

CAREER ORIENTED COURSE
FOREIGN TRADE
I Semester
PAPER-I
FUNDAMENTALS OF FOREIGN TRADE

Max. Marks : 100

Course Outcome:

On successful completion of the course students can:

CO1 : Understand the Types and importance of Foreign Trade.

CO2 : Gain knowledge on Theories of International Trade.

CO3 : Learn the Importance of International Economic Groupings.

CO4 : Gain knowledge on Foreign Trade Policy.

CO5 : Understand the concept of Balance of Payment.

Unit – I - Introduction to Trade

Introduction, Meaning, Definition, Objectives, Types of Trade, Internal and International Trade, Trends in international trade, Special Features and Problems of International Trade, Significance of International Trade.

Unit – II - Theories of International Trade

Meaning, Features, Theories of International Trade - Recardo's Classical Theory, Absolute Cost difference Equal Cost difference, Comparative Cost difference, Modern Theory- Heckscher ohlin theory.

UNIT - III - International Economic Groupings

Meaning and stages in their evolution - Regional Trading Agreements - Important economic groupings - EU, NAFTA, SAFTA, BIMSTEC, ASEAN - objectives and functions - Cartels: Its impact on World Trade.

Unit – IV - Foreign Trade Policy

Free Trade V/S Protection Policy. Government Intervention in formulating Trade Policy
Methods of Protection: Tariff, Quotas and Exchange Control, FEMA.

Unit- V - Balance of Payment

Meaning, Importance and Structure- Balance of Trade and Balance of Payments Dis-equilibrium-
Meaning, Types, Causes and Corrective Measures.

Suggested Readings:

- 1) Money, Banking & International Trade – D.M Mithani
- 2) Money, Banking & International Trade – M.L Seth

- 3) International Economics – M.L Jingan
- 4) Business Environment – Francis Cherunilum
- 5) International Trade - Francis Cherunilam

CAREER ORIENTED COURSE
FOREIGN TRADE
II Semester
PAPER - II
EXPORT-IMPORT PROCEDURE

Max. Marks: 100

Course Outcome:

On successful completion of the course students can:

CO1 : Understand the Procedure for Export.

CO2 : Gain knowledge on Securing Payments in Export Transactions.

CO3 : Learn the Procedure for Import.

CO4 : Gain knowledge on Clearance Formalities in connection with Import Trade.

CO5 : Understand the various policy and Institutional Support for Export & Import.

Unit-I

Export - Introduction, Meaning, Importance, procedure for Export- Letter of Enquiry, Quotation, Indent, Export License, Dispatch of Goods, Customs formalities. Formats, Bill of Lading, Mate Receipt, Certificate of Origin, Marine Insurance, Export Invoice, Export documentation – Impact of LPG.

Unit- II

Securing Payments in Export Transactions- Documentary Bills, D/A and D/P Bills, Letter of Hypothecation, Letter of Credit- Types of Letters of Credit.

Unit- III

Procedure for Import - Import License, Indent - Letter of advice obtaining shipping documents, clearing agents. Import procedure and documentation – Liberalization of Imports. Categories of importers. Special Scheme for importers by central and state government.

Unit –IV

Clearance Formalities in connection with Import Trade- Bill of entry – Meaning and types, contents, Bill of Sign- Import Duties- Bonded Warehouse, Forward contract, Dispatch of Goods.

Unit –V

Policy and Institutional Framework for Exports and Imports - Foreign Trade Policy – Highlights – Special Focus Initiatives – Duty Drawback – Deemed Exports – ASIDE – MAI & MDA – Star

Export Houses – Town of Export Excellence – EPCG Scheme – Incentives for Exporters. Export Promotion Councils-Commodity Boards – FIEO – IIFT – EOUs – SEZs – ITPO – ECGC – EXIM Bank.

Suggested Readings:

- 1) New Import Export Policy - Nabhi Publications.
- 2) A Guide on Export Policy Procedure & Documentation– Mahajan.
- 3) Export Management – D.C. Kapoor.
- 4) International Marketing Management - R.L. Varshney, Sultan Chand.
- 5) International Business - Sharan V.

CAREER ORIENTED COURSE

FOREIGN TRADE

III Semester

PAPER-III

EXPORT MANAGEMENT

Course outcome:

On the successful completion of this course the students are able to:

CO1: To enable the students to enhance international trade skills.

CO2: This course helps in understanding Export Management.

CO3: To impart the knowledge on the key functions in export process and procedures.

CO4: To educate the students in solving issues related to requirements in export management.

CO5: To improve knowledge on export finance and councils.

Unit- I

Introduction to Export Management- Definition, meaning, significance, Functions of export management, export management v/s export marketing, difficulties and Problems in export trade. Recent trends in India's foreign trade. Current major exports in India.

Unit -II

Organization for Export Marketing- built-in Export Department, Separate Export Department, Export Sales Subsidiary. Export promotion organization. Duty drawback, advisory bodies.

Unit -III

Export Pricing- Objectives, Marginal Cost Pricing, Government influence in export pricing, Transfer pricing, Dumping, Steps in export pricing.

Unit- IV

Export Finance- Terms of payments in Exports, Packing Credit and Its formalities, Pre-shipment and Post-shipment finance, short term, medium term and long-term financing, Institutional Finance, Export Risk Insurance.

