

ELECTIVE- FINANCE
INTERNATIONAL FINANCIAL MANAGEMENT

Subject Code- FIN 2

Max. Marks (Ext. Exam): 80

Min. Pass Marks : 32

OBJECTIVES:

The objective of this course is to give students an overall view of the international financial system and how multinational corporations operate.

COURSE CONTENTS :

UNIT-I Multinational Financial Management – an overview; Evolution of the International Monetary and Financial System.

UNIT-II Managing short-term assets and liabilities; Long-run Investment Decisions, The Foreign Investment Decision; Political Risk Management.

UNIT-III Multinational Capital Budgeting, Application and Interpretation.

UNIT-IV Cost of Capital and Capital Structure of the Multinational Firm. Dividend Policy of the Multinational Firm.

UNIT-V Country Risk Analysis; Long-term Financing. Foreign Exchange Market.

SCHEME OF EXAMINATION:

Total Marks : (Internal 20, External 80) = 100 marks

PATTERN FOR EXTERNAL EVALUATION:

Sec. A: (Short Answers) 4 out of 8 4 x 8 = 32 Marks.

Sec. B: (Essay type & case) 3 out of 5 3 x 16 = 48 Marks.

SUGGESTED READINGS :

1. Abdullah, F A Financial Management for the Multinational Firm. Englewood Cliffs, New Jersey, Prentice Hall Inc., 1987
2. Bhalla, V K International Financial Management 2nd ed. New Delhi, Anmol, 2001
3. Buckley, Adrian. Multinational Finance. New York, Prentice Hall Inc., 1996
4. Kim, Suk and Kim, Seung. Global Corporate Finance: Text and Cases. 2nd ed. Miami Florida, Kolb, 1993
5. Shapiro, Alan C. Multinational Financial Management, New Delhi, Prentice Hall of India, 1995