

V Semester B.Com. Examination, November/December 2017  
(Repeaters) (2016-17 only) (CBCS)

COMMERCE

5.6 Elective Paper – II : International Finance

Time : 3 Hours

Max. Marks : 70

**Instruction :** Answer should be written either in **English** or **Kannada**.

SECTION – A

Answer any 5 questions. Each question carries 2 marks.

(5×2=10)

1. a) What is foreign exchange risk ?
- b) Mention the types of ADR's.
- c) What are commercial papers ?
- d) What is international portfolio ?
- e) What is international finance ?
- f) What do you mean by letter of credit ?
- g) What is speculation ?

SECTION – B

Answer any three questions. Each question carries six marks.

(3×6=18)

2. Explain the methods of payments in brief.
3. Write the features of balance of payment account.
4. Explain the stages of globalisation.
5. Distinguish between future and forward contract.
6. Explain the problems of international liquidity.

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SECTION - C

Answer **any 3** questions. **Each** question carries **14** marks.

**(14×3=42)**

7. What are the purposes of IMF ? Distinguish between IMF and World Bank.
8. Explain the advantages of globalisations ?
9. What are the reasons for disequilibrium in balance of payment ? Explain the methods of correcting it.
10. Explain the various tools and techniques of foreign exchange risk management.
11. Explain in detail issues of international finance.