

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI**END-OF-SEMESTER EXAMINATIONS : NOVEMBER2023****B.COM- BANKING AND INSURANCE****MAXIMUM MARKS: 70****SEMESTER:V****TIME : 3 HOURS****PART - III****INTERNATIONAL BANKING****SECTION - A****(10 X 1 = 10 MARKS)****ANSWER THE FOLLOWING QUESTIONS.****MULTIPLE CHOICE QUESTIONS.****(K1)**

1. The value of US Dollar \$1 has increased from Rs. 60 to Rs. 70. It means:
 - a) Rupee has appreciated
 - b) Rupee has depreciated
 - c) Both (a) and (b)
 - d) None of the above
2. A _____ is a document from a bank guaranteeing that a seller will receive payment in full as long as certain delivery conditions have been met:
 - a) Agreement
 - b) Letter of Credit
 - c) Bill Paper
 - d) None of The Above
3. Post-shipment finance is generally available for a period of _____ days.
 - a) 180
 - b) 360
 - c) 90
 - d) 270
4. Which of the following is not the function of the World Bank?
 - (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 provide loan mainly for productive activities
5. Which of the following definition for 'Risk' is correct?
 - a) Risk is the combination of the probability of an event and its consequences.
 - b) Risk in business is the chance that future events or results may not be as expected.
 - c) Both A&B
 - d) None

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES**(K2)**

6. What is SWIFT?
7. Define Bank Guarantee
8. What do you understand by post-shipment finance?
9. Expand IBRD and EXIM Bank
10. What is Liquidity risk?

SECTION – B**(5 X 4 = 20 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Describe the various electronic modes of transmission in foreign exchange.

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b) Sketch the exchange rate mechanism.

12. a) Find the operations of letter of credit.

(OR)

b) Show the advantages of Letter of credit.

13. a) Discover the facilities provided to exporters in India.

(OR)

b) Interpret the various sources of import finance.

14. a) Discover the various objectives of IMF.

(OR)

b) Mention the functions of EXIM Bank.

15. a) What do you understand by Risk management and control?

(OR)

b) Explain about Political risk and Legal risk

SECTION - C

(4 X 10 = 40 MARKS)

**ANSWER ANY FOUR OUT OF SIX QUESTIONS
(16th QUESTION IS COMPULSORY) (K4/K5)**

16. Enumerate the operations of IFC.

17. Discuss the factors determining exchange rates.

18. Summarize the various types of Letter of Credit.

19. Determine the procedures involved in export finance.

20. Interpret the role and functions of ECGC of India.

21. Classify the various types of risks in international trade.

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