

**(FOR THE CANDIDATES ADMITTED  
DURING THE ACADEMIC YEAR 2023 ONLY)**

23UBI514

REG.NO. :

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI**

**END-OF-SEMESTER EXAMINATIONS : NOVEMBER-2025**

**B.Com.- BANKING AND INSURANCE**

**MAXIMUM MARKS: 75**

**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. International Banking refers to -----
  - a) Banking operations within one country
  - b) Banking operations that involve foreign countries
  - c) Only lending activities in local currency
  - d) Cooperative banking
2. A Letter of Credit is primarily issued by -----
  - a) Buyer
  - b) Seller
  - c) Bank
  - d) Government
3. Exchange and Trade Control Guidelines for exporters are mainly framed by-----
  - a) World Bank
  - b) IMF
  - c) Reserve Bank of India
  - d) SEBI
4. Which of the following is not part of the World Bank Group?
  - a) IBRD
  - b) IDA
  - c) IFC
  - d) IMF
5. The first step in the risk management framework is -----
  - a) Risk hedging
  - b) Risk identification
  - c) Risk Elimination
  - d) Risk transfer

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

**(K2)**

6. Define Foreign Exchange.
7. What is a Bank Guarantee?
8. What is meant by Export Finance?
9. Expand IBRD.
10. Write any two objectives of Risk Management.

**SECTION – B**

**(5 X 5 = 25 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Write short notes on International Banking.  
**(OR)**  
b) What is SWIFT in international banking?
12. a) State the types of Letter of Credit.  
**(OR)**  
b) List any five advantages of using a Letter of Credit.

**(CONTD .... 2)**

13. a) What is Export Finance, and how does it support exporters?  
(OR)  
b) Define Import Finance and explain its role in international trade.
14. a) What is the objective of Asian Development Bank (ADB)?  
(OR)  
b) Mention the organisational structure of IMF.
15. a) Explain the basic framework of Risk Management.  
(OR)  
b) List the main types of risks in international trade.

**SECTION – C****(5 X 8 = 40 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.****(K4 (Or) K5)**

16. a) Explain the meaning and importance of Foreign Exchange Market.  
(OR)  
b) Discuss the advantages and limitations of electronic modes of transmission in global trade
17. a) List the documents used in a Letter of Credit and explain its importance in trade settlement.  
(OR)  
b) What is a Bank Guarantee? Discuss its types.
18. a) State the rate of interest applicable to export credit.  
(OR)  
b) Differentiate between Export Finance and Import Finance.
19. a) Explain the main function of World Bank.  
(OR)  
b) Describe the functions of the IMF in international trade.
20. a) Describe the basic Risk Management framework. How does it help in identifying and controlling risks?  
(OR)  
b) What is Settlement Risk? Explain how it arises in foreign exchange transactions.

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