETROLEUM & ENERGY STUDIES**

**End Semester Examination December, 2020**

**Program: B.com(hons) Banking management and Insurance**

**Semester: 5th**

**Subject/Course: Foreign Exchange Management in Banking Operations**

**Max. Marks: 100**

**Course Code: FINC 3022**

**Duration: 3 Hour**

**SECTION A**

**Each Question will carry 5 Marks**

**Instruction: Complete the Statement/Choose the correct one**

S. No.	Questions	Marks	CO
1	Under FEMA, the RBI has been authorized to make ----- to carry out the provisions of the Act.	5	CO3
2	A Foreign Currency account maintained by the bank abroad is its <ul style="list-style-type: none"><li>● Nostro account</li><li>● Vostro account</li><li>● Loro account</li><li>● Foreign bank account</li></ul>	5	CO4
3	The statutory basis of administering of Foreign exchange in India is: <ul style="list-style-type: none"><li>● Foreign Exchange Regulation Act 1973</li><li>● Conservation of Foreign Exchange and Prevention of smuggling Act</li><li>● Foreign Exchange Management Act 1999</li><li>● Exchange Control manual</li></ul>	5	CO3
4	The Acronym FEDAI stands for: <ul style="list-style-type: none"><li>● Foreign Exchange Dealer Association of India.</li><li>● Foreign Export Dealer Association of India.</li><li>● Fixed earnerer's draft Agreement on Interest</li><li>● None of the Above</li></ul>	5	CO2
5	The term LORO account means: <ul style="list-style-type: none"><li>● Our account with you</li><li>● Your account with us</li><li>● Their account with them</li><li>● None of the above</li></ul>	5	CO1
6	The reduction in the value of the currency due to market forces is known as: <ul style="list-style-type: none"><li>● Revaluation</li><li>● Depreciation</li><li>● Appreciation</li><li>● Inflation</li></ul>	5	CO3

<b>SECTION B</b>			
<b>1. Each question will carry 10 marks</b> <b>2. Instruction: Write short / brief notes</b>			
Q 7	Define the term Derivative and give your views on currency derivatives?	<b>10</b>	<b>CO1</b>
Q 8	Explain the structure, governance of globalized financial markets?	<b>10</b>	<b>CO1</b>
Q 9	Elaborate the three broad categories of participants trading in the derivatives market?.	<b>10</b>	<b>CO2</b>
Q 10	FEMA aims at boosting foreign trade and investment in tune with more economic environment of globalization of Indian Economy in the light of this explain the provisions and objectives?	<b>10</b>	<b>CO3</b>
Q 11	What are various types of participants in globalized financial markets?	<b>10</b>	<b>CO2</b>
<b>SECTION C</b>			
<b>1. Each question will carry 20 marks</b> <b>2. Instruction: Attempt any one</b>			
Q12	<p>The Primary function of bank is also known as Banking function highlighting the above statement elaborate the Functions of Bank?</p> <p style="text-align: center;">Or</p> <p>Futures is an ETC (Exchange Traded Counter) product as we have Forwards in OTC (Over the Counter) Markets.justify by writing the conceptual difference between Forward and Futures Contract?</p>	<b>20</b>	<b>CO2</b>
			<b>CO2</b>