

MS-405/FM-2108

International Finance

(अन्तर्राष्ट्रीय वित्त)

Master of Business Administration

(MBA-10/12/13/16/17)

4th Semester Examination, 2019 (June)

Time : 3 Hours]

Max. Marks : 80

Note : This paper is of Eighty (80) marks divided into three (03) sections A, B and C. Attempt the questions contained in these sections according to the detailed instructions given therein.

SECTION-A

(Long Answer Type Questions)

Note : Section 'A' contains four (04) long answer type questions of Nineteen (19) marks each. Learners are required to answer any two (02) questions only.

(2×19=38)

1. Discuss some of the risks faced by the multinationals and the methods used to tackle them.

2. Explain the significance of Balance of Payment account in determining the economic strength of a country.
3. What do you understand by Foreign Direct Investment ? Briefly discuss some of the factors influencing FDI.
4. Discuss the different techniques available for currency risk arrangement.

SECTION-B

(Short Answer Type Questions)

Note : Section 'B' contains eight (08) short answer type questions of eight (08) marks each. Learners are required to answer any four (04) questions only. (4×8=32)

1. Current account deficit in BOP account.
2. Foreign portfolio investment.
3. Risks in International Investment.
4. Double Taxation Avoidance Agreement.
5. Hedging instruments.
6. International capital market.

7. Transfer pricing.
8. World Trade Organisation.

SECTION-C
(Objective Type Questions)

Note : Section 'C' contains ten (10) objective type questions of one (01) mark each. All the questions of this section are compulsory. (10×1=10)

Write True or False :

1. FDI is long term commitment by the investor.
2. Short term current account deficit is normal for a country's international trade.
3. Drop in dollar value would favourably affect a multinational company with its headquarter in the United States.
4. Currency devaluation helps the imports of a country.

Fill in the blanks :

5. Ask quote is for _____.

6. Bond issued simultaneously in several global financial center is called _____.
7. If a company agreements today for several future date of real currency exchange, they will be building use of _____ rate.
8. The differenece between bid and ask rate is called _____.

Indicate the correct answer option :

9. The Eurocurrency market refers to _____.
 - (i) Countries which have adopted Euro as their currency.
 - (ii) Market in which Euro is exchanged for other currency.
 - (iii) Market where borrowing / lending of currency takes place outside the country of issue.
 - (iv) The international forex market.
10. Write the full form of the acronyms 'IMF'.
