

PONDICHERRY UNIVERSITY
DEPARTMENT OF INTERNATIONAL BUSINESS
SCHOOL OF MANAGEMENT

**POST GRADUATE DEIPLOMA IN FOREIGN
TRADE**

COURSE REGULATIONS, STRUCTURE
&
SYLLABUS

Submitted for Approval by Board of Studies
04.10.10

POST GRADUATE DIPLOMA IN FOREIGN TRADE

COURSE REGULATIONS

The Department of International Business is proposing to launch a Post Graduate Diploma in Foreign Trade as an Add-on Course for the benefit of the students from the academic year 2011-12. Necessary administrative approval for offering the Diploma has been obtained by the Department. Now, the Department is placing before the Board of Studies the Course Structure, syllabus and Regulations governing the Diploma programme for approval.

Eligibility Criteria for Admission

Candidates desiring to join the PG Diploma in Foreign Trade should possess a Degree (10+2+3) in any discipline as recognized by the UGC with a minimum of 45% of marks.

Duration of the Programme

The PG Diploma in Foreign Trade is of one year duration with two Semesters.

Class Timings

Classes will be held for 5 days in a week (from Monday through Friday) from 5.30 P.M. to 7.30 P.M.

Attendance

A minimum of 70% of attendance is necessary for every student to appear for End-Semester Examination.

Weightage of Marks

The Weightage of marks between Internal Assessment and End-Semester Examination shall be 40 marks and 60 Marks respectively.

Passing Minimum

A student is declared to have passed a given subject if only he / she secures a minimum of 40% of marks in the end-semester examination with an aggregate of 50% of marks secured in Internal assessment and End-Semester Examination put together. There is no minimum passing marks for the internal assessment component.

Grading

Grades will be awarded to each subject by the programme committee of the respective Department as per the guidelines of the Choice Based Credit System (CBCS).

Core Faculty

Academically highly vibrant and professionally committed core faculty is participating in the program. They have excellent credentials in their own field of specialization through publications and consultant activities.

Dr. M. Ramadass, Ph.D Professor & Dean School of Management <i>Experience: 39 Years</i>	Agricultural Economics Health Economics Economics of Education
Dr. K. Mohan, MBA, M.Phil., Ph.D., M.Com., PGDLL, Professor & Head <i>Experience :27 Years</i>	Strategic Financial Management Corporate Finance International Finance Cost & Management Accounting
Dr. D. Sambhandan, M.A., M.Phil., Ph.D., (Adjunct Professor) <i>Experience :33 Years</i>	International Economics Managerial Economics Global Financial Markets
Dr. P. Sridharan, M.Com., M.Phil., Ph.D. Associate Professor <i>Experience :14 Years</i>	International Banking Financial Management Management Accounting
Dr. Bushan D. Sudhakar, MIM, Ph.D., AA (IIM-A) Reader <i>Experience : 13 Years</i>	International Marketing, Business communication & Negotiation Advertising & Branding, Business Communication & Negotiations skills Sales Promotion and Branding
Dr. Y. Srinivasulu, MBA, M.Phil, Ph.D Reader Experience: 17 Years	Marketing Management Services Marketing, Brand Management, Industrial Marketing
Dr. M. Banumathi, MA, MBA, Ph.D. Reader Experience: 15 Years	Strategic Management, Green Marketing International Trade International Economics
Dr. Rajeesh Viswanath MA, MBA, Ph.D Assistant Professor Experience: 12 Years	Organisational Behaviour Performance Management Systems Cross Cultural Management Human Resource Management
Dr. S. Thiyagarajan M.A., MBA, M.Com., M.Phil, Ph.D. Assistant Professor Experience: 3 Years	Quantitative Techniques Operations Research Research Methodology Accounting, Advertising
Dr. P.G. Arul, M.Com, M.Phil, (MBA), Ph.D. Assistant Professor Experience: 10 Years	International Trade & Logistics International Advertisement & Research Human Resource Management Foreign Direct Investment

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(DURATION : ONE YEAR)**

DETAILED COURSE STRUCTURE

SEMESTER - I

Code No.	Course	Credits	Marks
PGDFT 001	India's Foreign Trade and Policy	3	100
PGDFT 002	Legal Environment for Foreign Trade	3	100
PGDFT 003	Cross Cultural Management	3	100
PGDFT 004	International Trade Blocs and Agreements	3	100

