

<b>BBFT 103</b>	<b>TRADE DOCUMENTATION</b>	L	T	P	C
<b>Version 1.0</b>		4	0	0	4
<b>Pre-requisites/Exposure</b>	SENIOR SECONDARY				
<b>Co-requisites</b>	--				

## **COURSE OBJECTIVES**

- a) To familiarize students with the process of international and domestic trade procedures.
- b) To form a base of policy framework in International Trading with special emphasis on India.
- c) To apprise them of the documentation procedures and its sanctity in Intl' Business.

### **Course Outcomes**

On completion of this course, the students will be able to:

- CO1. Explain the concepts in trade documentation in international business with respect to foreign trade
- CO2. Apply the current business phenomenon and to evaluate the global business environment in terms of economic, social and legal aspects
- CO3. Analyse the principle of international business and strategies adopted by firms to expand globally
- CO4. Integrate concept in international business concepts with functioning of global trade

## **CATALOG DESCRIPTION**

With the advent of Globalisation, the whole world has become one single market. Foreign companies are establishing base for manufacturing in India while exporting the production to third countries. Domestic companies are expanding their business beyond national boundaries to fill the gap too. There is a huge requirement of people who can handle exports and imports, international logistics and are also aware of the Foreign Trade Policies of both the countries they are dealing with. This course prepares the student to handle all the aspects of actual transaction that takes place and are equipped with the different incentive schemes the Government has put in place to promote exports from the country.

## **COURSE CONTENT**

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### **MODULE 1: INDIA'S TAX STRUCTURE, ITS IMPLICATION ON INTERNATIONAL BUSINESS**

**12 hours**

Direct & Indirect Taxes, CBEC and CBDT, their role and functions, GST and its implications on International Business, Export Promotion schemes under the FTP, Fiscal and Financial incentives, INCOTERMS, PAYMENT TERMS.

**MODULE 2: FOREIGN TRADE POLICY****12 hours**

Need for a policy, Overview , India's Foreign Trade Strategy and Policy, Regulation and Promotion of Foreign Trade, DGFT, its role and functions, IMPORT and EXPORT regulations, What can be imported and what cannot be.

**MODULE 3: TRADE DOCUMENTATION****12 hours**

Commercial, Proforma, Consular, Visa-ed Invoices, Packing List, Inspection Certificates, SDF, GR forms, ST49 and Form H, ARE 1, ARE 2 forms, Bill of Lading & Mate's Receipt, Airway Bill (House AWB & Master AWB), Shipping Bill (LEO), Bill of Entry (Home Consumption & Warehousing), Bill of Export, Shipping Advice, Shipping Instructions, Shut out Notice

**Reference Books**

<b>S.No</b>	<b>Title</b>	<b>Author</b>	<b>Publisher</b>
a)	<i>International Trade Procedures and Documentation'</i>	<i>Dr. Ram Singh</i>	Oxford Higher education.
b)	How to Export	Nabhi	Nabhi Publications
c)	How to Import	Nabhi	Nabhi Publications
d)	<i>Export Import Procedures, Docume and Logistics" by</i>	<i>C. Rama Gopal</i>	New Age Intl' Publishers
e)	International Logistics'	Pierrie David	Biztantra

**Modes of Evaluation: Quiz/Assignment/ presentation/ extempore/ Written Examination Examination Scheme:**

<b>Description</b>	<b>Marks</b>	<b>Schedule</b>
1. Internal Examination	30	Detailed Below
2. Mid term Exam	20	Academic Calendar
3. End term Exam	50	Academic Calendar

**Internal Assessment: Marks 100** (shall be done based on the following):

- i) First Component presentation : Individual Assignment (Written/ 2nd week from the start of the course 30% weightage
- ii) Second Component : Group Project on specific topic (project report, presentation) one week before mid semester Exam 30% weightage
- iii) Third Component :CaseAnalysis/GD/Presentation Two weeks before end semester Exam 20% weightage
- iv) Written Test : Two tests 20% weightage

