

R15
Code No: 721CQ
JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD
MBA II Semester Examinations, June/July-2018
FOREIGN TRADE
Time: 3hours
Max.Marks:75

Note: This question paper contains two parts A and B.
 Part A is compulsory which carries 25 marks. Answer all questions in Part A.
 Part B consists of 5 Units. Answer any one full question from each unit. Each question carries 10 marks and may have a, b, c as sub questions.

PART - A
5 × 5 Marks = 25

- 1.a) Differentiate balance of trade from balance of payments. [5]
- b) What is the difference between 'quota' and 'tariff'? [5]
- c) What do you understand by the term 'Incoterms'? Explain its significance in the context of Foreign trade. [5]
- d) Enumerate the functions of EXIM bank. [5]
- e) What is the meaning of regional economic integration? Give suitable examples. [5]

PART - B
5 × 10 Marks = 50

2. Consider the following data on the factor endowments of two countries, A and B:

	A	B
Labor Force (millions of labor hours per year)	50	15
Capital Stock (millions of machine hours per year)	25	20

- a) Which country is capital abundant and why?
- b) Which country is labor abundant and why? [10]

OR

3. Write a detailed note on the need and economic benefits of international trade. [10]

4. Describe some of the important export promotion measures initiated by the Government of India to boost the national export effort. [10]

OR

5. What is the basic difference between 'duty exemption schemes' and 'duty remission schemes' under foreign trade policy? Name the schemes available under these two schemes for FTP 2015-20. [10]

6. Write a brief note on each the following:
 a) EXW b) FOB c) DDP [3+3+4]

OR

7. What do the letters 'CIF' stand for in the phrase 'CIF Incoterms 2010'? What advantages and disadvantages does a sale on CIF Incoterms 2010 hold for the seller and purchaser respectively? [10]

8. What is 'Special Economic Zone' (SEZ)? Describe the benefits and facilities to units in SEZ. [10]
- OR**
9. What are the items that are being exported from India? Which country is the largest trading partner of India? [10]
10. Why are Indian companies interested to enter into African countries largely in the primary commodities market? [10]
- OR**
11. Explain the following briefly:
a) SAFTA b) SARC [10]

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