

Enrollment No.....



Faculty of Commerce  
End Sem (Odd) Examination Dec-2022  
CM3EB03 International Banking

Programme: B.Com. (Hons.) Branch/Specialisation: Commerce

**Duration: 3 Hrs.****Maximum Marks: 60**

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. International bank for reconstruction and development is 1  
popularly known as-  
(a) Central bank of country (b) International monetary  
(c) World bank (d) Banker's banker
- ii. Which bank plays an important role in strengthen the banking 1  
sector?  
(a) Federal bank (b) Domestic bank  
(c) Central bank (d) None of these
- iii. Which of the following is used for international monetary 1  
transfer?  
(a) RTGS (b) NEFT (c) SWIFT (d) Inter bank
- iv. Which of the following is not the function of the World Bank? 1  
(a) To provide long term loan to the member countries  
(b) To provide loan to private investors belonging to member  
countries on its own guarantee  
(c) To ensure exchange rate stability  
(d) To provides loan mainly for productive activities
- v. A stale cheque is one which is no longer valid after – 1  
(a) 3 months (b) 6 months  
(c) 2 months (d) 1 month
- vi. Which card is known as check card? 1  
(a) Debit card (b) Credit card  
(c) White label card (d) Rupay card

P.T.O.

[2]

- vii. Currency swap is a method of- **1**  
 (a) Hedging against foreign exchange rate  
 (b) Speculating in foreign exchange  
 (c) Payment in international trade  
 (d) Correcting adverse balance of payment
- viii. Exchange rates are determined in- **1**  
 (a) The money market  
 (b) The foreign exchange market  
 (c) Stock market  
 (d) Capital market
- ix. The components of balance of payment A/c are- **1**  
 (a) Capital A/c (b) Current A/c  
 (c) Saving A/c (d) Both (a) and (b)
- x. Balance of payment is an accounting statement that records **1**  
 monetary transactions between-  
 (a) Resident of a nation and the rest of the world  
 (b) Non-residents and the rest of the world  
 (c) Residents of a nation and non-residents  
 (d) None of these
- Q.2 i. What are the services offered by international banks? **4**  
 ii. What are the differences between international banking and domestic banking? **6**
- OR iii. What are the reasons for the growth of international banking? **6**  
 Explain in brief.
- Q.3 i. Describe the meaning of international financial institutions. **2**  
 ii. Write short note on- **8**  
 (a) Asian development bank (b) International financial corporation
- OR iii. What do you understand by international monetary fund? **8**
- Q.4 i. Write the difference between demand draft and cheque. **4**  
 ii. Write short note on- **6**  
 (a) Forex card (b) White label ATM  
 (c) Letter of credit

[3]

- OR iii. Describe the types of cheques. **6**
- Q.5 i. Explain the meaning and features of foreign exchange market. **4**  
 ii. Describe the structure of foreign exchange market. **6**
- OR iii. Describe the spot rate and cross rate. **6**
- Q.6 Attempt any two:  
 i. Explain the meaning and structure of balance of payment. **5**  
 ii. Explain the types of disequilibrium in the balance of payment. **5**  
 iii. Explain the causes of disequilibrium in the balance of payments. **5**

\*\*\*\*\*

**Marking Scheme**  
**CM3EB03 International Banking**

Q.1	i.	International bank for reconstruction and development is popularly known as-	1
		(c) World bank	
	ii.	Which bank plays an important role in strengthen the banking sector?	1
		(c) Central bank	
	iii.	Which of the following is used for international monetary transfer?	1
		(c) SWIFT	
	iv.	Which of the following is not the function of the World Bank?	1
		(b) To provide loan to private investors belonging to member countries on its own guarantee	
	v.	A stale cheque is one which is no longer valid after –	1
		(a) 3 months	
Q.2	vi.	Which card is known as check card?	1
		(a) Debit card	
	vii.	Currency swap is a method of-	1
		(a) Hedging against foreign exchange rate	
	viii.	Exchange rates are determined in-	1
		(b) The foreign exchange market	
	ix.	The components of balance of payment A/c are-	1
		(d) Both (a) and (b)	
	x.	Balance of payment is an accounting statement that records monetary transactions between-	1
		(a) Resident of a nation and the rest of the world	
Q.2	i.	Services offered by international banks	4
		1 mark for each services (1 mark * 4)	
	ii.	Differences between international banking and domestic banking	6
OR		1 mark for each difference (1 mark * 6)	
	iii.	Reasons for the growth of international banking	6
		1 mark for each reason (1 mark * 6)	
Q.3	i.	Meaning of international financial institutions.	2

	ii.	Definition	1 mark	8
		Write short note on-		
		(a) Asian development bank	4 marks	
OR	iii.	(b) International financial corporation	4 marks	8
		International monetary fund		
		Stepwise marking		
Q.4	i.	Difference between demand draft and cheque.		4
		1 mark for each difference (1 mark * 4)		
	ii.	Write short note on-		6
		(a) Forex card	2 marks	
		(b) White label ATM	2 marks	
		(c) Letter of credit	2 marks	
OR	iii.	Types of cheques.		6
		1 mark for each type (1 mark * 6)		
Q.5	i.	Meaning and features of foreign exchange market.		4
		1 mark for each features (1 mark * 4)		
	ii.	Structure of foreign exchange market.		6
		Stepwise marking		
OR	iii.	Spot rate	3 marks	6
		Cross rate.	3 marks	
Q.6		Attempt any two:		5
	i.	Balance of payment.		
		Meaning	2.5 marks	
		Structure	2.5 marks	5
		Types of disequilibrium in the balance of payment.		
	iii.	Pointwise marking		5
		Causes of disequilibrium in the balance of payments.		
		1 mark for each cause (1 mark * 5)		5

\*\*\*\*\*