



- 66 -

V Semester B.Com. Examination, Nov./Dec. 2015
(2014-15 and Onwards) (Semester Scheme) (F + R)
COMMERCE

Paper – 5.6 : Elective – 2 (Paper – II) : International Finance

Time : 3 Hours

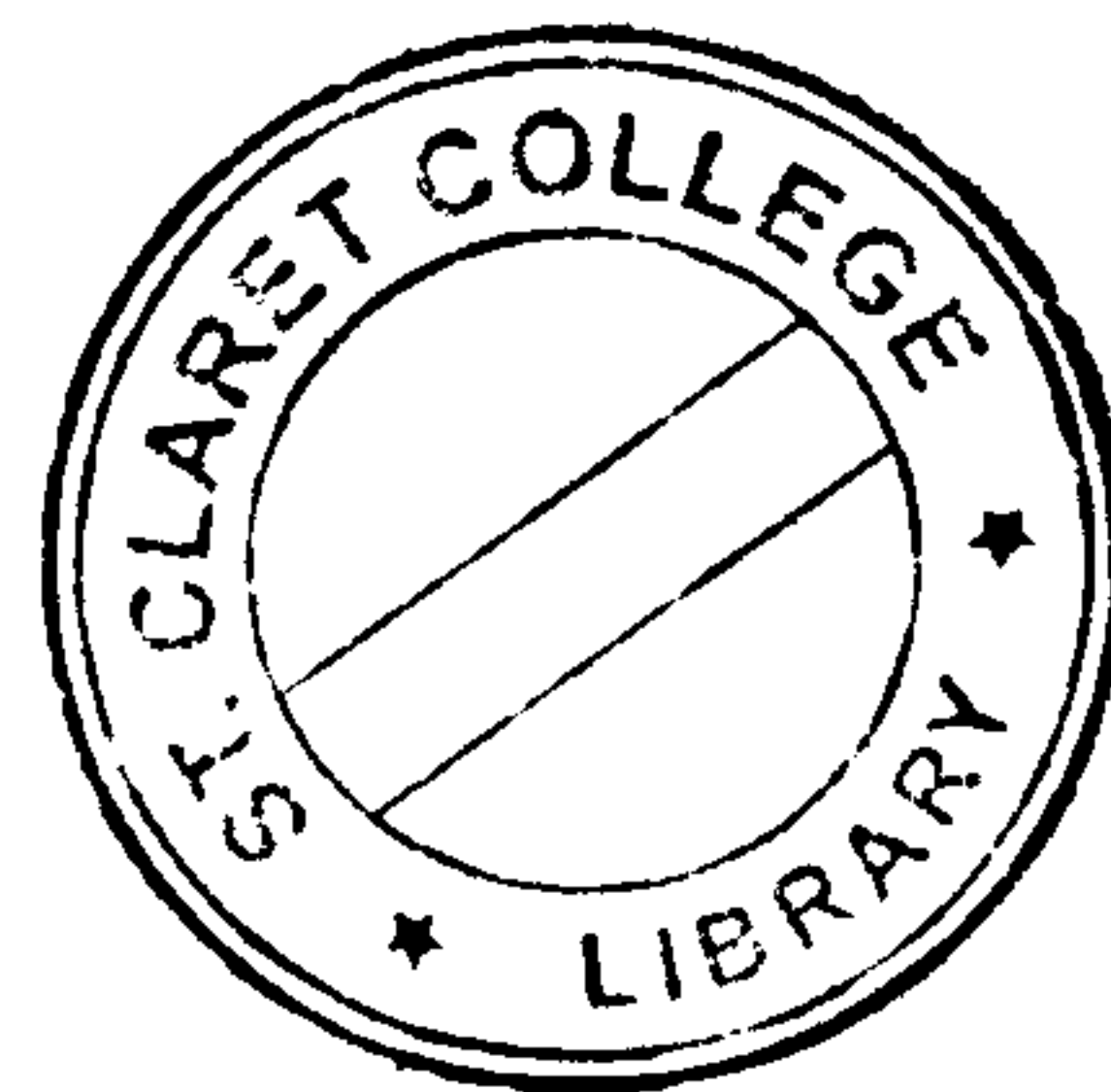
Max. Marks : 100

Instructions : Answer **all** questions either **completely** in **English** or in **Kannada**.

SECTION – A

I. Answer **any ten** sub-questions. **Each** sub-question carries **two** marks. (10×2=20)

- a) What is speculation ?
- b) What is letter of credit ?
- c) What is international finance ?
- d) Expand MMP and MAPS.
- e) What is international portfolio ?
- f) What is foreign exchange risk ?
- g) What are swaps ?
- h) Mention the types of ADRs.
- i) What is fixed exchange rate ?
- j) Write any four advantages of globalisation.
- k) What is international liquidity ?
- l) What are commercial papers ?



SECTION – B

Answer **any four** questions. **Each** question carries **eight** marks.

(4×8=32)

2. Write the structure of IMF.
3. What are international financial markets ? What are the benefits of international financial markets ?

P.T.O.



4. What are the characteristics of future contract ?
5. Distinguish between domestic finance and international finance.
6. What is FEMA ? What are the objectives of FEMA ?

SECTION – C

Answer **any three** questions. **Each** question carries **sixteen** marks. **(3×16=48)**

7. What is IBRD ? What are the objectives of IBRD ?
8. What is forward contract ? What are the features, advantages and disadvantages of forward contract ?
9. What are the forms of foreign exchange rate and what are the factors affecting foreign exchange rate ?
10. What is BOP ? What are the measures to correct disequilibrium in BOP ?