**Relationship between the Course Outcomes (COs) and Intended Student Learning Outcomes (ISLOs) or PO's**

<b>Mapping between COs and Intended Student Learning Outcomes (ISLOs)</b>		
	<b>Course Outcomes (COs)</b>	<b>Mapped Intended Student Learning Outcomes (ISLOs)/ PO's</b>
<b>CO1</b>	Explain the concepts in trade documentation in international business with respect to foreign trade	<b>PO1, PO 2, PO 3, PO 4, PO 5, PO 6, PO 7, PO 8, PO 9, PO 10</b>
<b>CO2</b>	Apply the current business phenomenon and to evaluate the global business environment in terms of economic, social and legal aspects	<b>PO1 PO 3, PO 4, PO 5, PO 6, PO 7, PO 8, PO 9, PO 10, 11, 12</b>
<b>CO3</b>	Analyse the principle of international business and strategies adopted by firms to expand globally	<b>PO1, PO 2, PO 3, PO 5, PO 6, PO 7, PO 8, PO 9, PO 10</b>
<b>CO4</b>	Integrate concept in international business concepts with functioning of global trade	<b>PO1, PO 2, PO 3, PO 4, PO 5, PO 7, PO 8, PO 9, PO 10,11, 12</b>

<b>Course Outcomes</b>	<b>CO 1</b>	<b>CO 2</b>	<b>CO 3</b>	<b>CO 4</b>

<b>PO 1</b>	3	3	3	2
<b>PO 2</b>	3	3	3	2
<b>PO 3</b>	3	3	3	2
<b>PO 4</b>	3	1	1	2
<b>PO 5</b>	2	1	1	1
<b>PO 6</b>	2	2	2	2
<b>PO 7</b>	3	2	1	2
<b>PO 8</b>	3	3	3	3
<b>PO 9</b>	1	1	1	1
<b>PO 10</b>	2	2	2	2
<b>PO 11</b>	3	2	2	2
<b>PO 12</b>	2	2	1	2

1=weakly mapped  
2=moderately mapped  
3=strongly mapped

<b>BBFT</b>	<b>Trade documentation</b>	ISLO /PO1	ISLO /PO	ISLO /PO	ISLO /PO	ISLO /PO	ISLO /PO	ISLO /PO	ISLO /PO	ISLO /PO	ISLO /PO	ISLO /PO	ISLO /PO
		Students will demonstrate strong conceptual knowledge of international business	Students will demonstrate effective oral and written communication skills in the professional context	Students will be able to work effectively in team building capabilities	Students will develop critical thinking and problem-solving skills applicable to business and management practice	Students will be able to describe the global environment of business	Student will demonstrate sensitivity towards ethical and moral issues and have ability to address them in the international	Students will be able to apply decision support tools to business decision making.	Student will be able to apply knowledge of business concepts and function in an integrated manner	Students will demonstrate conceptual domain knowledge of international business	Students will apply decision support tools to decision making in international business	Students will apply conceptual knowledge of Foreign Trade in an integrated manner.	Students will demonstrate employable and deployable skills for appropriate roles in management.

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	CO	3	3	3	2	1	2	2	3	1	2	3	1


### Bachelor's-Level Programs

In Bachelor's-level programs, knowledge of the key content areas and functional disciplines of business is assumed. Graduates of Bachelor's-level programs should acquire a depth of knowledge in these areas that exceeds that of the typical bachelor's degree graduate.

Graduates of Bachelor's-level programs in business should be able to:

1. Recognize problems
2. Integrate theory and practice for the purpose of strategic analysis
3. Employ and apply quantitative techniques and methods in the analysis of real-world business situations
4. Communicate to relevant audiences; graduates should be able to:
  - a. Compose clear, consistent, and effective written forms of communication
  - b. Compose and present effective oral business presentations
5. Work effectively with a team of colleagues on diverse projects
6. Identify and analyze the ethical obligations and responsibilities of business

### Model Question Paper

Name:			
Enrolment No:			
Name of the Program: BBA (FT)		Semester – III	
Subject Name: TRADE DOCUMENTATION		Max. Marks : 100	
Subject Code : BBFT 103		Duration : 3 Hrs	
This question paper has 3 page(s).			
<b>Section A (20 MARKS)</b>			
1.	All questions in this section are compulsory. Each question carries 2 marks.		[10] CO2

