

2101131

**MASTER OF VOCATION**  
**Management Banking and Finance**  
**Subject: International Financial Management**  
**Subject Code: GPGE201**  
**Semester: Third**  
**January 2021**  
**Theory (External): 70 Marks**  
**Time: 03 Hours**

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**Instructions to the Students**

1. This Question paper consists of two Sections. All sections are compulsory.
2. Section A comprises 10 questions of objective type in nature. All questions are compulsory. Each question carries 2 marks.
3. Section B comprises 8 essay type questions out of which students need to do any 5. Each question carries 10 marks.
4. Read the questions carefully and write the answers in the answer sheets provided.
5. Do not write anything on the question paper.
6. Wherever necessary, the diagram drawn should be neat and properly labelled

**Roll Number**

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**SECTION –A (SHORT/OBJECTIVE TYPE QUESTIONS)**  
**(10x2=20 Marks)**

- A. What is International Financial Management?
- B. Explain FDI.
- C. Describe Merger and Acquisition.
- D. Define risk.
- E. What do you understand by time value of money?
- F. Explain BOP.
- G. What is WCM (Working Capital Management)?
- H. Describe Foreign Exchange Exposure.
- I. What is Arbitrage?
- J. Differentiate spot and forward.

**SECTION -B (ESSAY TYPE QUESTIONS)**  
**(5x10=50 Marks)**

1. What is IFM? Discuss the nature and scope of international financial decisions.
2. Write down short note on the following:
  - a) PPP Theory
  - b) IRP Theory
  - c) Fisher effect
  - d) Bid-ask spread
3. Explain the FEM (Foreign Exchange Market). Who are the participants in FEM? Explain Hedging and Speculation in Forward Market.
4. Describe Forward contract, Future contract, Delta Hedge, Cross Hedge and Options.
5. What is FDI? Discuss various strategies and major theories of FDI.
6. What is International Portfolio Management? Explain various sources of International finance.
7. What is counter trade? Explain different modes of payment in International trade.
8. What is International working capital management? How much and in which currency should surplus can be invested? How cash can be assessed?

**==END OF PAPER==**