

Code: 17E00407

MBA IV Semester Regular Examinations May 2019
INTERNATIONAL FINANCIAL MANAGEMENT
(For students admitted in 2017 only)

Time: 3 hours

Max. Marks: 60

All questions carry equal marks

SECTION – A

(Answer the following: (05 X 10 = 50 Marks))

- 1 How is international financial management different from domestic financial management?
OR
- 2 Explain goals for international financial management.
- 3 How are foreign exchange transactions settled between international banks?
OR
- 4 Discuss the implications of interest rate parity, exchange rate determination.
- 5 How would you define transaction exposure? How is it different from economic exposure?
OR
- 6 Explain the difference in the transaction process between the monetary/non monetary method and the temporal method.
- 7 How would you incorporate political risk into the capital budgeting process of foreign investment projects?
OR
- 8 Explain approaches to project evaluation in detail.
- 9 Explain why and how a firm's cost of capital may decrease when the firm's stock is cross-listed on foreign stock exchanges.
OR
- 10 How might a MNC use transfer pricing strategies? How do import duties affect transfer pricing policies?

SECTION – B

(Compulsory question, 01 X 10 = 10 Marks)

11 Case Study:

A team of specialists has assigned the following scores to various criteria of BERI techniques in that order: 4, 0, 0, 1, 1, 0, 1, 2, 1, 0, 1, 1, 2, 2, 0. How do you rate the country with regard to its climate for foreign investment?
