

**JYOTI NIVAS COLLEGE AUTONOMOUS  
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

**Programme: B.Voc. (Banking and Finance)**

**Semester: VI**

**INTERNATIONAL FINANCE**

**Course Code: 18BVB605**

**No. of Hours:60**

**COURSE OBJECTIVES:**

- To familiarize the students with the issues relating to International Finance, markets, management, exchange rates and the risk associated with it.
- To provide students with basic terms and concepts used in international trade and methods of payment in a global set up.
- To provide students with the knowledge of converting foreign currency into home currency.
- To improve students' knowledge regarding International financial regulation involved in international financial markets.

**LEARNING OUTCOMES:**

- Students are able to get an overview of doing business overseas, currency accepted in international trade and analyse risk to keep it at the lowest.
- Students are able to analyse foreign exchange exposure, foreign direct investment decisions, and multinational capital budgeting.
- Students are able to convert different currencies of different countries on different days and analyse.

**UNIT 1: INTERNATIONAL FINANCIAL MANAGEMENT**

**8HRS**

Introduction, Meaning of International Finance; Issues involved in International finance;; Methods of payment; Evolution of international monetary system Meaning of International Financial management; Scope and significance of International financial management in international markets.

**UNIT 2: INTERNATIONAL FINANCIAL INSTITUTIONS**

**10HRS**

IMF, IBRD, World bank, ADB, IDA, MIGS, IFC, ICSID, BIS, WTO-Objectives and functions.

**UNIT 3: INTERNATIONAL FINANCIAL MARKETS**

**14HRS**

Foreign institutional Investors- GDR, ADR, IDR- Meaning; Features. Foreign Direct Investment (FDI)- growth of FDI; Advantages and disadvantages of FDI to host country and

home country; Loan syndication, External commercial borrowing, Euro currency Market (Concept only).

#### **UNIT 4: FOREIGN EXCHANGE MARKETS**

**14HRS**

Need of foreign exchange; foreign exchange market and market intermediaries; Exchange rate determination- Simple problems ; Forwards , Futures, Swaps and Options derivatives; efficiency of the exchange Market-Simple problems; Convertibility of Rupee and its implications, , International Risk Management-types of risk-political risk, exchange rate fluctuation risk, risk of non-payment, managing risk.

#### **UNIT 5: INTERNATIONAL FINANCIAL ACTIVITIES AND ITS IMPLICATION: 14HRS**

International taxation-double taxation-Bilateral relief and unilateral relief, Tax havens and transfer pricing, Balance of Payment-functions of Balance of Payment ,Components of Balance of Payment ,reasons for disequilibrium in Balance of Payment.

#### **SKILL COMPONENT**

- Analyse the efficiency of exchange market.
- Analyse the impact of FDI in the banking & finance sector
- Identify the newly formed financial institutions across the globe.
- Identify any four tax implications of international financing.
- Present status of ECB in Indian economy.

#### **BOOKS FOR REFERENCE:**

1. P. Subba Rao International Business text and cases, Himalaya Publishing house, 2012.
2. K. Ashwathappa International Business, Tata Mc Graw Hill 2006
3. V.A.Avadhani International Finance Himalaya Publishing House, 2000
4. Shashi K Gupta and Praneet Rangi International Finance,Kalyani Publishers second revised edition 2017.