SEMESTER – II

Code No.	Course	Credit	Marks
PGDFT 005	Transnational Marketing	3	100
PGDFT 006	EXIM Finance and Risk Management	3	100
PGDFT 007	International Trade Documentation and Procedure	3	100
PGDFT 008	International Logistics and Supply Chain Management	3	100

PGDFT 001 - INDIA'S FOREIGN TRADE AND POLICY

Unit – I

International Trade – Need and importance of international trade – Recent trends in world trade – leading players in the world – Major items traded.

Unit – II

India's Foreign Trade – Commodity composition and destination – India's position in the world merchandise trade and services- Balance of Payments of India.

Unit – III

India's Foreign Trade Policy – New initiatives – Export promotion – Import Policy and control – Foreign investment policy – policy framework for FDI in India.

Unit – IV

India's Trade relationship with major Trade Blocs in the world – India's Trade agreements with various blocs.

Unit – V

Role of Government in India's Foreign Trade – EOU – EPZ – SEZ in India.

References Books:

1. Francis Cherrunilam, International Trade and Export Management, Himalya Publications, 2009.
2. Bhagvati J (ed), International Trade , Penguin Books , 2007.
3. India's Trade statistics, published by CMIE and DGCIS.
4. RBI Annual Reports,
5. Annual Reports of Ministry of Commerce.

PGDFT 002 - LEGAL ENVIRONMENT FOR FOREIGN TRADE

Unit – I

Introduction to Legal Environment – National and International law – Legal frame work for foreign trade in India -Code and common laws and their implications to business.

Unit – II

Regulatory Frame work of WTO: Principles of WTO – Functions of WTO – Dispute settlement mechanism – GATS – TRIPS – TRIMS.

Unit – III

Indian Laws and Regulations Governing International Transactions: FEMA; Taxation of foreign income; Foreign Investments; Setting up offices and branches abroad; International Licensing; Franchising; Joint Ventures – Restrictions on trade in endangered species and other commodities.

Unit – IV

Intellectual Property Rights (IPR) – International protection for IPR- Patents and trade marks; Technology transfer, Telecommunications

Unit – V

Environment protection and business obligations – Environmental legislation in India - environmental issues – Social issues - Business transaction and Cyber law.

References Books:

1. Daniels, John, Ernest W. Ogram and Lee H. Redebungh: International Business, Environments and operations. 2008.
2. Lew, Julton D.M and Clive Stand brook (eds), International Trade Law and Practice, Euromoney Publications, London, 2009.
3. Schmothoff C.R: Export Trade – The Law and Practice of International Trade, 2008.
4. Motiwal OP, Awasthi HIC: International Trade – the law and practice; Bhowmik and Company, New Delhi, 2009.

PGDFT 003 - CROSS CULTURAL MANAGEMENT

Unit - I

THE IMPACT OF CULTURE ON ORGANIZATIONS.

Culture and Management. - How Cultural Differences Affect Organizations - Communicating Across Cultures

Unit - II

LEVERAGING CULTURAL DIVERSITY

Creating Cultural Synergy - Managing Multicultural Teams

Unit – III

LEADING AND NEGOTIATING

Leading Globally - Motivating People from Around the World: Inspiring People to Contribute - Multinational Decision Making - Negotiating Globally

Unit – IV

GLOBAL OPERATIONS

International and Global Business operations with Cross Cultural dimension – India – Europe and India – United States managerial practices - Successful Implementation of Culture Change Phase – Sates of Cultural Adjustment and Stages of Culture Shock - Case studies on MNCs

Unit - V

MANAGING GLOBAL MANAGERS.

Managing Cross-Cultural Transitions: Moving Abroad and Coming Home - A Portable Life: The Expatriate Spouse - Global Careers: Succeeding in the 21st Century

Reference Books:

1. Understanding Cross-cultural Management , Marie-Joelle Browaeys, Pearson Publishers 2007
2. .Fred Luthans: ORGANISATIONAL BEHAVIOUR, McGraw-Hill, 2008
3. Stephen P Robbins: ORGANISATIONAL BEHAVIOUR, Pearson - 2009
4. Multinationals and Cross-Cultural Management - The Transfer of Knowledge within Multinational Corporations, Parissa Hagherian, Pearson Publishers 2008
5. Cross Cultural Management and Negotiation Practices, Bahaudin Ghulam, Ilead Academy, 2007.

