

**GUJARAT TECHNOLOGICAL UNIVERSITY****MBA(AM) - SEMESTER- IX EXAMINATION – WINTER 2019****Subject Code: 4190541****Date: 14/11/2019****Subject Name: International Finance****Time: 10:30AM to 01:30PM****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 is the meaning of International Finance? How it differs from domestic Finance? **07**
- (b) Explain interest rate Parity. Discuss the implications of interest rate parity for exchange rate determination. **07**
- Q.2** (a) What are INCO terms? Explain any three of your choice **07**
- (b) What is Exposure? Broadly, Explain the three different types of Exposure in International Business **07**
- OR**
- (b) Describe the major functions of WTO **07**
- Q.3** (a) What do you understand by L/C? Explain mechanism of L/C **07**
- (b) Discuss major types of International Banking offices in detail **07**
- OR**
- Q.3** (a) Describe the balance of payment identity and discuss its implications under fixed and flexible exchange rate regime **07**
- (b) Explain forward premium and discount with the help of an example **07**
- Q.4** (a) What are multinational corporations (MNCs) and what economic roles do they play? **07**
- (b) What is the procedure of opening Letter of Credit? Explain four types of letter of credit **07**
- OR**
- Q.4** (a) Explain various types on international banks **07**
- (b) Write a note on: 1) ADR and GDR      2) Bilateral and Multilateral Netting **07**
- Q.5** (a) Explain the functions of EXIM bank in detail **07**
- (b) Examine the types of risk covered by ECGC to help Indian exporters and banks. **07**
- OR**
- Q.5** (a) Write a note on Purchasing Power Parity **07**
- (b) Explain the techniques for hedging transaction exposure **07**

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