

MANAGEMENT PROGRAMME

Term-End Examination

December, 2010

**MS-45 : INTERNATIONAL FINANCIAL
MANAGEMENT**

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

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

1. How does the International Monetary Fund raise the resources ? What are Special Drawing Rights ? Briefly explain the funding facilities provided by IMF to its member countries.
2. Explain the structure of balance of payments and discuss what is the impact of various international financial flows on the structure of balance of payments.
3. Explain Purchasing Power Parity and reasons for its deviation. Also discuss its applications.
4. Discuss the reasons for the differences in the cost of capital across various countries. How is the cut off rate for foreign projects determined ? Discuss.

5. What are external commercial borrowings (ECBs) ?
Explain the guidelines for accessing ECBs through the automatic route.

 6. How is risk analysis done for international investment decisions ? Explain.

 7. What is intra-corporate Transfer of funds ?
Explain the variables that influence intra corporate transfer of funds.

 8. Explain International Diversification and discuss barriers to international diversification.
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