

SECTION - A (5 x 3 = 15 Marks)**Answer FIVE questions.**

The answer shall not exceed 1 page each.

1. Answer any FIVE of the following in brief.

- a) Spot market
- b) Capital convertability
- c) Political risk
- d) Trade surplus
- e) Forex market
- f) LOC
- g) Special drawing rights
- h) Inventory management
- i) Transfer pricing
- j) International Cash Flows

SECTION - B (5 x 12 = 60 Marks)**Answer FIVE questions**

The answer shall not exceed 5 pages each

- 2. a) Describe the factors affecting the environment of International Financial Management.
OR
- b) Explain the features of International Finance.
- 3. a) What are the components of balance of payment? Explain its impact on forex reserves.
OR
- b) Describe the role of International Financial Institutions in International Finance.
- 4. a) Differentiate forward contracts from future contracts.
OR
- b) What is option? Explain various types of options.
- 5. a) Explain the channels of International flow of funds.
OR
- b) Explain how the currency crisis can be managed.
- 6. a) Discuss the working capital techniques followed by M.N.C.
OR
- b) Explain the factors influencing the capital structure of multinational firms.