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MASTER OF COMMERCE (M.COM.)
EXAMINATION :MAY - 2023
FORTH SEMESTER
Sub: International Banking (MCB-411)

Date:24/05/2023

Total Marks :100

Time: 2.00 pm to 5.00 pm

Instructions:

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

- Q.1 Answer the following questions. (Attempt any three) (30)**
1. What is exchange control? What are its objectives? Why is it prevalent in India?
 2. Explain the risk management initiatives taken for international banking?
 3. List out the various remittance facilities available to a Indian residents. Explain only three.
 4. What is SEZ? What is their significance for India?
 5. What are the different types of exchange rates and how they are used in foreign trade?
- Q.2 Answer the following. (Attempt any three) (30)**
1. What are the main documents required in International Trade? Elucidate.
 2. Explain the types of Letters of Credit and its relevance to customers? Discuss.
 3. What are the risk management initiatives taken for international banking?
 4. Why FEMA has replaced FERA? What are its objectives?
 5. What are the types of Letters of Credit? Discuss.
- Q.3 Write short notes. (Attempt any four) (20)**
1. Role and need of ECGC
 2. Currency Control
 3. FERA
 4. Inter-bank banking
 5. Role of banks in foreign trade
 6. R>Returns
- Q.4 A Answer in One Sentence (Attempt Any five) (10)**
1. Define Foreign Control
 2. Full form of NEFT
 3. Full form of FERA
 4. Define International Chamber of Commerce
 5. Full form of DGFT
 6. Full form of RERA
 7. Full form of RTGS

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

1. The Asian development Bank aims for an Asia and Pacific free from poverty.
a) True b) False
c) Can't say d) None of the above
2. The current account reflects the nation's gross income.
a) True b) False
c) Can't say d) None of the above
3. The globalization of financial markets is now well known.
a) True b) False
c) Can't say d) None of the above
4. Risk and Returns are coreof International Banking.
a) concepts b) factors
c) pillars d) functions
5. The extension ofproperty right to agriculture haseffects in India.
a) intellectual, positive b) intellectual, negative
c) intellectual, favorable d) intellectual, considerable
6. Credit risk is the risk that the counterparty will fail to perform or meet theon the agreed terms.
a) terms b) remittances
c) obligations d) refund
7. Correspondent accounts are the accounts ofbanks who require the ability to pay and receive thecurrency.
a) foreign, domestic b) domestic, foreign
c) offshore, foreign d) offshore, domestic
8. Arbitrage refers toof an asset in a low price market and its sale in a higher price market.
a) purchase b) sale
c) supply d) demand
9. There are two types of, viz. R>Returns NOSTRO and R>Returns VOSTRO
a) R>Returns b) M>Returns
c) S>Returns d) E>Returns
10. The maturities have risen considerably and now the average maturities are about five years.
a) True b) False
c) Can't say d) None of the above
11. FEMA 1999 is framed by Government of India in relation to (i) Current Account Transaction; and (ii) Capital Account Transactions.
a) True b) False
c) Can't say d) None of the above
12. Under Advance Payment, the importer makes payment to the exporter prior to shipment of the goods by the exporter
a) True b) False
c) Can't say d) None of the above
