

00373

MANAGEMENT PROGRAMME

Term-End Examination

December, 2018

**MS-045 : INTERNATIONAL FINANCIAL
MANAGEMENT**

Time : 3 hours

Maximum Marks : 100

(Weightage : 70%)

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

1. What do you understand by International Financial Architecture ? Compare and contrast the Comparative Advantage Theory and Comparative Cost Theory.
2. What do you understand by Spot Exchange Market ? Discuss the role of major participants in this market.
3. Explain the Interest Rate Parity relationship, giving it's applications and reasons for deviation.
4. What are the different types of Exchange Rate Exposures ? Explain the techniques used to manage Translation and Economic exposure.

5. What are Depository Receipts ? Why are they issued and by whom ? Describe the characteristics of Global Depository Receipts (GDRs) and American Depository Receipts (ADRs). How are ADRs different from GDRs ?

 6. In what respects does international capital budgeting differs from domestic capital budgeting ? Explain the important issues pertaining to foreign investment.

 7. How does domestic working capital management differ from multinational working capital management ? Discuss the specific considerations that MNC must consider while formulating its working capital management policy.

 8. Describe the different kinds of international financial flows. Discuss the structure of balance of payments. What are the basic principles governing recording of the flows ?
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