Unit -V

Export Promotion Measures in India - Export Promotion Councils, Incentives, Production assistance, marketing assistance, export zones. State and Central assistance.

Suggested Readings:

- 1) New Import Export Policy - Nabhi Publications
- 2) A Guide on Export Policy Procedure & Documentation– Mahajan
- 3) Export Management – D.C. Kapoor

CAREER ORIENTED COURSE

FOREIGN TRADE

IV Semester

PAPER-IV

IMPORT MANAGEMENT

Course outcome:

On the successful completion of this course the students are able to:

CO1: To enable the students to enhance international trade skills.

CO2: To familiarize students with the process of international business.

CO3: To impart the knowledge on the key functions in import process and procedures.

CO4: This course helps in understanding Import Regulation and Financing.

CO5: This course helps in understanding Import Regulation and Financing.

Unit -I

Introduction, meaning, significance and Scope, functions of import management, Hindrances in import trade, domestic and international imports.

Unit- II

Import Regulation and Financing, Import and Exchange Control, Procedure for import financing, Letter of Credit, Institutional Finance and Import Trade, lease financing, reducing strategies.

Unit- III

Import Policies in India, restrictions on import, import substitution, incentives for import trade agreement, recent policies by central government. Foreign trade policy of India.

Unit- IV

Institutional Support for Import Trade, Indent House, Clearing Agents, Bonded Warehouses and other agencies, Indian trade portals.

Unit -V

Miscellaneous Issue in Import Trade, Entry Port Trade and Re-importation, import of gifts, Import of samples, Sales on High Seas.

Suggested Readings:

1. New Import Export Policy - Nabhi Publications
2. A Guide on Export Policy Procedure & Documentation– Mahajan
3. Export & Import Management – D.C. Kapoor

**CAREER ORIENTED COURSE
FOREIGN TRADE
V Semester
PAPER -V
INDIA AND INTERNATIONAL TRADE**

Max. Marks: 100

Course outcomes:

On successful completion of this course the students can:

CO1: Learn in depth India's foreign trade growth and structure

CO2: Understand the characteristics balance of payments

CO3: Learn in depth importance of foreign capital in Indian economic development

CO4: Learn the recent trends in international business

CO5: Specify the details of international capital markets

Unit 1

India's Foreign Trade – Value composition and direction – Growth and Structure of India's Foreign Trade Since 1991.

Unit 2

India's Balance of Payments, Position prior to 1991 and 1991 onwards. Measures taken to correct balance of payment disequilibrium.

Unit 3

Foreign capital and collaborations: Introduction, Govt. policy towards Foreign Capital, Foreign Capital in India – External Assistance - External Commercial Borrowings – NRI Deposits,

Foreign Investments – FDI & FIIS - India's External Debt – Measures to reduce external debt. Importance of Foreign capital in India's Economic Development.

Unit 4

Recent Trends in International Business – Pattern of Shifts in Global Trading and Investment – Economic and Non-Economic factors affecting International Business.

Unit 5

International Capital Markets: Definition and Types – Asian Currency Markets – Petro Dollar Market – Euro Currency Market – Importance of Capital Markets – India and Foreign Currency Markets – Components of Capital Markets.

Suggested Readings:

1. International Business – P. Subba Rao
2. International Economics – M.L. Jhingan
3. International Trade and Development – Meir Gerald M.
4. Foreign Exchange Practice - Jeevanandam C.
5. International Economics - Kindleberger Charles P.

**CAREER ORIENTED COURSE
FOREIGN TRADE
VI Semester
PAPER -VI
FOREIGN EXCHANGE MANAGEMENT**

Max. Marks: 100

Course Outcomes:

On successful completion of this course the students are able to:

- CO1:** Learn in depth different foreign exchange rates and theory.
CO2: Understand the foreign exchange departments.
CO3: Learn in depth importance of different exchange rates calculation.
CO4: Learn the exchange control mechanism.
CO5: Specify the details FEMA.

Unit I:

Foreign Exchange Rate: Meaning, Types of Rates, Spot and Forward. Theories of Foreign Exchange, Mint Parity Theory, Purchasing Power Parity Theory, Balance of Payment Theory, Causes for Fluctuation in Exchange Rates, Fixed and Flexible Exchange Rates.

Unit II:

Foreign Exchange Departments of Banks. Buying and Selling of Foreign Currency and Bills – Issue of International DD and TC's – Handling NRI Accounts – Dealing with Correspondent Banks.

Unit III:

Exchange Arithmetic: Calculation of Buying and Selling Rates – Ready rates for trading and non-trading transactions – Spot rates and forward rates – Simple Problems relating to calculations of different rates.

Unit IV:

Exchange Control: Meaning – Objectives, Methods of Exchange Control, Exchange Equalization Fund.

Unit V:

FEMA: Salient Features. International Finance and Foreign Exchange – International Finance, Global Capital Structure, Foreign Institutional Investors.

Suggested Readings:

1. Money, Banking, Trade and Finance – D.N. Mithani
2. Money, Banking, Trade and Finance – K.P. Sundaram
3. Business Environment – Francis Cherunillam
4. Foreign Exchange Management – ICFAI University
5. International Economics – O.S. Srivatsava