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# PRESIDENCY UNIVERSITY

## BENGALURU

### Mid - Term Examinations – October 2025

**Date** 10-10-2025

**Time:** 09.30am to 11.00am

<b>School:</b> SOM UG/SOC	<b>Program:</b> BBA	
<b>Course Code :</b> BFI3006	<b>Course Name :</b> International banking and finance	
<b>Semester:</b> V	<b>Max Marks:</b> 50	<b>Weightage:</b> 25%

<b>CO - Levels</b>	<b>CO1</b>	<b>CO2</b>	<b>CO3</b>	<b>CO4</b>	<b>CO5</b>
<b>Marks</b>	<b>26</b>	<b>24</b>	-	-	-

**Instructions:**

- (i) *Read all questions carefully and answer accordingly.*
- (ii) *Do not write anything on the question paper other than roll number.*

### Part A

<b>Answer ALL the Questions. Each question carries 2 marks. (5Q x 2M = 10M)</b>				<b>Bloom's Level</b>	<b>CO</b>
<b>1</b>	What are the factors which are responsible for growth of international banking?		<b>2 Marks</b>	<b>L1</b>	<b>CO1</b>
<b>2</b>	State the difference between correspondent banking and inter-bank banking?		<b>2 Marks</b>	<b>L1</b>	<b>CO1</b>
<b>3</b>	Define international finance		<b>2 Marks</b>	<b>L1</b>	<b>CO1</b>
<b>4</b>	Classify the types of risk associated with international banking.		<b>2 Marks</b>	<b>L1</b>	<b>CO2</b>
<b>5</b>	Point out the reasons for growth of offshore financial centres.		<b>2 Marks</b>	<b>L1</b>	<b>CO2</b>

### Part B

Answer ALL the Questions. Each question carries 10 marks. (4Q x 10M = 40M)					Bloom's Level	CO
6		<p>A government is considering establishing an SEZ with a focus on technology transfer and innovation.</p> <p>1. What are the potential benefits and drawbacks of establishing an SEZ with a focus on technology transfer and innovation, including knowledge spillovers, productivity gains, and intellectual property protection?</p> <p>2. How can the SEZ's management and government authorities work together to facilitate technology transfer</p>	10 Marks	L2	CO1	
<b>Or</b>						
7		<p>The ADB is considering providing financing for a project to promote financial inclusion in a developing country in Asia. The project involves the establishment of a new microfinance institution that will provide loans and other financial services to low-income households.</p> <p>1. What are the potential benefits of the project for low-income households in the country?</p> <p>2. How should the ADB assess the creditworthiness of the microfinance institution and the project's financial viability?</p> <p>3. What are the potential risks and challenges associated with the project, and how should the ADB mitigate these risks?</p>	10 Marks	L2	CO1	
8		<p>A large international bank was severely impacted by the global financial crisis.</p> <p>1. What were the potential causes and consequences of the global financial crisis for the bank?</p> <p>2. How should the bank evaluate its risk management strategy and identify areas for improvement?</p> <p>3. What are the potential lessons learned from the crisis, and how can the bank apply these lessons to its future operations?</p> <p>4. How should the bank balance its risk management strategy with its business goals and objectives in a post-crisis environment?</p>	10 Marks	L2	CO1	
<b>Or</b>						
9		Critically evaluate the argument that tax havens are necessary for promoting economic growth and competitiveness.	10 Marks	L2	CO1	
10		<p>A large international bank is considering how to incorporate environmental, social, and governance (ESG) considerations into its lending and investment decisions. The bank has identified several benefits of incorporating ESG considerations, including improved risk management and enhanced reputation.</p> <p>1. What are the potential benefits and drawbacks of incorporating ESG considerations into the bank's lending and investment decisions?</p> <p>2. How might the bank use ESG metrics to improve its risk</p>	10 Marks	L2	CO2	

	<p>management and reduce its exposure to environmental and social risks?</p> <p>3. What are the potential implications of incorporating ESG considerations for the bank's business operations and financial management?</p> <p>4. How might the bank balance its financial goals with its social and environmental responsibilities?</p>			
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**Or**

11	<p>Dubai has established itself as a major IFC in the Middle East, with a highly developed financial sector and a strong reputation for innovation and business-friendly regulation.</p> <p>1. How did Dubai develop its financial sector and establish itself as a major IFC?</p> <p>2. What role did government policy and regulation play in supporting the development of the financial sector?</p> <p>3. How has Dubai maintained its competitiveness and attractiveness as an IFC in the face of increasing competition from other financial centers?</p> <p>4. What are the potential risks and challenges facing Dubai as an IFC, and how might these be addressed?</p>	<b>10 Marks</b>	<b>L2</b>	<b>CO2</b>
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12	<p>IFCs have the potential to play a significant role in supporting sustainable development by providing access to finance for sustainable projects and promoting environmentally and socially responsible business practices.</p> <p>1. What role can IFCs play in supporting sustainable development?</p> <p>2. How can IFCs provide access to finance for sustainable projects?</p> <p>3. What steps can IFCs take to promote environmentally and socially responsible business practices?</p> <p>4. What are the potential challenges and opportunities associated with IFCs supporting sustainable development?</p>	<b>10 Marks</b>	<b>L2</b>	<b>CO2</b>
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**Or**

13	<p>IBRD is considering providing financing to a developing country to support its efforts to reduce greenhouse gas emissions and adapt to the impacts of climate change.</p> <p>1. What are the potential benefits and risks of providing climate change financing to the country for IBRD?</p> <p>2. How should IBRD assess the country's eligibility for climate change financing?</p> <p>3. What are the potential development impacts of the project, and how should IBRD measure these impacts?</p> <p>4. How should IBRD structure the financing for the project, and what are the potential repayment risks?</p>	<b>10 Marks</b>	<b>L2</b>	<b>CO2</b>
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