

# **SHIVAJI UNIVERSITY, KOLHAPUR.**



Estd 1962  
NAAC 'A' Grade  
Syllabus For  
Bachelor of Commerce  
B.Com. Part-I  
CBCS Pattern  
**Global Finance**  
Sem-I & Sem-II

Introduced from June 2018 and Onwards  
(Subject to the modifications will be made from time to time)

**B. Com -I (Sem-I) (CBCS)**  
**Global Finance (Paper- I)**  
**Generic Elective Course**  
**Implementation Year- 2018-19**

Objectives: 1) To acquaint student with the concept of International Finance.  
2) To know the functioning of Foreign Exchange Market.

**Unit-I: International Business Environment :** (15)  
Nature and Characteristics of International Business, International Business Activities, International Business Methods, Motivation for International Business, Globalisation and its impact, WTO and its role.  
Theories of International Trade- Absolute advantage Theory, Comparative advantage Theory

**Unit-II: International Finance Environment :** (10)  
Nature, Scope and Significance of International Finance, World Bank, International Monetary Fund, Asian Development Bank.

**Unit III: Source Of International Finance :** (15)  
Trade Settlement Methods, Export Finance, Buyers Credit and Supplier's Credit, ECB FCCB ADR GDR FDI, Syndication.  
International Credit and money Market, International Bond Market, Equity Market.

**Unit IV: Financial Management of the Multinational** (20)  
Firms: Cost of Capital and Capital Structure of a Multinational firm, Multinational Capital Budgeting, Multinational Cash Management, Management of Receivable.

**B. Com-I (Sem-II)**  
**Global Finance (Paper II)**  
**Generic Elective Course**

- Objectives: 1) To acquaint student with the concept of International Finance.  
2) To know the functioning of Foreign Exchange Market.

**Unit I: Foreign Exchange Market:** (15)

Distinctive Features- and Structure of Foreign Exchange Market, Functions of Foreign Exchange Market, Major Participants, Types of Transactions, Spot Market and Forward Market, Interrelationship between Exchange and Interest Rate.

**Unit II: Exchange rate Mechanism: Exchange Rate** (15)

Quotations, Determination of Exchange Rate in spot Market and forward Market, Factors Influencing Exchange Rate, RBI and Exchange Market, Exchange Rate System in India. Hedges, and Exposure Management-Transaction, Translation & Economic Exposure.

**Unit III: Exchange Control Regulation: Export Credit** (15)

EXIM Bank, Foreign Exchange Dealers Association of India, Convertibility, Role of RBI as Exchange Control Authority.

**Unit IV: Regulatory Framework of International Finance:** (15)

Indian Perspective - FEMA, Foreign Trade Policy.  
International Perspective - Federal Bank, European Central Bank, ICC Guidelines.

**Books Recommended -**

- 1) International Financial Management - V.K. Bhalla Anmol Publication Pvt Ltd. New Delhi.
- 2) International Financial Management - Madhu Vij.Excel Books.
- 3) International Financial Management - V. A. Avadhani Himalaya Publishing House.
- 4) International Financial Management - Cheol Eun & Burce Resnick.
- 5) Finance of International Trade - Alastair Watson Paul Cowdell.
- 6) International Financial - A. V. Rajwade.
- 7) International Financial - P.G. Apte.
- 8) International Financial Management - P.K. Jain & Others.

**Equivalence**

<b>1</b>	<b>Global Finance Paper I Sem-I</b>	<b>1- Global Finance Paper I Sem-I</b>
<b>2</b>	<b>Global Finance Paper II Sem-II</b>	<b>2- Global Finance Paper II Sem-II</b>