

TB246303W

18-4

Reg. No :

Name :

BACHELOR'S DEGREE (C.B.C.S) EXAMINATION, MARCH 2024

2021 ADMISSIONS REGULAR

SEMESTER VI -B.M.S 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. List any two motivations for investors to invest in foreign markets despite the risks associated.
2. List any two disadvantages of TNC.
3. Explain "beggar-thy-neighbour" policy.
4. Why do you think the Asian Development Bank was formed?
5. How is clean floating and dirty floating different?
6. What is Covered Interest Arbitrage?
7. How is Forex important for businesses?
8. What is country risk of foreign investment?
9. Recall your understanding on foreign investment.
10. What is cash pooling?
11. What is a Letter of Credit? Identify its merits.
12. Mention the advantages of Consignment.

Part B

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

(6x5=30)

13. World markets are highly imperfect – Is this a challenge or an opportunity for international finance. Substantiate your stand with examples
14. What are the factors that motivate companies to go international?
15. Explain in brief the Post Bretton Woods era in terms of foreign exchange.
16. Explain the different types of floating rate systems.
17. What is floating rate system? What are the advantages of floating rate system?
18. Discuss the difference between Forward Premium and Forward Discount.
19. Explain Balance of Payment theory.
20. Distinguish between External Assistance and ECB.
21. Write a short note on International payment system.

Part C

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

(2x15=30)

22. Explain MNC and TNC. Elaborate on their advantages and disadvantages.
23. The international monetary system has seen waves of change since its beginning in the pre-world war era. Discuss this development.
24. Discuss the functions and features of Foreign Exchange Market.
25. Elaborate on the methods of payment in international business.

