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Roll No.

CC-359

M.B.A. EXAMINATION, May 2017

(Third Semester)

(Re-appear Only)

FM-03

INTERNATIONAL FINANCIAL MANAGEMENT

Time : 3 Hours]

[Maximum Marks : 70

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

Note : Attempt *Five* questions in all, selecting at least *one* question from each Unit. All questions carry equal marks.

Unit I

1. What do you mean by International Financial Management (IFM) ? Why study of international financial management is important ? **14**

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P.T.O.

2. Briefly explain the following : **5+5+4**
- (a) Role of finance manager in global context
 - (b) Is balance of payments in equilibrium from accounting point of view ?
 - (c) IFM *versus* Domestic Financial Management.

Unit II

3. Write short notes on the following : **5+5+4**
- (a) Limitations of Foreign Exchange Market in India
 - (b) Exchange Rate Forecasting
 - (c) Types of Derivatives.
4. "A good understanding of futures, options, swaps and hedging is essential to take advantages of risk management tools." Elucidate with examples. **14**

Unit III

5. What do you understand by Translation Exposure ? Discuss the different steps in measuring translation exposure. **14**

6. How can you manage economic exposure ? Give the marketing and production initiatives of managing economic exposures. **14**

Unit IV

7. Explain the following with examples : **5+5+4**
- (a) Features of MNC's capital structure
 - (b) Importance of taxation aspects for multinational companies
 - (c) Funding avenues in global capital markets.
8. Enumerate in detail the variables that are unique to a multinational capital budgeting decisions. **14**