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**NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, NIET BUSINESS SCHOOL,
GREATER NOIDA**

(An Autonomous Institute Affiliated to AKTU, Lucknow)

PGDM (Global)

TRIMESTER: II - THEORY EXAMINATION (2024 -2025)

Subject: International Financial Management

Time: 2.5 Hours

Max. Marks: 60

General Instructions:

IMP: Verify that you have received the question paper with the correct course, code, branch etc.

1. This Question paper comprises of three Sections -A, B, & C. It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.

2. Maximum marks for each question are indicated on right -hand side of each question.

3. Illustrate your answers with neat sketches wherever necessary.

4. Assume suitable data if necessary.

5. Preferably, write the answers in sequential order.

6. No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.

SECTION-A

15

1. Attempt all parts:-

1-a. Following is a key component of the financial environment CO1 K1

1

- (a) Banking system
- (b) Natural resources
- (c) Weather conditions
- (d) Political stability

1-b. Eurobonds are issued in a currency that is:CO2 K1

1

- (a) The same as the issuing country
- (b) Different from the country of issuance
- (c) Always in USD
- (d) Always in EUR

1-c. A Eurobank refers to a bank that:CO3 K1

1

- (a) Operates in the Eurozone
- (b) Deals in a currency different from its home country
- (c) Provides only retail banking services
- (d) Is regulated by the European Central Bank

1-d. ADRs (American Depository Receipts) allow foreign companies to:CO4 K1

1

- (a) Issue bonds in the U.S.
- (b) Raise capital in European markets

| | | |
|------|---|----|
| (c) | Trade their shares on U.S. stock exchanges | |
| (d) | Avoid currency fluctuations | |
| 1-e. | primary motive of FDI CO5 K1 | 1 |
| (a) | Short-term profit maximization | |
| (b) | Gaining long-term strategic control | |
| (c) | Speculative gains | |
| (d) | Currency trading | |
| 2. | Attempt all parts:- | |
| 2.a. | Explain the key components of international finance CO1 K4 | 2 |
| 2.b. | Define international bond market CO2 K2 | 2 |
| 2.c. | Define the role of the IMF CO3 K2 | 2 |
| 2.d. | Define Euro Commercial Paper (Euro CP). CO4 K2 | 2 |
| 2.e. | Explain key motives for FDI CO5 K5 | 2 |
| | <u>SECTION-B</u> | 15 |
| 3. | Answer any <u>three</u> of the following:- | |
| 3-a. | How does foreign exchange risk impact multinational corporations? CO1 K2 | 5 |
| 3-b. | Explain the functions and significance of the international bond market.CO2 K5 | 5 |
| 3-c. | Compare and contrast offshore banking and domestic banking.CO3 K4 | 5 |
| 3-d. | Explain how foreign bonds impact the global financial system.CO4 K5 | 5 |
| 3.e. | Explain the key differences between FDI and FII.CO5 K3 | 5 |
| | <u>SECTION-C</u> | 30 |
| 4. | Answer any <u>one</u> of the following:- | |
| 4-a. | Examine the relationship between globalization and international financial markets.CO1 K5 | 6 |
| 4-b. | Discuss the importance of regulatory frameworks in international finance.CO1 K3 | 6 |
| 5. | Answer any <u>one</u> of the following:- | |
| 5-a. | Analyze the role of the Eurocurrency market in global financial stability.CO2 K2 | 6 |
| 5-b. | Discuss the major financial instruments in the international money market.CO2 K3 | 6 |
| 6. | Answer any <u>one</u> of the following:- | |
| 6-a. | Compare and contrast the functions of the IMF and the World Bank.CO3 K3 | 6 |
| 6-b. | How do multinational corporations utilize international banking for expansion CO3 K2 | 6 |
| 7. | Answer any <u>one</u> of the following:- | |
| 7-a. | Evaluate the impact of ADRs and GDRs on global equity financing.CO4 K3 | 6 |
| 7-b. | Evaluate the impact of Euro equity in developing countries.CO4 K3 | 6 |
| 8. | Answer any <u>one</u> of the following:- | |

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|------|--|---|
| 8-a. | Analyze the long-term impact of FDI on a host country's economy.CO5 K3 | 6 |
| 8-b. | Evaluate the impact of FDI on employment generation in developing economies.CO5 K3 | 6 |

REG:JULY_DEC-2024