The Textile Association (India)  
G.M.T.A (Revised) Examination – 2017  
Section – E: Paper EOD-1  
International Trade Management  

Date: 28.12.2017  
Marks: 100  
Time: 10am to 1:00pm

Instructions:
1. Attempt any Six Question out of which Q 1 is compulsory
2. Figure to the right indicate full marks
3. Illustrate your answers with sketches and flow-charts wherever necessary
4. Assume suitable data wherever necessary
5. Use if non-programmable electronic pocket calculator is permissible
6. Mobile and any other communication devices are not allowed in exam hall
7. Assume suitable data wherever necessary

Q 1 Compulsory Question (Each Question Carries 2 Marks)

A. State True or False: (Marks 10)
1. The theory of relative advantage refers to the ability of a party to produce a particular good or service at a lower opportunity cost than another party.
2. The Exim Policy is now known as the Foreign Trade Policy.
3. A Bill of Entry is a statement of the nature and value of goods to be imported or exported, prepared by a custom house and presented to the shipper.
4. Budget quotas are set for various units in sales organization to control expenses, gross margins, or net profit.

B. Fill in the blanks: (Marks 10)
1. __________________________ refers to long term participation by country A into country B.
2. __________________________ is an Act to facilitate imports into, and augmenting exports from, India.
3. The two principal divisions on the BOP are the current account and the __________________________.
4. The __________________________ is the difference between the monetary value of exports and imports of output in an economy over a certain period.
5. __________________________ and __________________________ are usually associated with protectionism, the economic policy of restraining trade between nations.
6. Subsidies are made by the __________________________ to prevent decline of an industry.

Q. 2  

A. Write a detailed note on the necessity and economic benefits of international and foreign trade.

B. "The study of International business is fine if you are going to work in a large MNC, but it has no relevance for individuals who are going to work in small firms." Comment.

Q. 3  

A. In the light of the theory of comparative advantage, comment on the pros and cons of free trade.

B. Whose interests should be the paramount concern of government trade policy – the interests of producers or those of consumers? Discuss.

Q. 4  

A. Firms should not be investing abroad when there is a need for investment to create jobs at home.

B. Do you agree? Explain.

Q. 5  

A. Discuss in detail the problems associated with international purchasing.

B. What is GATT? Comment on the origin and function s of WTO.
Q. 6.  
A. Discuss the Barriers to International Trade  
B. Discuss the role of Government Organizations in Promoting Exports

Q. 7  
A. Discuss the Usage of Various Export Trade Documents  
B. "Terms of Trade are Unfavorable for Developing Countries" Discuss

Q. 8. Write short notes on ANY Two of the following:  
a. Customs clearance procedures  
b. SAARC  
c. EPCG scheme  
d. Trade deficit  
e. International Monetary Fund