

Seat No. : \_\_\_\_\_

**AE-147**

April-2019

**5<sup>th</sup> Year M.B.A. Integrated, Sem.-X**

**International Financial Management  
(Finance)**

**Time : 2:30 Hours]**

**[Max. Marks : 70**

1. Discuss the different funding facilities through which IMF provides balance of payments support to member countries. **14**

**OR**

- (A) Explain the procedure of the issue of international bonds. **8**
- (B) Write a note on the functions of ADB. **6**
2. (A) What is swapping of forward contracts ? Explain swapping of forward option swap and forward forward swap with the help of suitable examples. **8**
- (B) Answer the following : **6**
- (1) A one month forward deal was contracted on 29<sup>th</sup> January, 2019, what would be the settlement date for the forward deal ?
- (2) An Indian exporter expects depreciation of US dollar while exporting goods of US \$ 1,000. So he goes for selling US \$ 1,000 one month forward coinciding the time of receipt for the exports. The spot rate and the forward rate are ₹ 72 and ₹ 72.50 per US dollar. Suppose the future spot rate on the maturity is ₹ 73, will the forward deal be beneficial ?
- (3) If the exchange rate quoted by Bank X is USD/INR: 45.50/45.65. At the same time, the quote from Bank Y is USD/INR: 45.25/45.40. Explain how the arbitrageur will make profit.

**OR**

Explain the PPP theory. Does the PPP theory hold good in real life ?

**14**

3. What is translation exposure ? Explain different methods of translation. 14

**OR**

(A) An Indian importer imports goods worth \$ 70,000. He expects an appreciation of dollar. So he goes for hedging the risk. The currency market has the following data : 7

- (1) Spot rate on the date of contract is ₹ 72/\$.
- (2) Three month forward rate is ₹ 72.5/\$.
- (3) Strike rate in a three month call option is ₹ 72.60/\$ with 5% premium.
- (4) Strike rate in a three month put option is ₹ 72.80/\$ with 5% premium.
- (5) Spot rate on the date of payment/maturity is ₹ 72.90/\$.

Will he go for hedge ? If so, which of the options he will select ?

(B) Explain the production strategy to hedge against real operating exposure. 7

4. An Indian company is making an appraisal of its project to be set up with its subsidiary in the USA. The initial project cost amounts to US \$ 1,25,000 which, as expected will add ₹ 30 lakh to the Indian company's borrowing capacity over a period of three years. A sum of ₹ 40 lakh of the initial investment is met by the Indian parent and the remaining \$ 25,000 is borrowed at 10 per cent rate of interest in the USA. The project has a life of three years. The net operating cash inflow is \$ 50,000, \$ 60,000 and \$ 72,000 respectively in the first, second and third year. The salvage value is expected to be \$ 10,000.

The spot exchange rate is ₹ 40/\$. It is assumed that PPP holds with no lag and that real prices remain constant in both absolute and relative terms. Hence the sequence of exchange rate reflects anticipated annual rates of inflation equating 8 percent in rupees and 5 percent in dollar. Depreciation allowances amount to ₹ 15 lakh in a year for three years. Tax rate is 30 per cent in India and 25 per cent in the USA. Expected tax saving from intra-firm transfer pricing ₹ 50,000 a year in all the three years. Discount rate for cash flows assuming all equity financing is 20 per cent. Discount rate for depreciation/tax saving on interest deductions from contribution to borrowing capacity is 12 per cent. Discount rate relating to loan repayment is 20 per cent and on tax saving on account of transfer pricing is 25 per cent. Find the APV. 14

**OR**

Discuss the procedure to compute cash flow in international capital budgeting.

