GUJARAT TECHNOLOGICAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION (Global Program)

Year – II (Semester – III) (W.E.F. January 2014)

Specialization: Banking & Insurance (B & I)

Subject Name: INTERNATIONAL BANKING (IB)

Subject Code: 2830603

1. Course Objective:

2. Course Duration: 36 Sessions of 75 minutes each i.e. 45 Hours.

Module No:	Module Content	No. of Sessions	70 Marks (External Evaluation)
I	**Introduction** Need and Importance of International Banking – Development – Financial Intermediation – Regulation English Banking System and American Banking System **Foreign Exchange Market** Need – Features – Participants – Dealing and Settlement of Transactions – Euro Currency Market – Euro Bonds etc.	7	17
II	**Foreign Trade** Concept – Definition – Role of Commercial Banks – Instruments of International Remittance –Correspondence Relationship and Accounting Mechanism between Banks – Incoterms – Documents used in Foreign Trade	7	17
III	**Foreign Exchange** Concept – Definition – Exchange Rate – The factors determining exchange Rates – Types of Rates – Foreign Exchange Transactions – Purchase and Sale -Spot and Forward **Trade Finance - Letter of Credit** Financing International Trade through letter of credit Definition – Operating Mechanism – Parties to the Letter of Credit and their Rights and Responsibilities – Advantages and Limitations – Various Types of Letter of Credit and their features.	7	18

IV	**International Financial Institutions** International Monetary Fund – International Bank for Reconstruction and Development – International Finance Corporation – International Development Association – Export-Import Bank of India – Asian Development Bank	7	18
V	**Practical Exposure:** Study of Foreign Exchange Markets – London, Tokyo,New York etc. Role of Financial Institutions with reference to India Exchange Rate Quotations – Calculation of Rates, Other topics of interest to the students and faculty members	8	Internal Evaluation (20 Marks of CEC)

4. Teaching Method:

(a) Case discussion
(b) Projects/ Assignments/ Quizzes/ Class participation etc
(c) Compulsory class presentation with live experiences of world economies

5. Evaluation:

A	CEC- Projects/ Assignments/ Quizzes/ Individual or group Presentation/ Class participation/ Case studies etc	50 marks (Internal Assessment)
B	Mid-Semester examination	Weightage 30% (Internal Assessment)
C	End –Semester Examination	Weightage 70% (External Assessment)

6. Basic Text Books:

Sr. No.	Author	Name of the Book	Publisher	Edition
T1	C. Jeevanandam	ForeignExchange Practice, Concepts and Control	Sultan Chand & Sons	2008 or Latest
T2	B.K.Chaudhuri and O.P.Agarwal	Foreign Trade & ForeignExchange	Himalaya Publishing House	Latest Edition

Note: Wherever the standard books are not available for the topic appropriate print and online resources, journals and books published by different authors may be prescribed.

7. Reference Books:

Sr. No.	Author	Name of the Book	Publisher	Edition
R1	V.V. Kesh-kamat	Foreign Exchange An introduction	Vikas	Latest Edition

8. List of Journals/Periodicals/Magazines/Newspapers, etc.

- The Indian Banker, The Bank Quest, Journal of Banking and Finance, Periodicals and Newsletters from National Institute of Bank Management (NIBM), Reserve Bank of India, and other Public and Private Banks, International Banks, etc including eNewsletters and Websites of various Banks.

9. Session Plan:

Session Nos.	Topics to be covered
1-4	**Introduction** Need and Importance of International Banking – Development – Financial Intermediation – Regulation English Banking System and American Banking System
5-7	**Foreign Exchange Market** Need – Features – Participants – Dealing and Settlement of Transactions – Euro Currency Market – Euro Bonds etc.
8-10	**Foreign Trade** Concept – Definition – Role of Commercial Banks – Instruments of International Remittance
11-14	Correspondence Relationship and Accounting Mechanism between Bank - Incoterms – Documents used in Foreign Trade
15-17	**Foreign Exchange** Concept – Definition – Exchange Rate – The factors determining exchange Rates – Types of Rates –Foreign Exchange Transactions – Purchase and Sale -Spot and Forward
18-21	**Trade Finance - Letter of Credit** Financing International Trade through letter of credit Definition – Operating Mechanism – Parties to the Letter of Credit and their Rights and Responsibilities – Advantages and Limitations – Various Types of Letterof Credit and their features.
22-24	**International Financial Institutions** International Monetary Fund – International Bank for Reconstruction and Development
25-28	International Finance Corporation – International Development Association – **Export-Import Bank of India** – Asian Development Bank
29-36	**Practical Exposure** Study of Foreign Exchange Markets – London, Tokyo,New York etc.

	Role of Financial Institutions with reference to India Exchange Rate Quotations – Calculation of Rates, Other topics of interest to the students and faculty members