

Enroll No

K.E.Society's
Rajarambapu Institute of Technology, Rajaramnagar
(An Empowered Autonomous Institute, affiliated to SUK)
Unit Test -I (2025-26)

Q.P. Code
UT 3069

S.Y. M.B.A.

Course Code: MGF2054

Course Name: International Finance

Day & Date: Thursday, 14/8/2025

Time: 3.45pm -4.45pm

Max Marks- 25

- Instructions:**
- 1) All questions are compulsory.
 - 2) Figures in rounded() brackets within the question, indicate the scheme of marking for respective part of the question, whereas, figures in the first right column indicate total marks for that whole question.
 - 3) CO is the index number of the Course Outcome statement.
 - 4) The Bloom's taxonomy level (BL) for 1,2,3,4,5 and 6 is remember, understand, apply, analyze, evaluate and create respectively.
 - 5) Assume suitable data if necessary.
 - 6) Use of non-programmable calculators is allowed

	Marks	BT Level	COs
Q.1 Explain the major differences between domestic financial management and international financial management.	8	4	1

Or

Q.1 Analyze the role and objectives of the International Monetary Fund (IMF) in maintaining global financial stability.	8	4	1
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- Q.2 In 2023, Country X reported a negative balance on its current account, with a large deficit in merchandise trade. However, it recorded a surplus in the capital account due to high foreign direct investment inflows. The central bank increased its foreign exchange reserves during the year.

Questions:

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|--|---|---|---|
| a) Explain how the current account, capital account, and official reserve account contribute to overall balance of payments. | 4 | 2 | 1 |
| b) Apply balance of payments principles to evaluate whether Country X is in a strong or weak external financial position. Justify your answer. | 4 | 3 | 1 |

Q.3 Describe the different types of exchange rate quotations: direct, indirect, and two-way quotation, with suitable examples.	9	4	2
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