

Roll No.

12050

**MBA 2 Year 3rd Semester (CBCS)
Examination – December, 2019**

FOREIGN EXCHANGE MGT.

Paper : 17IMO723GI1

Time : Three Hours] [Maximum Marks : 80

Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.

Note : Attempt *compulsory* Question No. 1 from Section-A and *four* questions from Section-B by selecting one question from each Unit. All questions carry equal marks.

SECTION – A

1. Write a short note on the following : 8 × 2

(a) Define Foreign Exchange

- (b) Balance of payment
- (c) Overshooting
- (d) Depreciation
- (e) Spot market
- (f) Bid-spreads
- (g) Over-the-counter options
- (h) Euro Currency

SECTION – B

UNIT – I

- 2. Explain the different sources of demand for and supply of foreign exchange with examples. 16
- 3. Discuss the detail procedure of Exchange Rate System. 16

UNIT – II

- 4. What are the general factors of exchange rate fluctuations? 16

- 5. Discuss the role of central banking intervention for exchange rate stability. 16

UNIT – III

- 6. Explain the nature, functions and participants of foreign exchange market. 16
- 7. Discuss in detail the International Fishes Effect. 16

UNIT – IV

- 8. What are the basic techniques of exposure management? 16
- 9. Discuss the importance of foreign exchange regulation in India. 16