


Name: Enrolment No:			
UPES End Semester Examination, May 2024			
Course: BBA LLB Program: International Finance Course Code: CLNL 1039		Semester: II Time : 03 hrs. Max. Marks: 100	
SECTION A (5Qx2M=10Marks)			
	Multiple Choice Questions	Marks	CO
Q 1	Which of the following is a primary reason for a company to undertake an IPO? A. To raise capital for expansion and growth. B. To reduce the control of existing shareholders. C. To increase the company's debt levels. D. To decrease the company's visibility in the market.	2	CO1
Q2	Which component of the Balance of Payments records trade in goods and services? A. Current Account B. Capital Account C. Financial Account D. Reserve Account	2	CO1
Q3	What role do central banks play in the foreign exchange market? A. They facilitate currency speculation B. They regulate interest rates C. They intervene to stabilize exchange rates D. They provide liquidity to the market	2	CO2
Q4	What is the primary difference between shares and debentures? A. Shares represent ownership in a company, while debentures represent debt. B. Shares have fixed returns, while debentures offer variable returns.	2	CO1

	C. Shares have maturity dates, while debentures do not. D. Shares are issued by governments, while debentures are issued by corporations.		
Q5	What is one of the primary functions of the International Monetary Fund (IMF)? A. Regulating global stock markets B. Providing aid for education initiatives C. Facilitating international trade agreements D. Stabilizing exchange rates and lending to countries in need	2	CO2
SECTION B (4Qx5M= 20 Marks)			
	Attempt all the Questions	Marks	CO
Q 6	What is currency pegging. What are the different types of currency pegs?	5	CO2
Q 7	Describe the concept of net present value (NPV) and its role in capital budgeting analysis.?	5	CO1
Q 8	What are the advantages and disadvantages of investing in Treasury bills for individual and institutional investors ?	5	CO2
Q 9	Explain futures contracts, and how do they differ from options contracts?	5	CO2
SECTION-C (2Qx10M=20 Marks)			
	Attempt all the Questions	Marks	CO
Q 10	Compare and contrast the Balance of Payments of developed and developing countries? Discuss the key differences in their composition, challenges, and policy implications.	10	CO3
Q 11	Explain the functions of primary and secondary capital markets. What are the key differences between these two markets, and how do they complement each other in the overall capital market ecosystem?	10	CO3
SECTION-D (2Qx25M=50 Marks)			
	Attempt all the Questions	Marks	CO
Q 12	Analyse the concept of a managed exchange rate system. How does it differ from both fixed and floating exchange rate systems? Discuss the role of	25	CO4

	central banks in managing exchange rates and provide examples of countries that have employed this approach.		
Q 13	Compare and contrast the approaches of major international organizations such as the World Bank, International Monetary Fund (IMF), and World Trade Organization (WTO) towards economic development. Evaluate their effectiveness in addressing the unique challenges faced by different countries?	25	CO3