

## MANAGEMENT PROGRAMME

### Term-End Examination

December, 2016

### MS-045 : INTERNATIONAL FINANCIAL MANAGEMENT

Time : 3 hours

Maximum Marks : 100

(Weightage : 70%)

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

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1. Explain the various forms of International financial flows. Discuss the structure of Balance of Payments and explain the impact of various International financial flows on the structure of balance of payments.
2. Explain in detail the causes and consequences of the East Asian Crisis of 1997.
3. Discuss the Purchasing Power Parity Theory, giving its applications and explain the reasons for deviation from it.
4. What are different types of Exchange Rate Exposures ? Explain the techniques used to manage Transaction Exposure.
5. Briefly explain the different products and services offered by Export Credit Guarantee Corporation (ECGC) and discuss their role in financing the exports.

6. Discuss the reasons for the difference in cost of capital across various countries. How is the cut-off rate for foreign projects determined ? Discuss.
  7. What are the major cash outflows and inflows associated with foreign projects ? Discuss the features of foreign projects which make their evaluation different from that of domestic projects.
  8. What is meant by Foreign Direct Investment (FDI) ? What forces stimulate FDI in a country ? Discuss.
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