

VEER NARMAD SOUTH GUJARAT UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION

(Evening)

(With Effect From July 2002)

Semester – VI

Optional Courses

1. Finance & Accounting Group

OF&A 601 Strategic Financial Management

OF&A 602 International Financial Markets

VEER NARMAD SOUTH GUJARAT UNIVERSITY

MBA (Evening)

Semester – VI

FINANCE & ACCOUNTING GROUP

OF & A 601

Strategic Financial Management

Objective:

This course is designed to acquaint the students with the application of the tools and techniques of financial analysis in framing appropriate financial strategy. It is also designed to make the students understand the linkages between financial strategy and corporate strategy, which are important for achieving strategic advantage.

Course Contents:

This course is based on the course contents of the course on 'Financial Strategy for Competitive Advantage' of the present MBA Programme. The contents of the course have been developed by the Departmental Faculty.

1. Globalisation of Indian market, competitive analysis of Industries, generic strategies to gain competitive advantage, financial strategy to achieve cost profit and investment leaderships aspects of financial strategy.
2. Introduction to Corporate Restructuring : Forms of restructuring business firms.
3. Types of Mergers and their characteristics.
4. Theories of Merger and Tender offer.
5. Sell-Offs and Divestitures.
6. ESOPs as a financial strategy for increasing shareholders wealth.
7. Going private and Leveraged Buyouts as a financial strategy.(Including MBOs).
8. Share repurchases and Exchanges as a financial strategy.
9. Financing and Dividend Policies. Theory of Capital Structure, Making Capital Structure Decisions and Dividend as a Financial Policy(including models).
10. Lease Buy Decision : using compounding and discounting techniques to take decisions.
11. Financial Engineering as a tool to develop financial strategy.
12. Capital Budgeting Decisions under conditions of certainty.*
13. Relevant Case Analysis (Mergers).

Suggested Reading:

1. Competitive Advantage - Porter (Free Press).
2. Mergers Acquisitions and Corporate Control - Weston, Chung, Hoag(PHI)
3. Strategy and Business Landscape - Pankaj Ghemawat(Addison Wesley)
4. Financial Management and Policy - V.K.Bjhallah(Anmol Publication)

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MBA (Evening)

Semester – VI

FINANCE & ACCOUNTING GROUP

OF & A 602

International Financial Market

Objectives

The objective of this course is to give students an in depth knowledge of the working of international financial markets.

Course Contents

History of the International Financial System - The rise and Fall of Bretton Woods, Globalisation and the Growth of Derivatives, The Crash of 1994-96 and Beyond, Euro-currency Market. Euro banking and Euro-currency Centres, Deposit Dealing and the Term Structure of Euro-currency Rates, Euro-currency Futures and Options, Syndicated Euro-credits. International Bond Markets - Introduction, New Issue Procedures in the Eurobond Markets, Eurobond Valuation and Hedging, Interest Rates and Currency Swaps, Pricing Option, Features of International Bonds, Forecasting and the Image of the Future - Central Banks and the Balance of Payments. The European Monetary System and Other Regional Artificial Currency Areas, New Instruments in International Capital Markets, International Banking and Country Risk, International Portfolio Diversification, International Transfer Pricing.

Suggested Readings

1. Bhalla, V K. International Financial Management, 2nd ed., New Delhi, Anmol, 2001.
2. Bhalla, V K. Managing International Investment and Finance, New Delhi, Anmol, 1997.
3. Buckley, Adrian, Multinational Finance, 3rd ed., Englewood Cliffs. Prentice Hall Inc., 1996.
4. Eiteman, David K and Stonehill, Arthur I. Multinational Business Finance. California, Addison-wesley, 1988.
5. Johnson and Giaccotto. Options and Futures. St. :Paul, West, 1995.
6. Kim, Suk and Kim. Seung. Global Corporate Finance: Text and Cases. 2nd ed. Miami, Florida, 1993.
7. Shapiro, Alan C. Multinational Financial Management. New Delhi, Prentice Hall of India, 1995.