

**DF-437**

**MBA. III Semester (FT) Exam. 2014**

**INTERNATIONAL FINANCIAL MANAGEMENT**

**Paper : FSF-2**

**Time Allowed : Three Hours**

**Maximum Marks : 80**

**Note :** Attempt Section A and B both.

**Section - A**  
**Short Answer type Questions**

**Note :** Write any four questions. Each question carries 8 marks.

- Q.1. Discuss the role of the international Financial Manager.
- Q.2. Discuss the organisational structure and function of International Monetary System.
- Q.3. Write a detailed note on Political Risk Management.
- Q.4. What are some risk of international business that may not exist for local business.
- Q.5. Discuss the various types of international bonds.
- Q.6. Why are the artificial currency bonds popular?

DF-437

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- Q.7. Write a note on Capital Budgeting.
- Q.8. What is the advantages of using simulation to assess the bond financing position?

**Section - B**  
**Long Answer Type Questions**

**Note :** Answer any three questions, each carries 16 marks.

- Q.9. Critically examine the IMF financing facilities and policies to help members to correct balance of payments problems in a manner that promotes sustained growth.
- Q.10. Identify common political factors for an MNC to consider when assessing country risk. Briefly elaborate on how each factor can affect the risk to the MNC.
- Q.11. What additional factors deserve consideration in multinational capital budgeting that are not normally relevant for a purely domestic project?
- Q.12. How does increased availability of capital to multinational firms impact their cost of capital? Does market segmentation result invariably in a higher cost of capital for an offshoot in a segmented market?
- Q.13. How could a country risk assessment be used to adjust a project's required rate of return? How could such an assessment be used to instead adjust a project's estimated cash flows?



DF-437