



# INSTITUTE OF AERONAUTICAL ENGINEERING

(Autonomous)

Dundigal, Hyderabad -500 043

## MASTER OF BUSINESS ADMINISTRATION

### COURSE DESCRIPTOR

Course Title	FOREIGN TRADE			
Course Code	CMBB59			
Programme	MBA			
Semester	IV			
Course Type	Professional Elective - VIII			
Regulation	IARE - R18			
Course Structure	Lectures	Tutorials	Practical Work	Credits
	4	-	-	4
Chief Coordinator	Dr. T Vara Lakshmi, Associate Professor, MBA			
Course Faculty	Dr. T Vara Lakshmi, Associate Professor, MBA			

#### I. COURSE OVERVIEW:

The main objective of the course is to develop an understanding among the students about the various policies, aspects, and intricacies of foreign trade and international business. This course is an amalgamation of management, trade, sales, marketing, and aspects related to law and economics. In this globalized society, the demand for international business, international marketing, and foreign trade have increased manifold. This demand not only involves the international relations with other nations but also affects the domestic markets of our country and in order to meet the demand, various sectors employ officials who are very well aware of the related aspects.

#### II. COURSE PRE-REQUISITES:

Level	Course Code	Semester	Prerequisites
-	-	-	-

#### III. MARKS DISTRIBUTION:

Subject	SEE Examination	CIA Examination	Total Marks
Foreign Trade	70 Marks	30 Marks	100

#### IV. DELIVERY / INSTRUCTIONAL METHODOLOGIES:

✓	Chalk & Talk	✗	Quiz	✓	Assignments	✗	MOOCs
✓	LCD / PPT	✓	Seminars	✗	Mini Project	✓	Videos
✗	Open Ended Experiments						

#### V. EVALUATION METHODOLOGY:

The course will be evaluated for a total of 100 marks, with 30 marks for Continuous Internal Assessment (CIA) and 70 marks for Semester End Examination (SEE). Out of 30 marks allotted for CIA during the semester, marks are awarded by taking average of two CIA examinations or the marks scored in the make-up examination.

**Semester End Examination (SEE):** The SEE is conducted for 70 marks of 3 hours duration. The syllabus for the theory courses is divided into five units and each unit carries equal weightage in terms of marks distribution. The question paper pattern is as follows. Two full questions with “either” or “choice” will be drawn from each unit. Each question carries 14 marks. There could be a maximum of two sub divisions in a question.

The emphasis on the questions is broadly based on the following criteria:

50 %	To test the objectiveness of the concept.
50 %	To test the analytical skill of the concept OR to test the application skill of the concept.

#### Continuous Internal Assessment (CIA):

CIA is conducted for a total of 30 marks (Table 1), with 25 marks for Continuous Internal Examination (CIE), 05 marks for Alternative Assessment Tool (AAT).

Table 1: Assessment pattern for CIA

Component	Theory		Total Marks
Type of Assessment	CIE Exam	AAT	
CIA Marks	25	05	30

#### Continuous Internal Examination (CIE):

Two CIE exams shall be conducted at the end of the 8<sup>th</sup> and 16<sup>th</sup> week of the semester respectively. The CIE exam is conducted for 25 marks of 2 hours duration consisting of two parts. Part–A shall have five compulsory questions of one mark each. In part–B, four out of five questions have to be answered where, each question carries 5 marks. Marks are awarded by taking average of marks scored in two CIE exams.

#### Alternative Assessment Tool (AAT):

Marks shall be awarded considering the average of two AAT for every course. The AAT may include seminars, assignments, term paper, open ended experiments, five minutes video and MOOCs.

