



'সমানো মন্ত্র: সমিতি: সমানী'

**UNIVERSITY OF NORTH BENGAL**

B.Com. Honours Part-III Examination, 2022

**B.COM.**

**PAPER-3H9**

**INTERNATIONAL FINANCIAL SYSTEM AND PUBLIC FINANCE  
(Honours in Finance)**

Time Allotted: 4 Hours

Full Marks: 100

*The figures in the margin indicate full marks.*

**GROUP-A**

**Answer any four questions**

15×4 = 60

1. Who are the participants in foreign exchange market? Discuss their role in this market. 9+6=15
2. Discuss in brief various efficient methods of payment and financing mechanism of international trade. 15
3. (a) Discuss the role of public budget in the context of the economic development of the country. 7+8=15  
(b) Do you think that the deficit financing can be practiced to enhance the rate of economic growth? Justify your answer.
4. What do you mean by Euro-Dollar? What are the causes behind formation of Euro-Dollar market? Discuss the benefits of this market to the lenders and borrowers. 5+10=15
5. Discuss the functions and jurisdictions of Finance Commission. Enlist the major recommendations of the Fourteenth Finance Commission. 8+7=15
6. Briefly discuss the importance of international monetary system. Who is exercising supervision over the operations of international monetary system? What tools and methods it can use as intervention measures to correct imbalances in the system? 6+2+7=15
7. How is currency swap different from interest rate swap? Explain zero coupon swap. 10+5=15
8. Discuss the problems related to international liquidity. State scope and functions of the WTO. 6+4+5=15

**GROUP-B**

9. Answer any *four* questions: 5×4 = 20
- (a) What is Eurobond? What are its characteristics?
  - (b) What is gold standard?
  - (c) Why are Repos used?
  - (d) Write short note on Bretton Woods System.
  - (e) Discuss the use of SDR as an international reserve asset.
  - (f) Enumerate the principles of managing public debt.
  - (g) Write a note on Fiscal Responsibility and Budget Management Act.
  - (h) What are 'fixed' and 'flexible' exchange rates?

**GROUP-C**

10. Answer any *ten* questions: 2×10 = 20
- (a) What is public borrowings?
  - (b) What is forward contract?
  - (c) What do you mean by federal finance?
  - (d) Define 'inverse quote'.
  - (e) What is intermediate exchange rate?
  - (f) Distinguish between 'bid rate' and 'ask rate'.
  - (g) How did Adam Smith classify public expenditure?
  - (h) Name two countries who are members of the EU.
  - (i) What is public debt?
  - (j) What is foreign bond?
  - (k) Who is empowered to settle trade dispute?
  - (l) What is fiscal policy?
  - (m) What is currency swap?
  - (n) Write full forms of GATT and UNCTAD.
  - (o) What is SWIFT?

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