### Veer Narmad South Gujarat University

#### FSE-4: 604 – International Financial Management (Finance Elective Group)

###### Third Year BBA(Semester6) With Effect from A.Y.2021-22

Objectives:

* + To acquaint the students with the Multinational financial system, instruments used in International Finance, short term financing relateddecision.
  + Familiarize students with international financial transactions and Operational aspects of foreign exchangemarkets.

Teaching Pedagogy:

* + Students are involved through lectures, discussions, corporate cases and power pointpresentation

**Course Content:**

**Unit 1: InternationalFinancialEnvironment (20%)**

An overview, reasons to pursue international business, how firm engage in international business, Balance of Payments, International Capital flows and facilitating agencies, Factors affecting international portfolio management,

**Unit 2: InternationalFinancialMarkets (20%)** Foreign exchange market: History, Transactions, Quotations and their interpretation, Money market: Origins and development, Global Bank regulations, Bond market: overview on Eurobond market and others, Stock market: Issuance of stock in foreign market andinvesting

Unit 3: InternationalTradeFinancing (20%)

Payment terms in international trade, Documents in international trade, financing techniques in international trade, government sources of export financing, Concept of parallel loans

Unit 4: ShortTermFinancing (10%)

Sources of short term financing and criteria for foreign financing, International Cash Management: centralized cash management, techniques to optimize cash flow, Complications in optimizing cash flow

**Unit 5: Long Term Assets andLiabilityManagement (30%)** Direct Foreign Investment: Motives, benefits and host government views, Barriers, Multinational Capital budgeting: Inputs, simple example and factors, International Acquisitions: Background, Models for valuing target, factors affecting cash flow determination of target, valuation process, why valuation differ and other type of multinational restructuring

Suggested Reading:

* + Madura J. International Financial Management, Asian Books Pvt Ltd, NewDelhi.
  + Shapiro, Alan C. Multinational Financial Management, Prentice hall of India, New Delhi,1995.
  + Bhalla, V.K. International Financial Management, Anmol publication, NewDelhi.
  + Buckley Adrian, Multinational Finance, Prentice hall of India, New Delhi,1996.
  + Abdullah, F.A. Financial Management of the Multinational Firms, Englewood Cliffs, New Jersey,1987.
  + Eun&Resnick (2008). International Financial Management, latest edition, Tata McGraw Hill, NewDelhi.
  + Sharan V. (2012). International Financial Management, Sixth edition, PHI Learning, NewDelhi.