PGDFT 004 - INTERNATIONAL TRADING BLOCKS AND AGREEMENTS

Unit-I

Evolution of International Business; Drivers of International Business; International Business and Domestic Business compared; Routes of Globalization; Geography of the world.

Unit-II

International Strategic Alliances; Nature and Scope of Strategic Alliances; Alliance Development process, making Alliance work, Economic consideration for Strategic Alliances.

Unit-III

Integration between countries, Levels of Integration, Impact of Integration, Major Regional Trading Groups, European Union, European free trade association, North American Free Trade Agreement (NAFTA), The Andean Community, Mercosur.

Unit-IV

Association of South East Asian Nations(ASEAN), Asia-Pacific Economic cooperation (APEC), SAARC, SAPTA, SAFTA, Middle East and African Initiatives.

Unit-V

Institutional support to International Business, United Nations (UN) World Bank, International monetary Fund, UNCTAD, Asian Development Bank, WTO.

Text Books

1. International Business - Charles W L Hill, Tata McGraw Hill, 2010
2. Trends in International Business - Michael R Czinkota and Masaaki Kotabe, Block well Publisher, 2008

Reference books

1. International Business- K. Aswathappa, McGraw Hill, 2010.
2. International Business- P. Subba Rao, Himalaya Publications, 2010.

PGDFT 005 - TRANSNATIONAL MARKETING

Unit-I

Basic Marketing concepts: Introduction to marketing; Evolution of marketing; Segmentation, Targeting and Positioning; Understanding the consumers needs and wants; Marketing Information System

Unit-II

The significance of International Trade; The Attraction of International Marketing; Marketing in the information economy; How does the Internet improve global marketing operations; Strategic Planning for International Marketing.

Unit-III

Designing the marketing mix for Global markets; Product planning and Development new products, Product life cycle, Product mix and Product line, product mix Strategies, Branding, Packaging and Labeling decisions.

Unit-IV

Meaning of price, pricing objectives, Factors influencing pricing decisions, Basic Methods of pricing, pricing policies, Discounts and Allowances, Designing Distribution Channels, Conflict and control in Channels. Retailing, Wholesaling and Physical Distribution.

Unit-V

The role of promotion in marketing; promotion methods; integrated marketing communication; advertising, personal selling, sales promotion and public relations the challenges and opportunities of marketing in today's economy.

Text Books:

1. Fundamentals of marketing - W.J. Stanton, McGraw Hill, 2006.
2. Strategic marketing - Ferrell and Hartline, South Western College, 2007.
3. Global Marketing - Keegan, Prentice Hall, 2004.

Reference Books

1. Marketing - Lamb Hair and MC Daniel, South Western, 2008.
2. Marketing Management - Joel R Evans, Barry Berman, Alomic Dog Publications, 2009.

PGDFT 006 - EXIM FINANCING AND RISK MANAGEMENT

Objective: This course aims at providing an insight into the various modes of export-import payment settlement, pre-shipment, Post-shipment finance and their procedure and the means of mitigating the risk in foreign trade.

UNIT – I – Export Payment Terms

Basic concepts of foreign exchange - Methods of International Payment Settlement - Cash, Open account, Cash against Documents, documents on acceptance advance payment, bills of exchange and letters of Credit (L/c) - Exchange Control Regulations for imports and exports - Letters of Credit – Definition – parties of Letters of Credit – Procedure for drawing various L/C and their operations. Types of Letters of Credit.

