

### SECTION-C

**Note:** Long answer type questions. Attempt any three questions. 3x10=30

- Q.3 Explain the meaning, scope as well as nature of "International Cash Management".
- Q.4 Discuss the need as well as importance of export credit Insurance. Mention their benefits also.
- Q.5 Discuss the meaning, importance as well as need of cost of capital in International finance.
- Q.6 Explain the sources of International finance. Mention their advantages also.
- Q.7 Describe the term "exposures". Mention their types as well as advantages.

No. of Printed Pages : 4

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### 4th Sem. / (FAA)

**Subject : International Financial Management.**

Time : 3 Hrs.

M.M. : 100

### SECTION-A

**Note:** Very Short Answer type questions. Attempt any 15 parts. (15x2=30)

- Q.1 a) Call options.  
b) Post-shipment Finance.  
c) Cost of Equity.  
d) Commodity Market.  
e) Balance of Payment.  
f) Forward Premium.  
g) Foreign Trade.  
h) Export Credit Insurance.  
i) Uses of foreign exchange.

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- j) Interest Rate parity.
- k) Capital structure.
- l) Cash forward.
- m) Transaction & Economic exposure.
- n) Futures.
- o) Swaps.
- p) Two example of forwards.
- q) Two advantages of cash Management.
- r) Risk & Rewards.

### SECTION-B

**Note:** Short answer type questions. Attempt any ten parts 10x4=40

- Q.2
- i) Concept of Future contract.
  - ii) Objectives of Profit Maximization.
  - iii) Define the concept of "Interest Rate Parity".

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- iv) Sources of International Finance.
- v) Risk involves in International Finance.
- vi) Advantages of export credit finance.
- vii) Objectives of EXIM Bank.
- viii) How would you determine cost of Equity?
- ix) What is cash spot?
- x) Distinguish economic & Transaction exposure.
- xi) Pre-requisites of good capital structure.
- xii) Features of commodity market.
- xiii) What type of documentation is requires for foreign trade?
- xiv) Define the term Risk.
- xv) Explain the concept of optimum capital structure.

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