

TB206735W

Reg. No :

Name :

BMS DEGREE (C.B.C.S.) EXAMINATION, MARCH 2023
(2020 Admission Regular, 2019, 2018 Admissions Supplementary)
SEMESTER VI - CHOICE BASED CORE (INTERNATIONAL BUSINESS)
MS6B22B18 - MULTINATIONAL BUSINESS FINANCE

Time : 3 Hours

Maximum Marks : 80

Part A

I. Answer any Ten questions. Each question carries 2 marks

(10x2=20)

1. Apple Inc. has production facilities across the globe. Is it an MNC or TNC. Why?
2. List any two advantages of MNC.
3. Why do you think the Asian Development Bank was formed?
4. List the six operational areas of Asian Development Bank.
5. What is SDR?
6. What do you understand by forward transaction?
7. Define foreign exchange market.
8. Explain weighted average cost of capital.
9. Expand and explain IFM.
10. With the help of an example explain FII.
11. For a country FDI or FII, which is preferred most? Justify your answer.
12. List out few investment strategies of FIIs.

Part B

II. Answer any Six questions. Each question carries 5 marks

(6x5=30)

13. Why do you think borrowers borrow in international market despite the risks involved?
14. World markets are highly imperfect – Is this a challenge or an opportunity for international finance. Substantiate your stand with examples
15. Discuss how international financial institutions contribute in the foreign market coordination using the example of any one such institution you are familiar with.
16. Explain the different types of floating rate systems.
17. Discuss the role of India in OECD - Organisation for Economic Co-operation and Development.
18. What is arbitrage? Explain using an example.
19. Explain Capital asset pricing method.
20. Explain the objectives of multinational financial management? What are the various aspects of world economy which have given rise to international financial management?
21. Briefly explain different strategies adopted by FII.

Part C

III. Answer any Two questions. Each question carries 15 marks

(2x15=30)

22. There are a large number of challenges that international finance markets offer. In spite of this, the creditors, borrowers and investors do business in International markets. Discuss the major motivational factors.

23. Trace the development of the world monetary system from the pre-world war era till date.
24. Using adequate examples, explain the following concepts – Swaps, Arbitrage, Hedging and Option
25. Explain different investment strategies of FIIs.