## VI. HOW PROGRAM OUTCOMES ARE ASSESSED:

Program Outcomes (POs)		Strength	Proficiency assessed by
PO1	<b>Managerial Skills:</b> Apply knowledge of management theories and practices to solve business problems.	3	Assignments
PO2	<b>Decision-making Skills:</b> Foster Analytical and critical thinking abilities for data-based decision making	2	Seminars
PO4	<b>Communication Skills:</b> Ability to understand, analyze and communicate global, economic, legal and ethical aspects of business	3	Assignments
PO7	<b>Strategic analysis:</b> Ability to conduct strategic analysis using theoretical and practical applications.	3	Seminars
PO8	<b>Technology Skills:</b> Inculcate and develop technical skills to face the competitive world successfully.	2	Seminars

**3 = High; 2 = Medium; 1 = Low**

## VII. COURSE OBJECTIVES :

The course should enable the students to:	
I.	Understand the role of the World Customs Organization and the World Trade Organization about foreign trade, theories of international trade and economy.
II.	Analyze export and import policies of India and other nations and also special economic zones and institutions involved in export promotions
III.	Understand promotion schemes and setup of export promotions. The different customs procedures, methods of products classification and learn to complete the customs documents
IV.	Understanding International Marketing Environment, Marketing Cycle, Domestic and Export Marketing, Export Marketing Plan.

## VIII. COURSE OUTCOMES (COs):

CO Code	CO's	At the end of the course, the student will have the ability to:	PO's Mapped	Strength of Mapping
CMBB59.01	CO1	Understand the composition of foreign trade and its contribution for economic development.	PO1, PO2	3
CMBB59.02	CO2	Discuss the various international agreements and foreign capital and BoP statements.	PO2, PO4	3
CMBB59.03	CO3	Demonstrate various legal aspects, purpose, functions and schemes related to EXIM policy.	PO2, PO7	3
CMBB59.04	CO4	Analyse the role of various trading policies and Exports services like EOUs/EPZs/SEZs.	PO1, PO2, PO7	3
CMBB59.05	CO5	Explain the need, general guidance and back group aspects of Inco terms.	PO1, PO7	3
CMBB59.06	CO6	Examine different tariffs, procedures and quantitative restrictions of Inco terms.	PO1, PO4	3
CMBB59.07	CO7	Describe the history, export assistance measures and principle commodities of India's exports and Imports.	PO4, PO8	3
CMBB59.08	CO8	Enumerate the institutional involvement in export promotion and canalizing agencies and chambers of commerce.	PO4, PO8	3

CMBB59.09	CO9	Introduce the Assessment of Prospects, Products and Markets, Identification of new markets for Indian products, African Market, potential to enter into the SOUTH AFRICA, GHANA, KENYA, NIGERIA, UGANDA, MAIRITIOUS and TAMZANIA	PO7, PO8	3
CMBB59.10	CO10	Identify the techniques and measurements in Export potential of India, Latin America, an analysis of US commercial office on India for investing in selected sector, Trade Blocks and Regional Economic Cooperation.	PO7, PO8	3

**3 = High; 2 = Medium; 1 = Low**

**IX. MAPPING COURSE OUTCOMES LEADING TO THE ACHIEVEMENT OF PROGRAM OUTCOMES:**

COs	Program Outcomes (POs)				
	PO1	PO2	PO4	PO7	PO8
CO 1	3	3			
CO 2		3	3		
CO 3		3		3	
CO 4	3	3		3	
CO 5	3			3	
CO 6	3		3		
CO 7			3		3
CO 8			3		3
CO 9				3	3
CO 10				3	3

**3 = High; 2 = Medium; 1 = Low**

**X. ASSESSMENT METHODOLOGIES – DIRECT**

CIE Exams	PO1, PO2, PO4, PO7, PO8.	SEE Exams	PO1, PO2, PO4, PO7, PO8.	Assignments	PO1,PO4	Seminars	PO2, PO7, PO8.
Laboratory Practices	-	Guest Lecture	-	Mini Project	-	Certification	-
Term Paper							

**XI. ASSESSMENT METHODOLOGIES - INDIRECT**

√	Assessment of course Outcomes (by feedback, once)	√	Student feedback on faculty (twice)
X	Assessment of mini projects by experts		

