

Exam. Code : 217604

Subject Code : 6880

M.Com. 4<sup>th</sup> Semester

**INTERNATIONAL FINANCIAL MANAGEMENT**

**Paper—MC-411**

Time Allowed—Three Hours] [Maximum Marks—100

**SECTION—A**

**Note :—** Attempt any **TEN** questions from Section A.

Answer to each question should be up to **50** words in length. Each question carries **2** marks.

1. Write short notes on the following :

- (i) Economic exposure
- (ii) SDR
- (iii) Currency Devaluation
- (iv) Bond Market
- (v) FEMA
- (vi) GDR
- (vii) Currency coupon
- (viii) Forward market

(ix) Currency swaps

(x) Hedging

(xi) Risk vs Exposure

(xii) Political Risk.

**SECTION—B**

**Note :—** Attempt any **TWO** questions from Section B.

Answer to each question should be up to **5** pages in length. Each question carries **20** marks.

2. Describe the various current and past exchange rate regimes. Is there an optimal exchange rate regime ?
3. What do you understand by the Balance of Payments ? What are the challenges involved in maintaining the balance of payments position of India ?
4. Explain the structure of foreign exchange market with special reference to Indian foreign exchange market.
5. What are the various structural models of exchange rate determination ? How the exchange rate forecasting can be done ?

## SECTION—C

**Note :—**Attempt any **TWO** questions from Section C.

Answer to each question should be up to **5** pages in length. Each question carries **20** marks.

6. What is transaction exposure ? Explain the various hedging techniques for managing the transaction exposure of a MNC.
7. What are the various types of risks in international context ? What are the issues involved in country risk analysis ?
8. Explain in detail the various techniques available for management of foreign exchange rate exposure.
9. Explain the various types of SWAP structures. What are the motivations underlying SWAPs ?