



SDV – 19

**M.Com. (Semester – IV) Examination, April/May 2013  
(Accounting and Finance)  
CO 4A1 : INTERNATIONAL FINANCIAL MANAGEMENT**

Duration : 2 Hours

Total Marks : 50

**Instructions :** 1) **All questions are compulsory.**  
2) **Figures to the right side indicate the marks.**

1. A) What do you understand by International Financial Management ? **(5x2=10)**  
B) What are Cross Quotes in Foreign Exchange Market ?  
C) What do mean by Special Drawing Rights (SDRs) ?  
D) What is Balance of Payments (BoP) ?  
E) What do mean by International Portfolio Investment ?
2. X) What is the economic framework of International Financial Management ? **10**  
OR  
Y) Discuss the unique elements of International Monetary System.
3. X) What is Futures Contract ? Distinguish between Forward and Futures Contracts. **10**  
OR  
Y) Explain the rationale behind Purchasing Power Parity Theory.
4. X) What do you mean by Interest Rate Swaps ? Explain its uses and advantages. **10**  
OR  
Y) Define exposure, differentiating between accounting and economic exposure.
5. X) Describe some potential benefits to MNC as a result of Foreign Direct Investment. Elaborate on each type of benefits. **10**  
OR  
Y) Discuss recent trends in International Financial Markets.