

VI Semester B.B.A. Examination, September 2020 (CBCS) (Fresh + Repeaters) (2016-17 and Onwards) BUSINESS ADMINISTRATION

Paper - F.N: 6.5: Elective Paper - III: International Finance

Time: 3 Hours

Max. Marks: 70

Instruction: Answers should be written in English only.

SECTION - A

1. Answer any 5 sub-questions. Each sub-question carries 2 marks. (5×2=10)

- a) What is exchange rate?
- b) State any two advantages of gold standard.
- c) Expand ADR and FERA.
- d) State any two international debt instruments.
- e) What is future contract?
- f) What is international liquidity?
- g) Expand IDA and IBRD.

SECTION - B

Answer any 3 questions. Each question carries 6 marks.

 $(3 \times 6 = 18)$

- 2. Differentiate between domestic and international finance.
- 3. Explain the factors affecting foreign exchange rate.
- 4. Briefly explain the steps in portfolio management.
- 5. Bring out the differences between forwards and futures.
- 6. What are the functions of IMF?



SECTION - C

Answer any 3 questions. Each question carries 14 marks.

 $(3 \times 14 = 42)$

- 7. Briefly explain the different methods of payment.
- 8. Briefly explain the advantages and disadvantages of fixed exchange rate.
- 9. What are the benefits and risks associated with globalization of financial markets?
- 10. What is hedging? What are the different techniques of hedging?
- 11. Write short notes on:
 - a) Objectives of IMF
 - b) International Development Association
 - c) Special Drawing Rights.