



Code: 12E01402

MBA (Finance) IV Semester Regular & Supplementary Examinations July 2015

**INTERNATIONAL FINANCIAL MANAGEMENT**

(For students admitted in 2011, 2012 and 2013 only)

Time: 3 hours

Max Marks: 60

Answer any FIVE questions

All questions carry equal marks

\*\*\*\*\*

- 1 What is foreign exchange market? Discuss the structure of foreign exchange market.
- 2 Write short notes on:
  - (a) Features of balance of payments
  - (b) Fundamentals of balance of payments.
- 3 Write brief note on:
  - (a) Recommendations of Bretton Wood System.
  - (b) Need of international liquidity.
  - (c) Special drawing rights.
- 4 Define foreign exchange risk and exposure. Explain the economic exposure in detail.
- 5 What are the approaches to project evaluation in international capital budgeting? Explain.
- 6 (a) Is it correct to say that cost of capital varies between domestic and international capital budgeting. Explain  
(b) How do you calculate the cost of equity and cost of debt?
- 7 What do you mean by cash positioning? Should the surplus cash be centralized? Explain.
- 8 (a) What are the services rendered by IBRD?  
(b) Write the functions of IMF.  
(c) Write short notes on objectives of international development association.

\*\*\*\*\*