

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA (AM) SEMESTER 09 - EXAMINATION – SUMMER-2018**

**Subject Code: 4190541****Date: 30/04/2018****Subject Name: International Finance****Time: 2:30 PM To 5:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1** (a) What do you mean by International Business? Which factors should be considered by MNC company before commencing business at abroad? **07**
- (b) What is the scope & importance of international finance? Elaborate the challenges of international finance. **07**
- Q.2** (a) Write a note on Gold Standard v/s Bretton Wood System. **07**
- (b) Explain the process of LC? Elaborate various type of letter of credit. **07**
- OR**
- (b) What do you understand by Balance of Payment? What are the components of BOP? **07**
- Q.3** (a) Write a note on World Trade Organization & International Monetary Fund. **07**
- (b) Explain the foreign exchange market. Who are the participants in foreign exchange market? **07**
- OR**
- Q.3** (a) Explain the forward & future exchange contract. Differentiate both the contracts with hypothetical example. **07**
- (b) Differentiate Purchasing Power Parity & Interest Rate Parity with hypothetical example. **07**
- Q.4** (a) Define euro market. Elaborate the types of euro bonds? **07**
- (b) Elaborate the Global Depository Receipt process in detail. **07**
- OR**
- Q.4** (a) What is the role of EXIM bank in foreign exchange market? **07**
- (b) What is FDI? What are the advantages & disadvantages of Foreign Direct Investment? **07**
- Q.5** (a) Briefly explain the different types of risks in international finance. Justify risk v/s exposure. **07**
- (b) What do you mean by exposure? How it affects to the international business? **07**
- OR**
- Q.5** (a) Elaborate centralized cash management system in international business with suitable example. **07**
- (b) Write a note on: Arbitrage, Speculating, Hedging & Trading. **07**

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