

MBE II Year		MBE-E312/412		Semester-III/IV		
		International Financial Management				
Total Lectures	Time Allotted for End Semester Examination	Marks Allotted for Internal Assessment	Marks Allotted for End Semester Examination (ESE)	Maximum Marks (MM)	Total Credits	Maximum Hours
40	3 Hrs.	30	70	100	03	40

OBJECTIVE:The objective of this paper is to acquaint the students with the financial management problems of the multinational corporations and prepare them to tackle these problems.

- Introduction: Complexities and issues in financial decisions of a multinational firm: Foreign investment decisions: Exchange rate movement and decision to invest: Foreign direct investment theories and strategies: Green field investment vs. Acquisitions and mergers. International Capital Budgeting: Multinational considerations and calculation of cash flows; Adjusted present value approach: Cost capital: Assessment and management of political risks. **Case Study1:** High rise in Ho Chi Minh City. **(8 hours)**
- International Portfolio Management: Decision to invest in portfolio: International CAPM; Identification of optimum portfolio. International Project Financing: Concepts, types techniques and key elements; Capital structure decision. **(8 hours)**
- International Working Capital Management: Cash management; Receivables and inventory management. **(8 hours)**
- Currency and Interest Rate Risk Management: Exposure and risk; Transaction, translation and real operating exposure; interest rate risk assessment and management. **Case Study2:** Foreign exchange exposure and management: case study of two large multinational. **(8 hours)**
- International Accounting Foreign currency translation; Multinational transfer pricing and performance measurement; International Taxation: Key elements and issues; International tax environment; Bilateral treaties and tax heavens. **(8 hours)**

SUGGESTED READINGS:

1. Apte, P.G..(1998). *Multinational Financial Management*, Tata. McGraw Hill, New Delhi.
2. Baker, J.C.(2000). *International Finance: Management, Markets and Institutions*, Prentice Hall, Englewood Cliffs, Company, New Delhi.
3. Eiteman, David K., Stonehill, A., and Micheal H.(1998). *Moffett, Multinational Business Finance*, Addison. Wesley Publishing Company, New Delhi.
4. Eun, C., and Resnick, B.,(1998). *International Financial Management*, McGraw Hill, New York
5. Kevin, S.(2009), *Fundamentals Of International Financial Management*. PHI Learning.
6. Levi, Maurice.(1996). *International Finance*, McGraw Hill Inc., New York.
7. Madura, Jeff, (2000). *International Financial Management*, South Western Publishing Company, Cincinnati.
8. Rathore & Shirin.(1994). *International Accounting*, Prentice Hall of India Pvt.Ltd., New Delhi.
9. Seth, A.K.(2000). *International Financial management*, Galgotia Publishing, New Delhi.
10. Shapiro, Allen C.(2009). *Multinational Financial Management*, John Wiley & Sons, New Delhi.
11. Sharan, V.(2000). *International Financial Management*, Prentice Hall of India Pvt. Ltd., New Delhi.
12. **Case Study 1:** <https://www.emeraldinsight.com/doi/abs/10.1108/20450621211312947>
13. **Case Study2:** https://www.researchgate.net/publication/279647700_Foreign_Exchange_Exposure_and_Management_Case_study_of_two_large_Multinationals

NOTE: The list of cases and specific references including recent articles will be announced in the class.