

MBA-183

MSP-33

**M.B.A. DEGREE EXAMINATION
JUNE 2010.**

Second Year

INTERNATIONAL FINANCIAL MANAGEMENT

Time : 3 hours

Maximum marks : 75

Answer for 5 marks question should not exceed
2 pages.

Answer for 15 marks questions should not exceed
5 pages.

PART A — (3 × 5 = 15 marks)

Answer any **THREE** questions.

1. What is international financial management?
2. In international investments why closed ended programmes are preferred rather than open ended?
3. What makes cross-border investment analysis difficult?

4. What is security market line? Why is it important?
5. Why is capital budgeting important in international business?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

6. What are the factors considered while designing strategy for global financing?
7. Discuss the issues involved in international investment analysis.
8. 'A foreign project normally is more beneficial to the parent when the foreign currency appreciates over the life of the project.' Elucidate with examples.
9. Enumerate the various problems and issues in foreign investment analysis.
10. Do developed countries have more debt in their capital structure visa-a-vis developing countries? Explain with examples.

11. Distinguish between bilateral and multilateral netting with due examples.
 12. Briefly discuss how inventory management is executed by multinational corporations.
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