



K23P 0226

Reg. No. :

Name :

IV Semester M.Com. Degree (C.B.S.S. – Reg./Supple./Imp.)

Examination, April 2023

(2019 Admission Onwards)

Elective – A : FINANCE

COM 4E02 : International Financial Management

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any four** questions in this Section. Each question carries 1 mark for Part (a), 3 marks for Part (b) and 5 marks for Part (c).

1. a) Define the concept, of '*International Financial Management*' .
b) How far is International Finance significant in the Indian context ? Explain.
c) Coin out the factors that prompted the development and growth of FDI in India.
2. a) What is SWIFT ?
b) Specify the distinctive features of the FOREX market.
c) Distinguish between forwards and futures.
3. a) Compare ADR and GDR.
b) Give an overview of the Portfolio Balance Model in 'Exchange-rate determination'.
c) Evaluate the major activities of the World Bank in the global scenario.
4. a) Who are '*Hedgers*' ?
b) Compare and Contrast FDI and FPI.
c) If the interest rate in India is expected as 9.5% against the interest rate of 4% in the USA; then what would be the dollar-rupee exchange rate after one year, given that the current exchange rate is 1 US \$ = ₹ 82.73/-

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- 5. a) Give the essence of the 'Mint Parity Theory' ?
b) State the fundamental factors affecting the currency fluctuations globally.
c) Briefly discuss the functions of the Asian Development Bank.
- 6. a) What are LERMS ?
b) Distinguish between the Forward rate and the Spot Rate.
c) Which are the different segments of the International Financial market ?
Explain. (4×9=36)

SECTION - B

Answer the **two** questions in this Section. **Each** question carries **12** marks.

- 7. a) Describe the roles played by IMF in resolving financial crises in the global economic system.

OR

b) Define 'Foreign Direct Investment'. Elucidate in detail the motives and types of FDI.
- 8. a) Layout the schematic format of the BOP Statement. Elaborate on the components and significance of BOP.

OR

b) Detail the different instruments issued for raising funds in the International financial market. (2×12=24)

