

Course Code	Course Title	C	H	I	E	T
17U3KMC6	<b>International Trade</b>	4	60	25	75	100
<b>Learning Objectives</b>						
<ul style="list-style-type: none"> <li>• To gain knowledge on International trade and its importance in Balance of Payments of the country</li> <li>• To equip on preparation of export procedures and documentation with INCO Terms and familiarize with Terms of Letter of Credit</li> <li>• To calculate foreign exchange rate in different situations</li> <li>• To have a view and importance of International Institutions</li> </ul>						
<b>Learning Outcomes:</b> Knowledge on International Trade, Skill on Export documentation & Procedure and awareness about international institutions						

### **Unit I: Introduction to International Trade**

Meaning – Definitions – Domestic Trade Vs International Trade – Need and Importance – Balance of Trade – Balance of Payments (BoP)– Components of BoP – BoP Disequilibrium – Corrective measures of Disequilibrium. International Commercial Terms (INCO Terms) EXW - FCA– FAS – FoB – C&F – CIP – CPT – DAF – DES – DEQ – DDU – DDP.

### **Unit II: Foreign Exchange & Export Financing**

Meaning – Exchange Rates – Factors determining Exchange Rate – Types of Exchange Rate – Fixed and Fluctuating Rates – Spot and Forward Rates. Export Financing – Importance of Export Financing – Methods of Export Financing – Pre-shipment & Post shipment credit – ECGC – Role of ECGC - EXIM Bank – Functions.

### **Unit III: Export Procedure & Export Documentations**

Processing of Export Order – Excise Clearance – Customs Clearance – Quality and Pre – shipment inspection – Bank procedures – Duty Draw back.  
Export Documentations – Documents Relating to Goods – Documents Relating to Shipping– Combined Transportation Documents – Certificate of Inspection – Appropriate forms.

### **Unit IV: Letter of Credit, Bills of Exchange & Bills of Lading**

Meaning – Types of Letter of Credit – Mechanism of Letter of Credit – Bills of Exchange – Types of Bills of Exchange – Demand Bills – Sight Bills – D/A and D/P. Bills of Lading – Meaning – Types.

### **Unit V: International Institutions**

IBRD-IMF– GATT – Objectives - WTO – Principles – External Commercial Borrowings

### **Book for Study**

Francis Cherunilam, *International Trade and Export Management*, 20<sup>th</sup> Revised Edition, 2017, Himalaya Publishing House, Mumbai.

### **Books for Reference**

1. T.A.S Balagobal, *Export Management*, Himalaya Publishing House, Mumbai
2. C. Jeevanandam, *Foreign Exchange, Practice, Concepts & Control*, Sultan Chand & Sons, New Delhi.
3. Dr. S. Sankaran, *International Trade*, Margham Publications, Chennai.
4. Dr. V. Radha, *International Trade*, Prassanna Publishers & Distributors, Chennai.
5. [www.wto.org.in](http://www.wto.org.in)
6. [www.investopedia.com](http://www.investopedia.com)