

# GUJARAT TECHNOLOGICAL UNIVERSITY

## MASTER OF BUSINESS ADMINISTRATION

Year – 2 (Semester – III) (W.E.F. Academic Year 2018-19)

**Specialization: Financial Management**

**Subject Name: International Finance (IF)**

**Subject Code: 3539225**

### 1. Learning Outcomes:

- Familiarize students with international financial transactions and Operational aspects of foreign exchange markets.
- Understand forex market participants, exchange rates determination, international arbitrage, foreign exchange risks and its management and international capital market.
- Enables students to understand the crux of international financial markets.

2. **Course Duration:** The course duration is of 36 sessions of 75 minutes each.

### 3. Course Contents:

Module No.	Modules with its Contents/Chapters	No. of Sessions	Marks (out of 70)
I	<b>International Finance – Overview</b> Globalization and Multinational firm, International Monetary System, Balance of payment, Market for Foreign Exchange, International Parity Relationship & Forecasting Foreign Exchange rate (Practical).	8	17
II	<b>Forward Exchange Arithmetic</b> Exchange Arithmetic (Practical), Forward Exchange contracts (Practical), Forward Exchange rate based on Cross rates, Interbank deals, Execution, cancellation, Extension of Forward contract (Practical).	10	18
III	<b>International Financial Markets &amp; Cash Management</b> International Banking & Money market, International Bond Market, LIBOR, International Equity Market (ADR, GDR, EURO) Multinational Cash Management	10	18
IV	<b>International Contract &amp; Procedure</b> International Commercial Terms- Incoterms Letter of credit- Meaning & Mechanism, Types of letter of Credit, Operation of Letter of Credit, Export-Import bank of India	8	17

<b>V</b>	<b>Practical:</b> <ul style="list-style-type: none"> <li>• Forming of Hedging with real time data from currency Exchanges</li> <li>• Prepare a project of your choice using the theoretical fundamentals in above modules and also prepare a project report under the guidance of your subject teacher</li> </ul>	---	(30 Marks CEC)
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#### 4. Teaching Methods:

The course will use the following pedagogical tools:

- (a) Class Lectures, Discussions, solution of examples & learning from various cases
- (b) Learning and Application from various movies and construction and evaluation of portfolio on weekly basis
- (c) Discussion on articles and news from Economic times, blogs and other websites on daily basis

#### 5. Evaluation:

The evaluation of participants will be on continuous basis comprising of the following elements:

<b>A</b>	Continuous Evaluation Component comprising of Projects / Assignments / Quiz / Class Participation / Class test / Presentation on specific topic etc	(Internal Assessment- 50 Marks)
<b>B</b>	Mid-Semester examination	(Internal Assessment-30 Marks)
<b>C</b>	End –Semester Examination	(External Assessment-70 Marks)

#### 6. Reference Books:

Sr. No.	Author	Name of the Book	Publisher	Year of Publication
1	P.G.Apte	International Financial Management	McGraw Hill	Latest
2	Eun & Resnick	International Financial Management	McGraw Hill	Latest
3	Jeff Madura	International Financial Management	Thomson Publication	Latest
4	Alan C. Shapiro	Multinational Financial Management	Wiley India	Latest
5	V V Sharan	International Financial Management	PHI EEE	Latest

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

1. Economic Time
2. Journal of Economic Times
3. Business Standard
4. Reports of RBI, SEBI etc.