

Veer Narmad South Gujarat University
FSE-4: 604 - International Financial Management (Finance Elective Group)

Course	FSE-4: 604
Course Title	International Financial Management
Credit	4
Teaching per Week	4
Review / Revision	June, 2022
Minimum weeks / Semester	15 (Lectures, Guest Lectures, Case Study, Presentations, Group Assignments)
Medium of Instruction	English
Purpose of Course	<ul style="list-style-type: none"> Acquaint students with the fundamental concepts of international finance and exchange rate systems and also the tools and techniques and strategies to make international finance – related decisions
Course Objective	<ul style="list-style-type: none"> To acquaint the students with the Multinational financial system, instruments used in International Finance, short term financing related decision. Familiarize students with international financial transactions and Operational aspects of foreign exchange markets.
Course Outcome	<p>The students will be able</p> <ul style="list-style-type: none"> To understand the international financial environment, international financial markets and international financial agencies; and how they affect multinational operations. To explain exchange rate determination, and explain how firms can manage exchange rate risk and capitalize on anticipated exchange rate movements To Evaluate different risks associated in foreign exchange market and identify their impact on foreign exchange transactions to the stake holders To Develop understanding about the various documents required in international trade and its mechanisms

Course Content

Unit 1 International Finance- Overview	(30%)
<ul style="list-style-type: none"> International Monetary system, reasons to pursue international business, how firm engage in international business, Balance of Payments, International Parity Relationship (Theory) Foreign exchange market: History, Transactions, Quotations and their interpretation, brief idea about International Banking and Money Market, brief idea about International Bond Market, LIBOR, brief idea about International Equity Markets 	
Unit 2 International Trade Financing	(20%)
<ul style="list-style-type: none"> Payment terms in international trade, Documents in international trade, Financing techniques in international trade, Government sources of export financing in Indian context ie EXIM Bank of india Concept of parallel loans 	
Unit 3 Short Term Financing	(20%)

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

Unit 4 Long Term Assets and Liability Management**(30%)**

- Direct Foreign Investment: Motives, benefits and host government views, Barriers,
- Multinational Capital budgeting: Inputs and factors
- International Acquisitions: Background, Models for valuing target, factors affecting cash flow determination of target, valuation process

Suggested Reading:

1. Madura J. International Financial Management, Asian Books Pvt Ltd, NewDelhi.
2. Shapiro, Alan C. Multinational Financial Management, Prentice hall of India, New Delhi,1995.
3. Bhalla, V.K. International Financial Management, Anmol publication, NewDelhi.
4. Buckley Adrian, Multinational Finance, Prentice hall of India, New Delhi,1996.
5. Abdullah, F.A. Financial Management of the Multinational Firms, Englewood Cliffs, New Jersey,1987.
6. Eun&Resnick (2008). International Financial Management, latest edition, Tata McGraw Hill, NewDelhi.
7. Sharan V. (2012). International Financial Management, Sixth edition, PHI Learning, NewDelhi.
8. Siddieh. International Financial Management, PHI
9. P. G. Apte. International Financial Management, PHI
10. O. P. Agrawal, International Financial Management, Himalaya Publication