

104

Timing 2 1/2 Hours

[Marks: 75]

N.B. 1. All questions are compulsory.

2. Figures to the right indicate full marks.

Q.1. A. What is Balance of Payment? Discuss the components of Balance of Payment. [8]

B. What is Flexible Exchange Rate System? Explain its advantages and disadvantages. [7]

OR

Q.1. C. Discuss the various types of Letter of Credit. [8]

D. Bring out in detail the salient features of Bretton Woods System. [7]

Q.2. A. Distinguish between FDI and FPI. [8]

B. What is GDR? Explain the features and benefits of GDR. [7]

OR

Q.2. C. Discuss the various electronic methods of payment in international market. [8]

D. Explain the offshore banking with reference to Indian Context. [7]

Q.3. A. What is Loan Syndication? Discuss the stages involved in Loan Syndication. [8]

B. Explain in detail the concept of Asset Liability Management in banks. [7]

OR

Q.3. C. What is Eurocurrency Market? Explain in detail the factors responsible for its growth. [8]

D. Write a detailed note on Basel Norms. [7]

Q.4. A. What are the various Foreign Exchange Risk? Bring out the various measures to mitigate them. [8]

B. Discuss the role of International Credit Rating Agencies. [7]

OR

Q.4. C. Calculate the rate of following currencies against Indian Rupees. [8]

| | Bid | Ask |
|-----------|---------|---------|
| 1 USD INR | 60.4000 | 60.5000 |
| 1 GBP USD | 2.0400 | 2.0420 |
| 1 EUR USD | 1.5090 | 1.5100 |
| 1 USD JPY | 114.60 | 114.70 |
| 1 USD CHF | 1.1900 | 1.1910 |

D. Calculate the forward rate of Dollar to Rupee. [7]

Spot Rupee against Dollar = 65.5050 / 65.5060

| Dollar to Rupee | Swap Points |
|-----------------|-------------|
| 1 Month | 1500 / 1600 |
| 2 Months | 1700 / 1800 |
| 3 Months | 1900 / 2000 |
| 4 Months | 2100 / 2200 |

Q.5. Write short notes on **any three** out of five. [15]

- IMF
- Foreign Currency Convertible Bonds
- Non-Performing Assets
- Current Account Convertibility
- Direct and Indirect Quote.
