

**FIFTH SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2022****BBA HONOURS****GBAH5E02T: INTERNATIONAL FINANCIAL MANAGEMENT****Time: 3 Hours****Maximum Marks: 80****PART A: Answer all the questions. Each carries 1 mark.****Choose the Correct Answer**

1. The britton wood agreement resulted in the creation of.....
  - a) The bancor as an international reserve asset
  - b) Exim bank
  - c) The world bank
  - d) Federal reserve bank
2. When did the IMF start functioning?
  - a) 1945
  - b) 1947
  - c) 1960
  - d) 1965
3. Globalisation is essentially ..... phenomenon which has strong implications.
  - a) Legal.
  - b) Ethical
  - c) Economic
  - d) Social
4. Which one of the following is traditional method of evaluating a project
  - a) Payback period method
  - b) Net present value method
  - c) Internal rate of return method
  - d) Profitability index method
5. If we convert the present value into future value, it is known as
  - a) Compounding
  - b) Discounting
  - c) Interest rate
  - d) None of these

**Fill in the Blanks**

6. World bank was established in the year.....
7. Special drawing right is related to .....
8. ....arises when the company has to maintain its morals and values while engaging in business
9. ....is the rate at which NPV of the cash flow equal to zero in a discounted cash flow analysis
10. The country receiving the FDI is called .....

**(10 x 1 = 10 Marks)****PART B: Answer any eight questions. Each carries 2 marks.**

11. What is a financial system?
12. Write a note on bimetallism.
13. What you mean by foreign exchange risk?

**(PTO)**

14. What is IAS 21 prescribes?
15. Give an account on economic risk.
16. Explain the term initial investment outlay.
17. What is capital rationing?
18. What do you mean by foreign institutional investors?
19. What is licensing?
20. Define mergers and acquisition

**(8 x 2 = 16 Marks)**

**PART C: Answer any six questions. Each carries 4 marks.**

21. Explain the features of floating exchange rate system.
22. How the currency crisis of September 1992 has happened?
23. Explain the concept of cross hedging.
24. What is leading and lagging?
25. Explain incremental cash flow and explain its components.
26. Discuss the concept of estimation of cash flows.
27. Elucidate the strategy of multinational companies.
28. Explain advantages and disadvantages of FDI to the home country.

**(6 x 4 = 24 Marks)**

**PART D: Answer any two questions. Each carries 15 marks.**

29. List out and explain the functions that a financial manager has to perform.
30. What problems do you think you would face as a business trying to operate in two foreign exchange markets?
31. What are the methods of raising fund from international market

**(2 x 15 = 30 Marks)**