5. (A) Describe the procedure for obtaining customs clearance for export cargo. 7  
(B) Write a note on Bill of Lading. 7

**OR**

- (A) Write about the tax incentives provided to the foreign enterprises in India. 7  
(B) Explain the different bases of international tax system. 7
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**5<sup>th</sup> Year M.B.A. Integrated, Sem.-X**

**Seminar on Contemporary Issues in HR  
[HR]**

**Time : 2:30 Hours]**

**[Max. Marks : 70**

1. (a) People are most valued assets of an organization. Discuss giving examples, highlighting the importance of HR. 7  
(b) Discuss any two innovative practices in HRM citing examples. 7
  
2. (a) Discuss the People Capability Maturity Model in detail. How organization are benefitting from it ? 7  
(b) The biggest task of HR is retaining talent and managing knowledge. Elaborate and explain. 7
  
3. (a) Recession a time to think and identify star performers and under performers. Discuss the statement and analyze human resource planning in economic downturn. 7  
(b) Merger is not only financial or organizational, it is merger of two different set of employees. Discuss the role of HR in this aspect. 7
  
4. Write note on any **two** : 14
  - (1) Multi-cultural diverse workforce and organization's challenge.
  - (2) Measures taken for work- life balance by the organization.
  - (3) Better the quality of work -life more productive are the employees.
  
5. (a) 'Focus on core activities and outsource the non-core activities', this is the strategy of most of the organization. Discuss. 7  
(b) One of the areas that HR has to deal with is corporate social responsibility. Explain. 7

**AE-147**

April-2019

**5<sup>th</sup> Year M.B.A. Integrated, Sem.-X**

**Seminar on Contemporary Issues in Marketing-2019  
(Marketing)**

**Time : 2:30 Hours]**

**[Max. Marks : 70**

1. Identify the jargon underlying the following statements related to digital marketing and explain the concepts : [any **four**] **14**
- (A) One of the programs of Google which selects Web publishers based on their content and pays them for the ads displayed on their sites.
- (B) A component of e-CRM which aims at combining sales, support and marketing databases into a single repository that tracks interactions and helps in increasing its efficiency.
- (C) An advancement in the Web technologies which allow users to read, write and execute commands.
- (D) A type of online marketing domain where online exchanges of goods and information takes place between consumers.
- (E) A type of mobile marketing which uses camera and a QR code reader application.
2. Answer any **TWO** from the following : **14**
- (A) Why is Packaging considered to be the silent salesman of a brand ? Discuss in detail. Which innovative packaging designs have made the brands unique ?
- (B) Brand extensions may often not lead to the planned advantages and may prove to be wrong in the long run. Give your viewpoints on this statement with relevant examples.
- (C) Discuss the following concepts.
- (i) Consumer Based Brand Equity.
- (ii) Memorability and Transferability as criteria for choosing brand elements.

3. (A) Differentiate between the industrial markets and consumer markets. **6**
- (B) Write short notes on : (any **two**) **8**
- (a) Types of industrial customers
  - (b) Materials and Parts
  - (c) Types of Buying Situations
4. What considerations are important while dealing in rural markets ? How is rural communication and customer psyche different than their urban counterparts ? Discuss any one detailed example of a company which launched a rural marketing campaign successfully. **14**
5. Answer any **two** in detail : **14**
- (A) India is indeed the hub for film industry with so many films released every year. In modern times, fundamentals of movie promotion are changing. A new trend of establishing reach through varied platforms is fast mushrooming in the industry. The makers of the film have realized that doing roadshows, visiting colleges and malls and going to various cities creates an impact as the audience gets to see the stars live and there is a lot of noise created even in the social media. Recently, for the latest film ‘Junglee’, Times of India features JUMBO TALES, comic styled stories of Vidyut Jammwal aka Raj and his Junglee co-star Bhola on different themes on a daily basis. This has not only created great hype for the movie but discovered a new way to set the buzz on. Which concept or theory of marketing has been used by the launch of JUMBO TALES ? Explain the same in detail along with its implications.

(B) Dove - as a brand of Unilever, has been on a mission to help women look and feel beautiful by offering care products and educational workshops that focus on the value of body image and self worth. According to Dove's website in the past eleven years, since the DOVE SELF-ESTEEM PROJECT was launched, more than 6,25,000 teachers have delivered a Dove Self-esteem workshop and more than 1.5 million parents have engaged with the brand with its online content.

Which type of marketing has been used here ? What are the advantages for the same ? Give other examples of companies which have used the same.

(C) Why is behavioural targeting getting prominence in digital marketing ? Give detailed examples of companies which have used this as a tool.

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