# Faculty of Management Studies

**Master of Business Administration (Integrated) (Sem- VII)**

In Effect from Academic Year 2023-24

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| **Branch Name:** | MANAGEMENT (International Business) |
| **Program Code:** | MS301 |
| **Course Name:** | International Finance Management |
| **Course Code:** | 2MS3010784T |
| **Pre-requisite Course:** | Financial Management, Banking, Corporate finance |

**Course Objectives:**

1. Understand the various stages of expansion overseas that multinational corporations utilize in order to benefit from globalization.
2. Describe the international monetary system and the foreign exchange markets.
3. Examine the Balance of Payments (BOP) data and determine its implications for international competition.

**Teaching and Examination Scheme:**

| **Teaching Scheme (Hours per week)** | | | | **Evaluation Scheme (Marks)** | | | | |
|---|---|---|---|---|---|---|---|---|
| Lecture (L) | Tutorial (T) | Practical (P) | Credit | Theory (Marks) | | Practical (Marks) | | Total (Marks) |
| | | | | University Assessment | Continuous Assessment | University Assessment | Continuous Assessment | |
| 4 | 0 | 0 | 4 | 60 | 40 | 00 | 00 | 100 |

**Subject Contents:**

| **Sr. No** | **Topic** | **Total Hours** | **Weightage (%)** |
|---|---|---|---|
| **1** | **International financial Environment**<br>The Importance, rewards & risk of international finance, Goals of MNC, International Business methods, Exposure to international risk, International Monetary system, Multilateral financial institution | 10 | 20% |
| **2** | **International flow of funds:**<br>Balance of Payments (BOP), Fundamentals of BOP, Accounting components of BOP, Factors affecting International Trade and capital flows, Agencies that facilitate international flows. BOP, Equilibrium & Disequilibrium. Trade deficits. Capital account convertibility (problems on BOP) **International Monetary System:** Evolution, Gold Standard, Bretton Woods system, the flexible exchange rate regime, the current exchange rate arrangements, the Economic and Monetary Union (EMU). | 10 | 20% |
| **3** | **Foreign Exchange Market**<br>Function and Structure of the Forex markets, Foreign exchange market participants, Types of transactions and Settlements Dates, Exchange rate quotations, Nominal, Real and Effective exchange rates, Determination of Exchange rates in Spot markets. Exchange rates determinations in Forward markets. Exchange rate behavior-Cross Rates- - Arbitrage profit in foreign exchange markets, Swift Mechanism. Triangular and locational arbitrage. | 10 | 20% |
| **4** | **International Financial Markets**<br>Foreign Portfolio Investment. International Bond & Equity market. GDR, ADR, Cross listing of shares Global registered shares.<br>**International Financial Instruments:** Foreign Bonds & Eurobonds, Global Bonds. Floating rate Notes, Zero coupon Bonds, International Money Markets International Banking services –Correspondent Bank, Representative offices, Foreign Branches. Forward Rate Agreements | 10 | 20% |

| | | | |
|---|---|---|---|
| **5** | **Contemporary Issues like**<br>Foreign exchange volatility, Global economic uncertainty, Sustainable finance and ESG investing, Cross border merger and acquisitions, capital raising and debt financing, etc. | 8 | 20% |

**Text Books:**

1. International Financial Management; Jeff Maruda; Cengage publication; Latest Edition

**Reference Books:**

1. International financial management; Eun & Resnick; TMH; Latest Edition
2. International financial management; V V Sharan; PHI EEE; Latest Edition
3. International financial management; P G Apte; PHI; Latest Edition

**List of Open-Source Software/learning website:**

1. https://fbil.org.in/
2. https://www.indexmundi.com/
3. https://nptel.ac.in/
4. https://swayam.gov.in/

**Course Learning Outcomes (CLO): On completion of this course, the students will be able to:**

| CLO | Description | Bloom's Taxonomy Level |
|---|---|---|
| CLO1 | Understand the International Financial Environment | Understand |
| CLO2 | Analyze International Flow of Funds and Balance of Payments (BOP) | Analyze |
| CLO3 | Examine Foreign Exchange Markets and Exchange Rate Mechanisms | Analyze |
| CLO4 | Explore International Financial Markets and Instruments | Evaluate |
| CLO5 | Assess Contemporary Issues in International Finance | Evaluate |
| CLO6 | Develop Strategic Financial Decision-Making Skills | Create |

**Mapping of CLO with PO and PSO**

| Course Learning Outcomes | Program Outcomes(POs) | | | | | | | | Program Specific Outcomes(PSOs) | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **PO1** | **PO2** | **PO3** | **PO4** | **PO5** | **PO6** | **PO7** | **PO8** | **PSO1** | **PSO2** |
| **CLO1** | H | | | | | | H | | H | H |
| **CLO2** | H | H | | | | | H | | H | |
| **CLO3** | | H | H | | | H | | | M | H |
| **CLO4** | H | | H | | | | H | | H | H |
| **CLO5** | | | | H | H | | H | | H | |
| **CLO6** | | H | H | | | | M | | | H |

**H: High, M: Medium, L: Low**

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