

TILAK MAHARASHTRA VIDYAPEETH, PUNE**MASTER OF COMMERCE****EXAMINATION : MAY- 2022****FOURTH SEMESTER****Sub: International Banking (MCB - 411)****Date: 19 /05/2022****Total Marks :60****Time: 10.00 am to 12.30 pm****Instructions:**

- 1) All questions are compulsory.
- 2) Figures to the right indicate full marks.

Q.1 Answer the following questions. (Attempt any two) (32)

1. What is the importance of International Banking? Explain the various structures of International Banking.
2. Elaborate the functions of DGFT?
3. In what way IMF has been able to live up to its objectives?
4. What are the different types of exchange rates? Explain.

Q.2 Answer the following. (Attempt any one) (08)

1. What are the types of Letters of Credit? Discuss.
2. How far EXIM bank has been able to fulfill its role?
3. What are the risk management initiatives taken for international banking?

Q.3 Write short notes. (Attempt any two) (10)

1. R>Returns
2. Inter-bank Banking
3. Functions of ECGC
4. Dealing Room

Q.4 Select the Correct Alternatives (Attempt Any Ten) (10)

1. _____ are core pillars of International banking.

a) IMF & IFC	c) Risk & Returns
b) IDD & ADB	d) WTO & IBRD
2. Offshore centers benefit from a _____ of regulations.

a) low burden	c) high burden
b) low interest	d) high interest
3. The World Trade Organization (WTO) is an organization that intends to _____ and _____ international trade.

a) supervise, enhance	c) supervise, control
b) supervise, liberalize	d) supervise, develop
4. Correspondent accounts are the accounts of _____ banks that require the ability to pay and receive the _____ currency.

a) foreign, domestic	c) domestic, foreign
b) offshore, foreign	d) offshore, domestic

5. There are _____ types of R>Returns.
 - a) 2
 - b) 3
 - c) 4
 - d) 5
6. The extension of _____ property right to agriculture has _____ effects in India.
 - a) intellectual, positive
 - b) intellectual, favorable
 - c) intellectual, negative
 - d) intellectual, considerable
7. Foreign Exchange Market is a mechanism where various national currencies are purchased and sold like any other commodity.
 - a) True
 - b) Can't say
 - c) False
 - d) None of the above
8. Credit risk is the risk that the counterparty will fail to perform or meet the _____ on the agreed terms.
 - a) terms
 - b) obligations
 - c) remittances
 - d) refund
9. The Asian development Bank aims for an Asia and Pacific free from poverty.
 - a) True
 - b) Can't say
 - c) False
 - d) None of the above
10. Arbitrage refers to _____ of an asset in a low price market and its sale in a higher price market.
 - a) purchase
 - b) supply
 - c) sale
 - d) demand
11. There are two types of _____ viz. R>Returns NOSTRO and R>Returns VOSTRO
 - a) R>Returns
 - b) S>Returns
 - c) M>Returns
 - d) E>Returns
12. Flexible exchange rates are _____ by forces of demand and supply in the foreign exchange market.
 - a) determined
 - b) controlled
 - c) not determined
 - d) not controlled