## XII. SYLLABUS

<b>UNIT- I</b>	<b>INTRODUCTION TO FOREIGN TRADE</b>
Definition of foreign trade, composition of foreign trade, theories of international trade, foreign Trade and economic development. analysis of India's foreign trade, growth, trends, composition and direction, foreign capital, collaboration of multinational corporations, bilateral and multinational trade agreements, India's trade agreements, India's balance of payments including invisibles.	
<b>UNIT-II</b>	<b>IMPORT POLICY AND EXPORT PROMOTION SCHEMES</b>
Salient features of India's export import policy, objectives of EXIM/trade policy ,instruments of trade Policy, duty exemption schemes ,DBK, DEPB, advance license , import of capital goods, Exports/Trading/Star Trading/super star trading house policy EOU's/EPZs/SEZs Schemes - Services Exports.	
<b>UNIT-III</b>	<b>INCOTERMS</b>
Background and objectives of Inco terms, types of Inco terms, general guidance that are used in Inco terms. Terminology of Inco terms, Tariffs, Quantitative restrictions, Export-Import Procedures and documentation.	
<b>UNIT- IV</b>	<b>INSTITUTIONAL SETUP FOR EXPORT PROMOTION</b>
Export Assistance measures. Free Trade Zone SEZ's and 100%eOUs.,State Trading in India- Principal commodities of India's export and imports an overview, Sources and Analysis of foreign Trade Statistics. Canalizing Agencies and Chambers of Commerce. Export Organization: Institutions involved in export Promotion: DGFT, FIEO, RBI, CUSTOMS, ITPO, EXIMBANK, ECGC, EPCs, Commercial banks, Commodity Boards.	
<b>UNIT - V</b>	<b>ASSESSMENT OF PRODUCTS AND MARKETS</b>
Assessment of Prospects, Products and Markets, Identification of new markets for Indian products, African Market, potential to enter into the SOUTH AFRICA, GHANA, KENYA, NIGERIA, UGANDA, MAIRITIOUS and TAMZANIA, Export potential of India, Latin America, an analysis of US commercial office on India for investing in selected sector, Trade Blocks and Regional Economic Cooperation.	
<b>Text books</b>	
1. Francis Cherrunilam, "International Trade and Export Management", Himalaya Publications, 9 <sup>th</sup> Edition, 2009. 2. Bhagvati J (ed), "International Trade", Penguin Books, 4 <sup>th</sup> Edition, 2007	
<b>References</b>	
1. CA. Virendra, K.Pamecha, "A Guide to International Trade and Export Management", Jain Book Agency, 8th Edition, 2014. 2. Dr. Jason Chuah, "Law of International Trade", South Asian publications, 5 <sup>th</sup> Edition, 2017.	
<b>Web References</b>	
1. <a href="http://www.ebooks directory.com">http://www.ebooks directory.com</a> 2. <a href="http://Campus guides.lib.utah.edu">http://Campus guides.lib.utah.edu</a>	
<b>E-Text Books</b>	
1. <a href="http://www.bookboon.com">http://www.bookboon.com</a> 2. <a href="http://www.freemagagement.com">http://www.freemagagement.com</a> 3. <a href="http://www.emeraldinsight.com">http://www.emeraldinsight.com</a>	

## XIII. COURSE PLAN:

The course plan is meant as a guideline. Probably there may be changes.

Lecture No	Topics to be covered	Course Outcomes (COs)	Reference
1	Definition of foreign trade	CO1	T-1 p.g. 1-5, R-2 p.g 2-10

