

Roll No.

Total Pages : 2

MBA/M-16

11523

INTERNATIONAL FINANCIAL MANAGEMENT

Paper : MBAFM-202

Time : Three Hours]

[Maximum Marks : 80

Note : Attempt *five* questions in all. Q. No. 1 is compulsory. Select *one* question form each unit. All questions carry equal marks.

Compulsory Question

1. Describe the following :
 - (a) International Bond Market.
 - (b) Multinational Financial System.
 - (c) Financial Swap.
 - (d) Balance of Payment.
 - (e) Euro-Currency Market.

UNIT-I

2. Both fixed and floating rates claim to promote exchange rate stability while controlling inflation. Is it possible for these two divergent systems to achieve the same goals ?
3. List out the problems encountered in transacting in Foreign exchange.

UNIT-II

4. Does the forward market lead to the spot markets or does the reverse occur ? Elucidate.

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[P.T.O.]

5. How can currency futures be used by (a) Corporations, and (b) Speculators ?

UNIT-III

6. When can an MNC's subsidiary consider using a "leading" strategy to reduce transaction exposure ?
7. How can a Centralised cash management system be beneficial to a MNC ?

UNIT-IV

8. Describe the various methods of Capital budgeting that are normally adopted by MNCs.
 9. Explain the important factors that should be assessed from the point of view of Income Tax while entering into Foreign collaboration agreement.
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