

International Business

Course Objectives

This course is a unique blend of theories and practices in business that prepares the students for domestic markets as well as on a global platform. It would help students to become familiar with the core aspects of international business and apply emerging concepts to genuine business situations. Students will understand the impact of regulations on international business, how strategies are developed based on international legislation. Although multinationals have greater opportunity in terms of diversification and financing sources, there are greater risks involved such as exchange rate fluctuations and political instability.

Syllabus

Nature & scope of International Business, Multinational Corporations, Legal Framework of International Business, International Trade, EXIM and International Finance.

Expected Outcome

On completion of the course, the students are expected to be familiar with the concepts and framework of International Business in Multi National Corporations (MNCs), international trade practices, EXIM, and thus enable them to understand global business situations.

References

1. Ajeet N. Mathur: Strategies for Future: Understanding International Business, Indian Institute of Management (IIM), Ahmadabad;
2. Francis Cherunilam: International Business: Text and Cases, PHI Learning Private Limited-New Delhi;
3. Rakesh Mohan Joshi: International Business, Oxford Oxford University Press India;
4. J. Stewart Black and Anant K. Sundaram: International Business Environment, Pearson Education;
5. Ray A. August, "International Business Law Text, Cases and Readings" (4th Edition) Prentice Hall;
6. Helen Deresky , International Management: Managing across Borders and Cultures, International Edition, Pearson Education;
7. Aseem Kumar "Export and Import Management", Excel Books, 2007
8. F.Adhikary, Manab, Global Business Management, Macmillan, New Delhi
9. K. Aswathappa, International Business, McGraw Hill Education India Private Limited
10. Handbook on Foreign Trade Policy and Guide to Export & Import, The Institute of Chartered Accountants of India, New Delhi

11. Handbook of Procedures, Department of Commerce, Ministry of Commerce & Industry, Government of India, New Delhi
12. Carole Murray, Schmothoff The Law and Practice of International Trade, Sweet & Maxwell Publishers
13. Fred Luthans and Jonathan Doh International Management: Culture, Strategy, and Behavior, McGraw Hill Education India Private Limited, New Delhi.
14. Hill, C and Arun K, International Business: Competing in the Global Marketplace. (10th ed) McGraw Hill Education India Private Limited
15. Jeevanandam C "Foreign Exchange: Practices Concepts and Control" Sultan Chand & Sons Publications, 2012.

COURSE PLAN

1. International Business: Nature, importance and scope; Modes of entry into International Business; Frame work for analyzing international business environment; Economic, Technological, Socio-cultural, Political and Legal environment; International Economic Environment-- International financial system; Institutional support to International Business-- UNO, IMF, World Bank; UNCTAD; WTO

2. Multinational Corporations: Conceptual Frame work of MNCs; MNCs and Host & Home Country relations; Hofstede Framework (ethnocentric, polycentric, geocentric); International Technology Transfers – importance and types, Foreign Technology Acquisition. Strategies of IB (licensing, franchising) merger, acquisition, IJVs), Designing performance tools according to international business standards, determinants of performance, methods of measuring performances in MNCs, Analyzing the causes of poor performance from a Global Perspective, Selecting performance measurement approach according to the MNC

First Internal Examination

3 Legal Framework of International Business: Nature and complexities; Code and common laws and their implications to business; International business contract – legal provisions; Payments terms; International sales agreements; Rights and duties of agents and distributors. Indian Laws and Regulations Governing International Transactions: FEMA; Taxation of foreign income; Foreign investments; Setting up offices and branches abroad; Restrictions on trade in endangered species and other commodities. Free Trade Zones, Special Economic Zones.

4 International Trade: Need and importance of International Trade – Recent Trends in World Trade – Leading players – India's Foreign Trade Policy. Export Procedure: Starting an export firm – Selection of an export product – Market selection –Buyer selection – Export Promotion Council/ Organizations – EXIM code number – Elements of export contract- Terms of payment and Letter of Credit. Export Documentation: Types of documents – Transport, Negotiation and Insurance documents. DGFT and incentives for export.

Second Internal Examination

5 Export Finance: Sources of Finance - Role of commercial banks

EXIM Bank, ECGC and others – Export promotion Schemes – Insurance for Export – Types – export credit insurance – Risk Management – Types of risks – mitigation methods. Import Procedure and Documentation: Global sourcing – Types of global procurement – Tender – Negotiation – Contract and others – Customs regulations and import clearance formalities – 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.

Final Examination