



LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

M.Com. DEGREE EXAMINATION – COMMERCE

FOURTH SEMESTER – APRIL 2025



PCO4MC04 – INTERNATIONAL FINANCIAL MANAGEMENT

Date: 30-04-2025

Dept. No.

Max. : 100 Marks

Time: 01:00 PM - 04:00 PM

SECTION A – K1 (CO1)

Answer ALL the questions

(5 x 1 = 5)

1 Answer the following

- How many member countries are with IMF?
- How is BOP important to any country?
- Define the term “Arbitrage”
- Expand “LERMS”
- What is accounting exposure?

SECTION A – K2 (CO1)

Answer ALL the questions

(5 x 1 = 5)

2 Fill in the blanks

- The objective of MIGA is to promote _____
- The size of international trade of India amounts to _____
- _____ is the process of combining multiple financial markets into a single market.
- _____ is a factor that affects exchange rates by influencing inflation.
- _____ is a new technique used for managing foreign exchange risk using financial derivatives.

SECTION B – K3 (CO2)

Answer any THREE of the following in 100 words each.

(3 x 10 = 30)

- Explain the functions of ADB.
- What are the initiatives taken by the government of India to overcome BOP issues?
- Distinguish between fixed and flexible exchange rate systems.
- Classify the salient features of the Eurocurrency market.
- Explain how foreign currency translation methods are used in the context of international capital markets.

SECTION C – K4 (CO3)

Answer any TWO of the following in 200 words each.

(2 x 12.5 = 25)

- Explain the basic principles and functions of UNCTAD.
- Identify the role of service sector in the India’s foreign Trade.
- Compare and contrast ADRs and GDRs.
- Discuss the techniques used for minimizing economic exposure.

SECTION D – K5 (CO4)

Answer any ONE of the following in 500 words

(1 x 15 = 15)

12 Evaluate the challenges faced by emerging markets in integrating with global financial markets.

13 Elucidate the various techniques used to manage transaction exposures.

SECTION E – K6 (CO5)

Answer any ONE of the following in 1000 words

(1 x 20 = 20)

14 Discuss the purchasing power parity theory and explain the rationale behind it.

15 Summarize the objectives, functions and technical assistance provided by IMF.

#####