

Total number of printed pages-8

**63/1 (SEM-6)DSE3/DSE1B/
COMHE 6326/COMRE 6016**

2024

COMMERCE

Paper : COMHE 6326/COMRE 6016

(International Banking)

Full Marks : 80

Pass Marks : 32

Time : Three hours

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

1. Choose the correct answer from the following: **(any six)** 1×6=6

(a) Which of the following best describes international banking?

(i) Banking services offered exclusively within a single country

(ii) Banking services provided to individuals and business across multiple countries

Contd.

- (iii) Banking services focused solely on rural areas
 - (iv) Banking services provided by the central bank of a country
- (b) What is the primary function of international banks?
- (i) Providing loans to local business
 - (ii) Facilitating cross-border transactions and currency exchange
 - (iii) Issuing national currency
 - (iv) Regulating domestic interest rates
- (c) Which institution often serves as the main regulator of international banking activities?
- (i) International Monetary Fund (IMF)
 - (ii) World Trade Organization (WTO)
 - (iii) Bank for International Settlements (BIS)
 - (iv) United Nations (UN)
- (d) What is the main function of the International Monetary Fund (IMF)?
- (i) Providing long-term loans for infrastructure projects

- (ii) Facilitating international trade agreements
 - (iii) Ensuring stability in the international monetary system
 - (iv) Promoting environment conservation efforts
- (e) What distinguishes wholesale banking from retail banking?
- (i) Wholesale banking serves individual consumers, while retail banking caters to large corporations
 - (ii) Wholesale banking focuses on providing investment services, while retail banking offers lending and deposit services
 - (iii) Wholesale banking serves the needs of large institutions, while retail banking serves individual consumers and small business
 - (iv) Wholesale banking involves high-risk transactions, while retail banking focuses on low-risk activities

- (f) Which one is the characteristic of international private banking service ?
- (i) Catering exclusively to high-net-worth individuals within a single country
 - (ii) Providing personalized wealth management services to affluent clients across borders
 - (iii) Offering financial services to multinational corporations
 - (iv) Focusing on microfinance initiatives in developing countries
- (g) The primary purpose of offshore financial services is
- (i) offering international investment opportunities and asset protection strategies
 - (ii) facilitating money laundering and tax evasion
 - (iii) providing financial services to low-income individuals
 - (iv) supporting government initiatives for economic development

- (h) What do offshore financial services typically involve ?
- (i) Provide banking services exclusively to domestic clients
 - (ii) Offer financial products and service outside the jurisdiction of the client's home country
 - (iii) Focus solely on investment banking activities
 - (iv) Provide microfinance services in rural areas
- (i) What type of standards does the Basel Committee develop ?
- (i) Environmental sustainability guidelines
 - (ii) Human rights compliance regulations
 - (iii) International banking regulations, including capital adequacy and risk management standards
 - (iv) Food safety protocols for agricultural products
- (j) What are the potential benefits of holding a foreign currency account ?
- (i) Access to a wider range of investment options

- (ii) Protection against currency fluctuations
- (iii) Lower transaction costs for international payments .
- (iv) All of the above

2. Answer **any five** of the following : $2 \times 5 = 10$

- (a) State different forms of international banking.
- (b) What is the primary function of the International Monetary Fund (IMF) ?
- (c) What is international wholesale banking ?
- (d) Define Nostro and Vostro accounts.
- (e) State the role of the Basel Committee.
- (f) What types of standards does the Basel Committee develop ?
- (g) What are the main services provided by international banks ?

3. Answer **any six** of the following : $5 \times 6 = 30$

- (a) Describe the scope of the international banking market, including factors influencing its growth and key players in the industry.

- (b) Describe the factors contributing to the growth of international banking.
- (c) Explain the participants engaged in international inter-bank business.
- (d) Assess the role of offshore financial centres in facilitating cross-border capital flows and supporting international trade.
- (e) Analyze the factors contributing to the growth and rise of offshore financial centres worldwide.
- (f) Evaluate the impact of Basel I, Basel II, and Basel III on banking regulations and risk management practices worldwide.
- (g) Explore the challenges associated with the implementation of Basel Committee standards in different jurisdictions.
- (h) Explore the significance of international banking operations in facilitating global trade, investment and economic integration.
- (i) Discuss the role of foreign currency accounts in facilitating international trade transactions.
- (j) Explore the advantages and challenges associated with using foreign currency accounts for trade finance purposes.

4. Answer **any two** of the following : 10×2=20
- (a) Analyze the opportunities and challenges faced by international banks in the current global economic landscape. 5+5=10
 - (b) Discuss the role and functions of the International Monetary Fund (IMF) in the global economy. 5+5=10
 - (c) Elaborate on the key functions and services provided by international private banks.
 - (d) Elaborate on the international banking facilities available in the USA.

5. Answer **any one** of the following : 14
- (a) Discuss the primary functions of the World Bank and how it contributes to global development efforts. 7+7=14
 - (b) Describe how international banking operations contribute to the functioning and efficiency of global capital markets.
 - (c) Describe the nature of each tier of capital, including their role in ensuring the stability and solvency of financial institutions. 7+7=14
-