	<ol style="list-style-type: none"> <li>1. Restricted items can be imported provided you have a licence issued by ..... (DGFT/CBEC/EPC/Not applicable)</li> <li>2. Who pays import duty in CIF terms of contract? (Importer/Exporter)</li> <li>3. DFIA Licence is issued by ..... (Income-tax deptt./Sales Tax deptt./DGFT/Customs)</li> <li>4. Duty Drawback is a ..... levied on/given to an Exporter at the time of export. (Penalty/Incentive).</li> <li>5. Anti-Dumping duty is levied on specific products at the time of..... (Exports/Imports) to/from a country.</li> <li>6. The document used for calculation of Customs Duty is usually ..... (Invoice/Softex/LEO/Packing List).</li> <li>7. The document LEO (Let Export Order) is also known as .....?(Bill of Lading/Shipping Bill/BoE)</li> <li>8. Incase of <b>EXPORTS</b>, which document is issued first, a Bill of Lading or a Bill of Entry?</li> <li>9. Customs Duty is exempted on imports if unit is in SEZ. (True/false).</li> <li>10. A Bill of Entry is issued by.....?</li> </ol>		
<b>SECTION B (20 MARKS)</b>			
2.	<p><b>Attempt any 2 questions. Each question carries 10 marks.</b></p> <ol style="list-style-type: none"> <li>1. What is the difference amongst Bill of Entry, Shipping Bill and Bill of Lading? Explain.</li> <li>2. What are the roles of DGFT and CBEC? How these two departments are different from each other and what role do they play in Customs Clearance?</li> <li>3. What do you understand by Prohibited, Restricted, Channelised and Free items as shown in the FTP? How are they different from each other?</li> </ol>	<b>[10]</b>	<b>CO4</b>
<b>SECTION C (30 Marks)</b>			
	<p><b>Attempt both questions. Each question carries 15 marks</b></p> <ol style="list-style-type: none"> <li>1. What do you understand by INCOTERMS? What purpose do Incoterms serve? Explain at least 5 incoterms.</li> <li>2. Explain the erstwhile Tax structure before GST launch, with special reference to Excise Duty, Customs Duty, VAT, Service Tax. Which all taxes and duties have been absorbed</li> </ol>	<b>[15]</b>	<b>CO2</b>  <b>CO4, CO5</b>

	by GST?		
	<b>SECTION D (30 Marks)</b>		
	<p>Aman, who had just completed his studies specializing in Foreign Trade, had a long cherished desire to become an entrepreneur by starting his own business. After a lot of systematic research he came to the conclusion that the best business opportunity lies in importing latest technology sewing machines from the cheapest source and sell the same in India to garment exporters and make huge profits. He partnered with his friend Piyush, who had a solid distribution network within the country and also a lot of contacts with big industrialists within the country.</p> <p>Aman signed a contract with Raghav, who was the largest dealer of JUKI sewing machines in Japan, for the import of 10,000 machines @ US\$155 each CIF (JNPT, Mumbai). The goods are expected to reach Indian Port on 30<sup>th</sup> December 2017. He checked from CBEC website that the <b>customs duty rate</b> applicable is as follows (HS Code 84522110):</p> <ul style="list-style-type: none"> <li>• Basic Customs Duty Rate                      10%</li> <li>• Education Cess                                      3%</li> <li>• IGST    18%</li> <li>• Antidumping Duty                                      0%</li> </ul> <p>As per Customs Notification No.110/2017 - Customs (N.T.) New Delhi, dated the 16th November, 2017, the <b>US\$ conversion rate</b> is Rs.<b>64.50 for Exports</b> and Rs.<b>66.20 for Imports</b>.</p> <p>Aman has the following questions in his mind which you are supposed to answer with regard to the above mentioned situation.</p>		<b>CO4,C O5,CO 6</b>
	1. How much customs duty is to be paid to Indian Customs on this import? (10 marks)	<b>10</b>	<b>CO3,C O4,CO 5,CO6, CO7</b>
	2. Is there a way that this huge amount of customs duty can be waived off? If yes then under <b>what schemes</b> and what are the <b>conditions attached to it</b> ? (10 marks)	<b>10</b>	<b>CO3,C O4,CO 5,CO6</b>
	3. Can I clear the goods from customs in instalments and pay the duty in instalments too? <b>Which specific documents</b> do I have to file to avail this facility from Customs? (10 Marks)	<b>10</b>	<b>CO4,C O5,CO 6, CO7</b>