MS-405/FM-2108

INTERNATIONAL FINANCE

Master of Business Administration

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

4th Semester, Examination-2020

Time Allowed : 2 Hours   Maximum Marks : 80

Note : This paper is of Eighty (80) marks divided into Two (02) sections A and B. Attempt the question contained in these sections according to the detailed instructions given therein.

Section-A

(Long Answer type questions)

Note : Section-'A' contains Five (05) Long answer type questions of Twenty (20) marks each. Learners are required to answer any two (02) questions only.   (2×20=40)

1. (a) Discuss the motivations of International Business.

   (b) What are the major challenges which the finance managers in developing countries are facing while taking decision with respect to international business.

2. What is Foreign Direct Investments (FDI)? What measures can be taken to attract it?

3. What do you understand by foreign exchange risk? What are the different external exposures management techniques which are used by importers and exporters?

4. What is meant by Balance of Payments (BoP)? Explain its items. How does it differ from balance of trade?

5. Examine the different instruments available with a corporate body in India to raise funds abroad.

Section-B

(Short answer type questions)

Note: Section-B Contains Eight (08) short answer type questions of Ten (10) marks each. Learners are required to answer any four (04) questions only.   (4×10=40)

1. Discuss the key macroeconomic issues affecting international business strategy.

2. State reasons why U.S. currency Dollar is the most important currency in foreign exchange market?

3. Explain the impact of Exchange Rate Fluctuations.

4. What are the different types of Euro currency bonds?

5. Write a note on managing net working capital in international perspective.

6. Discuss the three most popular derivative instruments.

7. Explain the functioning of International Banking.

8. What is 'Letter of Credit'? What is its importance in financing export trade of a country? Explain.

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