

MASTER OF BUSINESS ADMINISTRATION
(MBACN)

Term-End Examination
December, 2013

MCNE-018 : INTERNATIONAL FINANCIAL
MANAGEMENT

Time : 3 hours

Maximum Marks : 100

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

1. Discuss the complexities of international financial management as compared to domestic financial management.
2. What are the factors on which the value of an options contract depends ? How do the exporters and importers hedge in the market for currency options ?
3. How are the expected returns from single investment and expected returns from international investments calculated ? What are the basic problems in the optimisation of international investment portfolio ?
4. Explain the factors which needs to be analysed for foreign investment in projects.

5. Explain the different bases of international tax system. What are the major forms of taxes an international firm is subjected to ?
 6. Describe different types of foreign exchange exposures. Explain the techniques used for management of Transaction exposure.
 7. Explain Interest Rate Parity (IRP) and reasons for its deviation.
 8. Discuss the general functions involved in international cash management. How much and in which currency should surplus cash be invested ?
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