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05M210

Candidate's Seat No.:

M.B.A. (FSN) (Sem.-IV) Examination
International Financial Management

Time : 3 Hours]

May-2017

[Max. Marks : 70

- Q.1 a) What do you mean by international business? Discuss the different modes of international business. 7
- b) Enlist the different types of trade settlement methods. 7
- OR
- b) Write a detailed note on World Trade Organization.
- Q.2 a) Explain balance of payment in detail. 7
- b) Do the different methods of translation arrive at different sizes of exposure? Explain. 7
- OR
- b) State the different techniques that an MNC can adopt to hedge transaction and real operating exposure.
- Q.3 a) State the different ways to manage political risk faced by a company? 7
- b) Explain the structure of foreign exchange market. 7
- Q.4 a) Explain the PPP theory. Is it applicable to both long term and short term? 7
- b) Write a short note on operating cash flow? Calculate the operating cash flow 7
- a) Sales in domestic market US \$ 14 million
- b) Export US\$ 4 million
- c) Replacement of parents Export US\$ 2 million
- d) Royalty Payment by Subsidiary US\$0.5 million
- e) Parents export of commodities to subsidiary US\$ 3 million
- f) Dividend flow to the parent US\$ 0.5 million
- OR
- b) State the IRP theory. Suggest whether it is sufficient to explain the forward exchange rate.
- Q.5 a) State the procedure of equity financing? 7
- b) Discuss the different types of bonds. Explain the procedure for issuing the bonds? 7
- OR
- b) Write a note on Computation of cash flow in International capital budgeting?
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