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MS-45

MANAGEMENT PROGRAMME (MP)

Term-End Examination

June, 2024

**MS-45 : INTERNATIONAL FINANCIAL
MANAGEMENT**

Time : 3 Hours

Maximum Marks : 100

Weightage 70%

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

1. Analyse the origin of debt crisis of developing countries and explain in detail the causes of East Asian Crisis of 1997.
2. What do you mean by SDRs ? How do they help improve international liquidity ? Describe the different facilities through which the Member Countries receive Balance of Payment support from IMF.
3. What is Purchasing Power Parity (PPP) ? Describe its application and discuss the reasons for its deviation.
4. What is a currency option ? Describe the profit profile of writer and holder of call and put option.

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5. Describe different type of Exchange Rate Exposures and discuss the Internal Techniques for Management of Transaction exposure.
6. What are External Commercial Borrowings (ECBs) ? Explain the guidelines for Accessing ECB's through automatic route.
7. Why is cost of capital different across countries ? Explain how the cut-off rate for foreign projects determined.
8. Explain International Diversification for Portfolio Management and discuss the barriers to it.