UNIT – II – Pre-shipment and Post shipment Finance

Definition and features of pre-shipment finance, post shipment finance – definition, various applications of post shipment finance and their procedure –

UNIT – III: Export Costing and Pricing

Export pricing and market imperatives – pricing objectives – Composition of export pricing – price quotations – relevance of export assistance in export pricing – marginal costing and export pricing – Export quotations – International commercial terms – Contract terms for carriage by sea transport – FAS – FOB – CFR – CIF – DES – DEQ – contract terms for carriage by any mode of transport – EXW-FCACPT- CIP-DAF-DDP-

UNIT – IV Import Finance

Modes and sources of import Finance – Role of L/C in import. Role of Banks in export finance – Organization of banks – import credit – Export credit – Foreign Exchange Transactions

UNIT – V – Risk Management in Foreign Trade

ECGC – Role of ECGC – Standard policies – risks covered – Commercial Banks, Political Risks – risks not covered, How to obtain a policy and file claim. Maximum liability and credit, Guarantees for covering export finance. Special schemes. EXIM Banks – Objectives, Organisations Functions of EXIM Bank – export financing Programmes – range of financing Programmes – Operations under programmes of funded and non-funded assistance.

Suggested Readings:

1. Finance of Foreign Trade and Foreign Exchange – G.S. LALL
2. International Finance Theory and Practice –V.A.AVADHANI
3. Foreign Trade Finance – JEEVANANDAM
4. Guidelines for exports – Publication by Commercial and Export Promotion Department.

PGDFT 007 - INTERNATIONAL TRADE DOCUMENTATION AND PROCEDURES

Unit – I

Export Procedure: Starting an export firm – Selection of an export product, Market and Buyer – Registration procedure with Sales Tax, Central Exercise and various Boards and councils.

Unit - II

EXIM code number – Elements of export contract- Incoterms – Terms of payment and Letter of Credit. Export Documentation: Types of documents – Transport, Negotiation and Insurance documents.

Unit – III

Export Finance: Sources of Finance - Role of commercial bank, EXIM Bank, ECGC and others – Export promotion Schemes – Insurance for Export – Types – export credit insurance – Risk Management – Types of risks – mitigation methods.

Unit – IV

Import Procedure and Documentation: Global sourcing – Types of global procurement – Tender – Negotiation – Contract and others – Customs regulations and import clearance formalities –

Unit – V

Types of import licenses- Export Promotion Capital Goods Scheme (EPCG) license- Duty exemption scheme – Duty Entitlement Pass Book Scheme (DEPBS)- Import formalities for 100% EOUs and SEZs - Import Risk Management.

Text Books:

1. P K Khurana “Export Management”, Galgotia publishing company, 2007.
2. Aseem Kumar “Export and Import Management”, Excel Books, 2007
3. David Stewart ,”International Supply chain Management”, Cengage publications,2008.

Reference Books:

1. Jeevanandam C “Foreign Exchange : Practices Concepts and control” Sultan chand Publications, 2002.
2. Foreign Trade Policy: Hand book of Export Procedure and Annual of the Ministry of Commerce, Government of India.
3. Export and Import Manual, Nabhi Publications, New Delhi.
4. World Development Indicator, World Bank Publication
5. CMIE Report

PGDFT 008 - INTERNATIONAL LOGISTICS AND SUPPLY CHAIN MANAGEMENT

Unit –I

Logistics Management: Concepts – Importance – Elements of the logistic System – Marketing and logistic mix - Logistics and marketing interface.

Unit – II

Shipping Industry: Types of ships – Shipping systems: linear, Tramp, conference, chartering, Baltic freight exchange – Shipping intermediaries: agent, forwarder, brokers and others – containerization – types of containers.

Unit – III

Air Transport: Air transport – Air freight – IATA – Cargo handling – Designing the International Information system – system modules – Distribution and Transportation.

Unit - IV

Supply chain: Definition – scope and importance of supply chain – supply chain drivers and metrics - Designing supply chain network: Distribution network – Factors influencing distribution - Transportation decision in supply chain management

Unit - V

Forecasting and planning in supply chain management – Pricing in supply chain management- co-ordination in supply chain management- Role of IT in supply chain management

Text Books

1. Chopra S and P Meindl “Supply chain management: Strategy, planning and operations” , Himalaya Publications, 2008.
2. David P, “International Logistics” Biztantra, New Delhi , 2006.

Reference Books:

1. Donald J Bowersox Davi J Class” Logistics Management, Tata Mc.Graw Hill,New Delhi, 2008.
2. David Stewart ,”International Supply chain Management”, Cengage publications,2008.
3. Reji Ismail,“Logistics Management” Excel Books, 2008.