



**SDV – 14**

**M.Com (Semester – IV) Examination, April 2014**  
**ACCOUNTING AND FINANCE**  
**CO4A1 : International Financial Management**

Duration : 2 Hours

Total Marks : 50

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

1. Answer the following : (5×2=10)
  - a) Agency problem
  - b) Spot rate
  - c) Interest rate swap
  - d) Political risk
  - e) Special Drawing Rights.
  
2. A) Write a detailed note on International Monetary system explaining how it lead to the introduction of International Monetary Fund ? 10

OR

B) What are the methods of financing International Trade ? 10
  
3. A) Discuss the strategies adopted for managing Operating Exposure. 10

OR

B) What is Foreign Exchange Rate ? Distinguish between Fixed and Floating Exchange Rate. 10
  
4. A) What is Capital Budgeting of MNC ? Discuss the factors affecting Multinational Capital Budgeting. 10

OR

B) Explain the benefits from FDI to the host and the home countries. 10
  
5. A) Explain the various sources of International Finance. 10

OR

B) Discuss in brief the scope of International Markets. 10