

Roll No.

Total Pages : 2

MBA/M-15

13135

INTERNATIONAL FINANCIAL MANAGEMENT

Paper-MBAFM-202

Time Allowed : 3 Hours]

[Maximum Marks : 80

Note : Attempt **five** questions in all, selecting at least **one** question from each Unit. Question No. **1** is compulsory. All questions carry equal marks.

Compulsory Question

1. (a) State the scope of Multinational Financial System.
(b) Differentiate between Accounting and Economic exposure.
(c) How can speculators use currency futures?
(d) Define Double taxation.
(e) What strategies are adopted to manage political risk in foreign investment decisions?

UNIT-I

2. What are the major weaknesses of the floating rate regime that lead to propose changing to a new International monetary order?
3. "Despite trend towards fewer currencies a single world currency seems unlikely in near future." Do you agree? Why or why not?

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UNIT-II

4. Critically evaluate the recent developments in the Forex market in India.
5. When should a company buy a call option for hedging?
When should a company buy a put option?

UNIT-III

6. Explain why economic exposure cannot arise from expected changes in the exchange rates. Does this hold true even if exchange markets are not efficient?
7. Highlight the major problems of International cash management. How can these problem be resolved?

UNIT-IV

8. Why do differences exist in the cost of capital across countries? Are they advantageous to MNC or not? Explain.
9. What is the significance of Capital structure decisions for MNCs? How are these decisions taken?