

207

Subject Code—7422

M.B.A. EXAMINATION

(Fourth Semester)

(2 Years—New Scheme)

FM-406/507/IB-416/502

INTERNATIONAL FINANCIAL MANAGEMENT

Time : 3 Hours

Maximum Marks : 100

Note : Attempt any *Five* questions. All questions carry equal marks.

1. What are the possible advantages of foreign direct investment to the recipient host countries ?
2. Describe briefly the foreign investment policy adopted by Government of India under the new economic policy.

(2-06)

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3. What methods are used to appraise various projects ? Describe briefly any *two* of them.
 4. Write notes on the following :
 - (a) Cost of Equity
 - (b) Capital Rationing
 - (c) NPV Approach
 - (d) Financial Leverage.
 5. Explain an MNC's strategy of diversifying projects internationally in order to maintain a low level of overall country risk.
 6. Describe some potential benefits to the MNC's as a result of Direct Foreign Investment (DFI). Elaborate on each type of benefit.
 7. Discuss the significance of dividend policy in business decision. How can dividend policy decision influence the value of firm ?
 8. What do you understand by International Finance ? Explain the concept of 'Global Financial Market'.