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4 (Sem-4) INBK

2017

INTERNATIONAL BANKING

Paper : 405

(Finance Major)

Full Marks – 80

Time – Three hours

The figures in the margin indicate full marks for the questions.

1. Choose the correct option : $1 \times 10 = 10$

(a) Basel Committee on Banking Supervision is located in :

- (i) Stockholm
- (ii) Switzerland
- (iii) Maastrit
- (iv) Copenhagen

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(b) Bretton Woods Conference was responsible for the birth of

(i) GATT and IBRD

(ii) WTO and IMF

(iii) GATT, IMF and Bank of International Settlement

(iv) IBRD and IMF

(c) Which of the following is the latest norm issued by Basel Committee ?

(i) Basel Norm (i)

(ii) Basel Norm (ii)

(iii) Basel Norm (iii)

(iv) Basel Norm (iv)

(d) The Special Drawing Rights (SDRs) were created by the IMF in :

(i) 1960

(ii) 1962

(iii) 1965

(iv) 1969

- (e) The account in US dollar maintained in the USA by an Indian Bank is termed a nostro account for the Indian Bank. In banking parlance, it carries a meaning "my account with you." (State true or false.)
- (f) The International Finance Corporation is mandated to extend credit to :
- (i) only private sector entities
 - (ii) only public sector entities
 - (iii) public sector, private sector and co-operative entities
 - (iv) both (i) and (ii).
- (g) Every member bank is identified by a number called Clearing House Automated Payment System (CHAPS) in which of the following countries :
- (i) The USA
 - (ii) The UK
 - (iii) Both in the USA and the UK
 - (iv) European union nations.

- (h) If any member country is facing adverse balance of payment and facing the difficulty to get the currency of creditor country, it can get short term credit from the International Monetary Fund to clear the debt. (State true or false.)
- (i) The headquarter of International Development Association is at
- (i) The USA
 - (ii) The UK
 - (iii) Both in the USA and the UK
 - (iv) None of the above.
- (j) International Bank for Reconstruction and Development is an international financial institution whose main objectives :
- (i) assisting the development of its member nation's territories
 - (ii) promoting long range balance growth in international trade
 - (iii) promoting and supplementing private foreign investment
 - (iv) All of the above.

2. Write brief answer to the following within 30 words each : 2×5=10

- (a) Write the meaning of International Banking.
- (b) State the meaning of Investment Guarantee Agency.
- (c) State the meaning of International Interbank Business.
- (d) State the functions of international capital market.
- (e) State the use of vostro account.

3. Answer any *four* of the following in about 150-200 words each : 5×4=20

- (a) State the objectives of Asian Development Bank.
- (b) Discuss the features of international retail banking.
- (c) State in brief about the legal issues pertaining to International Banking.

- (d) State the composition of foreign currency accounts.
- (e) State the products of International Wholesale Banking.
- (f) State the functions of International Financing Corporation.
- (g) Discuss Special Drawing Rights (SDRs) of IMF.

4. Answer the following questions within 600 words each : 10×4=40

- (a) Discuss the various forms of international banking with their operations.

Or

Describe the functions of World Bank.

- (b) Discuss the functions of International Development Association.

Or

Explain the international private banking services.

- (c) Name international offshore financial centres and the role played by them.

Or

Discuss the international banking facilities available in the USA.

- (d) Explain the regulatory measures adopted by the Basel Committee on Banking Supervision.

Or

Discuss the structure and management pattern of forex market.