



Code: 14E00407

MBA IV Semester Supplementary Examinations May 2019

INTERNATIONAL FINANCIAL MANAGEMENT

(For students admitted in 2014 (LC), 2015 & 2016 only)

Time: 3 hours

Max. Marks: 60

SECTION – A

(Answer the following: 05 X 10 = 50 Marks)

- 1 What is IFM? Discuss its significance and role in the world economy.

OR

- 2 Discuss the nature, scope and significance of international financial management.

- 3 What are the functions, transactions and structure of Forex markets?

OR

- 4 It is fallacious to say that gold has no role in the functioning of the international money and exchange markets. Discuss briefly.

- 5 What is exchange risk? How can it be managed?

OR

- 6 Differentiate among economic, operating and transaction exposures in foreign exchange market.

- 7 What is capital budgeting? Discuss various approaches to project evaluation.

OR

- 8 Give a note on risks and opportunities in investment decisions.

- 9 What are the sources and methods of raising capital in any firm? Discuss the advantages and limitations in each source of capital.

OR

- 10 Briefly explain the capital structure policies in practice in India with some examples.

SECTION – B

(Compulsory question, 01 X 10 = 10 Marks)

- 11 **Case Study/Problem:**

A bank is quoting the following rates:

\$/CHF Spot : 1.5975/80

2 – Month : 20/10

3 – Month : 25/15

\$/SAR Spot : 3.7550/60

SAR : Saudi Riyals

2 – Month : 20/40

3 – Month : 30/50

A firm wishes to buy Riyals against CHF 3-months forward with an option over the third month. What rate will the bank quote?

