

MBPC3030 INTERNATIONAL FINANCE (3-0-0)

Course Objectives:

1. Gain insights into the nature of multinational corporations (MNCs), objectives of firms, and the application of multinational capital budgeting in the global financial landscape.
2. Learn effective strategies for managing foreign exchange exposure, including translation, transaction, and economic exposure, contributing to risk mitigation in international financial operations.
3. Understand the functioning of international banking, money markets, and equity markets, including capital adequacy standard
4. Develop skills in financial decision-making, including capital budgeting, risk management, and funding goals, ensuring effective financial management in multinational contexts.

Module –I

International Dimensions of Financial Management: The Emergence of MNC, Nature of the MNC, Objectives of the firm and Risk Management, Domestic Financial Management and International Financial Management, Multinational Capital Budgeting – application and interpretation.

Module-II

Managing Foreign Exchange exposure: Management of foreign exchange risk, Management of translation exposure, Management of transactions exposure, Management of economic exposure.

Module – III

International Financial Markets: International Banking and Money market, International Banking Services, Capital adequacy standards, International Money Markets, International Equity Sources, Global Equity Markets, Methods of sourcing, Cross listing in secondary markets, New Equity issues, International Debts sources, Debt Management and Funding Goals, International Debt, Instruments, International bank loans, Euro notes, International Bond Market.

Course Outcomes:

- CO-1: Develop a comprehensive understanding of multinational financial operations, including capital budgeting techniques, risk management strategies, and funding sources
- CO-2: Acquire proficiency in managing foreign exchange exposure across translation, transaction, and economic dimensions, contributing to risk mitigation and financial stability in multinational operations.
- CO-3: Develop expertise in navigating international financial markets, including banking, money markets, equity markets, and debt instruments, facilitating efficient capital sourcing and allocation in global financial activities.
- CO-4: Apply financial decision-making skills to real-world scenarios, including capital budgeting, risk management, and funding strategies.

Books:

1. International Financial Management – Sharan, TMH
2. International Financial Management – Madhuvij – Excel Books
3. International Financial Management – Apte – TMH
4. International Financial Management – Siddaiah – Pearson
5. International Financial Management – V.A. Avadhani – HPH
6. International Finance – A case Book – Desai – Wiley
7. International Finance – O' Brien – Oxford