

M.Com. HPP (FFS) Sem.-4 Examination

CC-20

International Finance

April-2025

Time : 2-30 Hours]

[Max. Marks : 70

- Q.1 What is International Financial Management? Discuss in detail International business and its modes. 14
- OR
- Q.1(a) Explain the structure of Balance of payment. 7
- Q.1(b) Discuss the Nature of International Finance Functions. 7
- Q.2 Define Foreign Exchange Exposure. Explain transaction exposure and translation exposure. 14
- OR
- Q.2 (a) Define Foreign Exchange market and discuss its features. 7
- Q.2 (b) Write a note on Real Operating Exposure. 7
- Q.3 Define F.D.I. Explain in brief cost and benefits of F.D.I 14
- OR
- Q.3 (a) Discuss Problem of International Investment. 7
- Q.3 (b) Discuss the concept of optimal portfolio. 7
- Q.4 Write short note on World bank. 14
- OR
- Q.4 (a) Explain Stages of internationalization of banks. 7
- Q.4 (b) Explain in detail any two techniques of managing interest rate risk. 7
- Attempt any Seven out of Twelve: 14
- Q.5 1. What is meant by 'Disequilibrium' in the Balance of Payments?
 A) A surplus in all financial accounts
 B) A perfect balance between exports and imports
 C) An imbalance where inflows do not equal outflows
 D) A situation where only the capital account is affected
2. What was the Bretton Woods System designed for?
 A) To create a global cryptocurrency
 B) To establish a fixed exchange rate system
 C) To eliminate international financial markets
 D) To restrict multinational corporations from investing abroad
3. What does an exchange rate mechanism determine?
 A) How national governments set fiscal policies
 B) The value of one currency in terms of another
 C) The interest rates within a single economy
 D) The stock market regulations in different countries

