

ELECTIVE COURSES
(International Business Stream)

INTERNATIONAL ACCOUNTING

Semester IV

Code : IA04E01

Credit -3

Hrs – 90

Objectives:

With increasing globalization international business transactions have increased. Accounting systems, procedures, regulations and standards differ from country to country. Foreign transactions generally have a system of accounting different from the domestic one. Therefore, this course aims to acquaint the students with the basic of international accounting.

MODULE 1

International Accounting – An Overview - Introduction - Importance of International Accounting - Scope of International Accounting - analytical study of I.F.R.S. -- Need for Transnational Reporting and Disclosure - Transnational Reporting – The Complexities Reporting Practices.

(15 hrs)

MODULE 2

Accounting for foreign currency transactions- Introduction- The need for Translation- Origin of Problem- International Transactions -. Forward Exchange Contracts - Foreign Currency Transactions - Accounting For Business Combinations And Consolidation-. Consolidation of Financial Statements- Scope of Consolidated Financial Statements- Accounting for price level changes - Introduction - Nature of Price Changes - Short Comings of Conventional Accounting Based on Historical Cost.- Distortions in Reported Profit-. Evaluation of Accounting for Changing Prices.- Suggested Adjustment Methods -. Accounting for Foreign Inflation.

(20

hrs)

MODULE 3

International finance- meaning-nature and importance-Brettenwoods conference and afterwards- IMF and world bank, methods of international investments-balance of payments and its components-recent trends in international finance and trade-international flow of goods-service and capital coping with current account deficit

(20
hrs)

MODULE 4

International working capital management-international cash management –receivables management and inventory management-Management of short term overseas financing resources- foreign investment – analysis of international portfolio investment-corporate strategy and FDI

(20 hrs)

MODULE 5

International Financial system-Parity conditions in International Finance - Purchasing Power Parity - Covered Interest Parity - Real Interest Parity-Parity Conditions and Managerial Implications currency forecasting arbitrage and law of one price-PPP theory-fisher effect-inflation risk and its impact on financial market-currency forecasting.

(15 Hrs)

REFERENCE BOOKS

1. *“Handbook of International Finance”, George and giddy; Vol. I, II, North Holland.*
2. *“International Accounting”, Shirin Rathore; Prentice Hall Indian.*
3. *“International Accounting”, Peter Walton, Axel Haller and Bernard Roffournier; International Thomson Business Press, London, U.K.*
4. *International finance, Levi, T&F Ane.*
5. *International Finance, OS.Srivastava.*
6. *International Finance, MS. Vijayakumari*
7. *International finance, Avadhani, Himalaya Publishing House*
8. *International financial management, Agarwal, Himalaya Publishing House*
9. *International Finance: A Casebook, Desai.*
10. *International financial management, PK.Jain, Macmillain India limited*
11. *Global Financial Management, Anbarasu, Ane books private limited.*
12. *International Finance, Parul Khanna, Rubeena Bujwa; Kalyani Publishers*