Q.P. Code : 00105

[Time: $2\frac{1}{2}$ Hours] **[Marks:75]**

Please check whether you have got the right question paper.

N.B: 1. All questions are compulsory.
2. Figure to the right indicate full marks.

Q.1 A) Explain the role of Central Banks in International Banking. (8)
B) What do you mean by Current Account Convertibility? Explain its advantages and disadvantages. (7)

OR

C) Distinguish between Fixed and Flexible Exchange Rate Systems. (8)
D) What do you mean by Letter of Credit? Explain its features and parties to Letter of Credit. (7)

Q.2 A) What is Foreign Portfolio Investment? Explain its merits and demerits. (8)
B) What is Global Depository Receipts? Discuss the role and function of intermediaries involved in GDR issue. (7)

OR

C) Write a detailed note on Offshore Banking. (8)
D) Explain the following Electronic Methods of Payment: (7)
i) NEFT ii) SWIFT

Q.3 A) What is Loan Syndication? Explain the process and types of Loan Syndication. (8)
B) Bring out in detail the concept of Non-Performing Asset. (7)

OR

C) What is Euro Currency Market? Explain its features, origin and growth. (8)
D) What are Euro Bonds? Discuss its types. (7)

Q.4 A) What do you mean Country Risk? Explain its types. (8)
B) Discuss the role of International Credit Rating Agencies. (7)

OR

C) Calculate the rate of following currencies against Indian Rupee. (8)

	BID	ASK
1 USD INR	60.6000	60.7000
1 GBP USD	2.0400	2.0420
1 EUR USD	1.5080	1.5100
1 USD JPY	112.80	112.90
1 USD CHF	1.1800	1.1810

D) Calculate forward rate of Dollar to Rupee. (7)
Spot Rupee against Dollar = Rs. 65.6090/65.6095

DOLLAR TO RUPEE	SWAP POINTS
1 Month	1000/1200
2 Months	1300/1450
3 Months	1500/1600
4 Months	1650/1700

Q.5 Write short notes on **Any Three** out of five. (15)

a) Preshipment Credit
b) Non-Resident Accounts
c) Bretton Woods System
d) Foreign Currency Convertible Bonds
e) Asset Liability Management.
