

Following Paper ID and Roll No. to be filled in your Answer Book.

**PAPER ID : 9120**

Roll  
No.

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**Int. LLB Examination 2015-2016**

**(Fourth Semester)**

**INT. BUSINESS AND INT. FINANCIAL  
MANAGEMENT**

*Time : 3 Hours]*

*[Maximum Marks : 100*

**Note :-** The question paper contains five parts. All parts are compulsory.

1. Attempt any four questions of following :  $5 \times 4 = 20$ 
  - (a) What do you understand by International Business? State the parameters which make the international business different from normal business.
  - (b) Illustrate the difference between Adam Smith's absolute advantage theory and Ricardo's comparative advantage theory.
  - (c) What is the difference between Foreign Direct Investment and Foreign Portfolio Investment? Which is good for country and why?

***[P. T. O.***

- (d) What are multilateral corporations? How do they work? Discuss the benefits and limitations of MNC's in India.
  - (e) Explain the various exchange rate mechanics. How do they bring about balance of payment correction?
  - (f) Discuss the major variable governing the international organized control system. How is organisational control directly linked with corporate objective?
2. Attempt any two of the following :  $10 \times 2 = 20$
- (a) Discuss the challenges faced in international human resource management. How does it differ from domestic human resource management?
  - (b) Explain the cross cultural differences in the global organisation with example.
  - (c) Discuss the repatriation methods followed by international firms.
3. Attempt any two of the following :  $10 \times 2 = 20$
- (a) Explain the measures and their effect, which all taken to rectify BOP problems.

- (b) Explain the purchasing power parity theory. How it is an improvement over earlier theories?
- (c) What is the currency risk? In what ways can India reduce the currency risk, if it invests heavily in neighbouring countries?
4. Attempt any four of the following :  $5 \times 4 = 20$
- (a) What is the foreign exchange risk? Explain the features of ADR, GDR, Foreign bond, Euro bond and SDR.
- (b) What is meant by Cash Mobilization? Why centralization of cash management is necessary prerequisite for cash mobilization?
- (c) What do you understand by Foreign Institutional Investor "Hot Money"? Discuss its merits and demerits.
- (d) Conceptualize the country wide risk of the investment decisions and environment scenario analysis by MNCs.
- (e) Explain the difference between export financing and import financing. What is DA, DP and L/P?

*[ P. T. O. ]*

- (f) Mohan is borrowing Rs. 50,000 to buy a low income group house. If he pays equal installments for 25 years and 4% interest on outstanding balance. What is the amount of installment? What shall be the amount of installment if quarterly payments are required to be made?
5. Attempt any two of the following :  $10 \times 2 = 20$
- (a) Explain the process of merges, acquisitions strategic-tie-up and take-over with examples.
- (b) What are Tariff and Non-tariff barriers? How does it affect the International Trade?
- (c) Discuss the features of International Project Appraisal.

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