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MP-504

June – Examination 2020

**Master of Business Administration
(II Year) Examination**

International Financial Management

Paper : MP-504

Time : 3 Hours]

[Maximum Marks : 80

Note :- The question paper is divided into three Sections A, B and C. Write answers as per given instructions.

Section-A

8×2=16

(Very Short Answer Type Questions)

Note :- Answer all questions. As per the nature of the question delimit your answer in one word, one sentence or maximum up to **30** words. Each question carries 2 marks.

1. Explain the following terms :

- (i) Corporate Risk management
- (ii) Derivatives Market

- (iii) Zero Coupon Bonds
- (iv) The Gold Standard
- (v) Swap
- (vi) Financial Derivatives
- (vii) European Monetary Union
- (viii) International Stock Exchanges

Section-B **4×8=32**

(Short Answer Type Questions)

Note :- Answer any *four* questions. Each answer should not exceed **200** words. Each question carries 8 marks.

2. Explain the functions of International Finance.
3. Differentiate Foreign Direct Investment from Foreign Institutional Investment.
4. Write a note on “Financial Crisis in Post Brettonwoods Era”.
5. Explain the various types of accounts in Balance of Payments.
6. Discuss any four Financial Instruments in Global Foreign Exchange Market.

7. Explain the various determinants of Exchange rate behavior.
8. Critically examine the progress of World Bank.
9. Explain the Drawbacks of SDRs Scheme.

Section-C **2×16=32**

(Long Answer Type Questions)

Note :- Answer any *two* questions. You have to delimit your each answer maximum upto **500** words. Each question carries 16 marks.

10. Classify of Financial Markets on the basis of nature, maturity, tenure and delivery.
11. What do you mean by International Trade Flow ? Explain the various factors affecting International Trade Flows.
12. What do you mean by Foreign Exchange Rate ? Explain the advantages and disadvantages of Floating Exchange Rate.
13. What do you mean by exchange control ? Explain the various methods of exchange control.