<b>Lecture No</b>	<b>Topics to be covered</b>	<b>Course Outcomes (COs)</b>	<b>Reference</b>
2	Composition of foreign trade	CO1	T-2 p.g. 6-18, R-2 p.g. 25-26
3	Theories of international trade	CO1	T-1 p.g.19 - 23, R-2 p.g. 27-32
4	Foreign Trade and economic development	CO1	T-1 p.g. 19-25, R-2 p.g. 33-35
5	Analysis of India's foreign trade growth, trends, composition and direction	CO2	T-2 p.g. 98-104, R-2 p.g. 48-58
6-7	Foreign capital, collaboration of multinational corporations, bilateral and multinational trade agreements	CO2	T-1 p.g. 78-99, R-1 p.g. 85-95
8	India's trade agreements, India's balance of payments including invisibles.	CO2	T-2 p.g. 104-115, R-2 p.g. 99-105
9 - 10	Salient features of India's export import policy	CO3	T-1 p.g. 116-119, R-2 p.g. 154-158
11 - 12	Objectives of EXIM/trade policy	CO3	T-2 p.g. 117-126, R-2 p.g. 155-198
13 - 14	Instruments of trade Policy, duty exemption schemes	CO3	T-1 p.g. 158-159, R-2 p.g. 116-125
15	DBK, DEPB, advance license , import of capital goods,	CO4	T-1 p.g. 99-135, R-2 p.g. 105-145
16	Exports/Trading/Star Trading/super star trading house policy EOU's/EPZs/SEZs Schemes	CO4	T-2 p.g. 138-165, R-2 p.g. 142-153
17	Services Exports.	CO4	T-1 p.g. 168-175, R-2 p.g. 65-68
18	Background and objectives of Inco terms	CO5	T-2 p.g. 77-85, R-2 p.g. 112-116
19	Types of Inco terms	CO5	T-1 p.g. 177-186, R-1 p.g. 117-125
20	General guidance that are used in Inco terms	CO5	T-2 p.g. 98-105, R-2 p.g. 214-225
21	Terminology of Inco terms	CO5	T-1 p.g. 210-230, R-2 p.g. 198-215
22	Tariffs, Quantitative restrictions	CO6	T-2 p.g. 235-258, R-2 p.g. 214-225
23	Export-Import Procedures and documentation.	CO6	T-2 p.g. 226-234, R-1 p.g. 214-225
24	Export Assistance measures	CO7	T-2 p.g. 214-235, R-2 p.g. 190-215,
25	Free Trade Zone SEZ's and 100%eOUs.,State Trading in India	CO7	T-1 p.g. 210-255, R-1 p.g. 98-116
26 - 27	Principal commodities of India's export and imports an overview	CO7	T-2 p.g. 260-265, R-2 p.g. 216-235
28 - 30	Sources and Analysis of foreign Trade Statistics. Canalizing Agencies and Chambers of Commerce.	CO8	T-1 p.g. 266-278, R-2 p.g. 236-245
31 - 33	Export Organization: Institutions involved in export Promotion: DGFT, FIEO, RBI, CUSTOMS, ITPO, EXIMBANK, ECGC, EPCs, Commercial banks,	CO8	T-1 p.g. 260-277, R-1 p.g. 235-245

Lecture No	Topics to be covered	Course Outcomes (COs)	Reference
	Commodity Boards.		
34 - 35	Assessment of Prospects	CO9	T-1 p.g. 289-297, R-1 p.g. 240-256
36	Products and Markets, Identification of new markets for Indian products	CO9	T-2 p.g. 315-325, R-1 p.g. 235-256
37 - 40	African Market, potential to enter into the SOUTH AFRICA, GHANA, KENYA, NIGERIA, UGANDA, MAIRITIOUS and TAMZANIA	CO9	T-1 p.g. 316-335, R-1 p.g. 302-325
41	Export potential of India, Latin America	CO10	T-1 p.g. 304-308, R-2 p.g. 215-223
42	An analysis of US commercial office on India for investing in selected sector	CO10	T-1 p.g. 309-325, R-1 p.g. 216-225
43	Trade Blocks	CO10	T-1 p.g. 339-350, R-1 p.g. 230-255
44 - 45	Regional Economic Cooperation.	CO10	T-1 p.g. 367-375, R-1 p.g. 237-248

#### **XIV. GAPS IN THE SYLLABUS - TO MEET INDUSTRY / PROFESSION REQUIREMENTS:**

S NO	Description	Proposed actions	Relevance with POs
1	Foreign Trade financing methods	Seminars / Guest Lectures.	PO1, PO2, PO7
2	Sources of finance for foreign trade	Seminars / Guest Lectures.	PO4, PO7, PO8

**Prepared by:**

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