

Indian Maritime University
(A Central University, Govt of India)
End Semester Examinations – June 2024
Programme Name: MBA (PSM) & (ITL)
Semester: II
Subject Code: PG21T3201/PG22T3201

Subject Name: INTERNATIONAL TRADE AND DOCUMENTATION

Date: 27.05.2024

Max Marks: 60

Duration: 03 Hrs

Pass Marks: 30

General Instructions

- (i) All Sections (A, B & C) are to be attempted.
- (ii) Options, if any, are specified in respective section.

ANSWER ALL -Section A- Ten MCQs/Fill in the Blanks of 01 Mark each

Choose the most appropriate answer as applicable.

1. Which of these is NOT in the scope of International Trade
Export & Import
Forex reserves
Services trade
Poverty reduction
2. Countervailing duties are also known as
A. anti-subsidy duties
B. Cess
C. VAT
D. All of the above
3. UNCTAD'S ROLE does not include policy development in:
A. Technology
B. Funding
C. Aid
D. Trade disputes
4. Which organisation encourages private-sector development in less developed countries?
A. IMF
B. UNIDO
C. IDA
D. ADB

5. BOP signifies

- a. The excess of exports over imports
- b. Balance due to a nation
- c. Actual payment of cash by a nation
- d. Summary of transactions of an economy

6. Internationally recognized standard trade terms widely used in international contracts to sell goods are called

- A. Non-Tariff barriers
- B. Countervailing duties
- C. INCO terms
- D. C&F terms

7. Exchange rate is not influenced by

- A. Trade
- B. Tariff
- C. BOP
- D. Ruling government

8. Which out of the following is NOT a Non-trade barrier?

- A. quotas
- B. licenses
- C. embargoes
- D. FDI

9. Which of the following is NOT a key objective of the Foreign Exchange Management Act (FEMA)?

- A) Facilitating external trade and payments
- B) Regulating foreign exchange transactions
- C) Promoting foreign direct investment
- D) Regulating domestic monetary policy

10. What is the role of the "Export Credit Guarantee Corporation (ECGC)" in India's export sector?

- a. Providing subsidies to exporters
- b. Offering credit insurance to exporters
- c. Regulating export prices
- d. Facilitating customs clearance

Section B

ANSWER ALL - Five Questions of 02 Marks each

11. Explain barriers to trade and bring out any two that you know of.
12. What are antidumping measures that can be taken in trade?
13. Explain CIF and FOB
14. What do you understand by duty drawback?
15. Name India's top two Trading partners of 2023

Section C

Seven Questions of 8 Marks each any 05 questions to be answered.

16. Non-tariff barriers have become increasingly predominant in recent years. Describe a non-tariff barrier, and list four types, explaining how India does or could use such a device
17. Does the theory of comparative advantage apply to China's trade with industrialized countries? How?
18. Give a description of the role taken by WTO to facilitate International business
19. Write a short note on the Indian Foreign trade policy before 1991
20. Outline the export procedure and throw light on the methods of payment during the export process
21. What are the major issues that Indian exporters face? Suggest solutions
22. Read the case abstract below and analyse the need for bilateral agreements, its limitations and use of trade theories while creating policies.
This case study examines bilateral trade relations between the two important countries of South Asia, India and Sri Lanka, in light of the South Asian Free Trade Area (SAFTA) and the India-Sri Lanka Free Trade Agreement (ISFTA). The analysis period spans the years 1995 to 2020. The primary analysis found that bilateral trade has been sluggish and that the SAFTA and ISFTA agreements have had no discernible effect on these two countries' bilateral trade performance. The causes of lacklustre trade performance were investigated using the "revealed comparative advantage" and the "trade complementarity" indices. Clear evidence was found demonstrating that the reason for the bilateral trade's consistent lacklustre performance is due to both countries' lack of revealed comparative advantage in the majority of product groups, followed by export similarity in the

product groups where they do have a comparative advantage. The findings also confirm the suspicion of many observers that they are competitors rather than natural trading partners.

Q1. Although any substantial future increase in their bilateral trade seems improbable can you reflect on methods of strengthening bilateral trade.

Q2. Identify the two theories of trade which are relevant here.

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