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CM 503

**Third Semester M.Com. Degree Examination, December 2018
(Choice Based Credit System)
COMMERCE (Repeater) (Old Scheme)
Foreign Trade and Policy**

Time : 3 Hours

Max. Marks : 70

SECTION – A

(4×10=40)

Note : 1) Answer **any four** questions.

2) **Each** question carries **10** marks.

3) Answer to **each** question should **not** exceed **4** pages.

1. “Differences between domestic trade and international trade are of degrees and not of kind”. In the light of this statement examine the need for a separate theory of international trade.
2. What is the basis of trade ? Explain the characteristics of foreign trade.
3. What is foreign trade ? Explain the factors affecting foreign trade.
4. What is terms of trade ? Explain the causes for unfavourable terms of trade of countries.
5. How do you explain disequilibrium in balance of payments ? Explain the factors contributing to adverse balance of payments of a trading country.
6. What is exchange control ? Explain the objectives and methods of exchange control in India.
7. What is Foreign draft ? Explain the different types of foreign draft and their importance in foreign trade.

P.T.O.



SECTION – B

(2×15=30)

Note : 1) Answer **any two** questions.

2) **Each** question carries **15** marks.

3) Answer to **each** question should **not** exceed **7** pages.

8. Critically examine the doctrine of comparative with advantage and state its implications to the trading countries.
 9. Examine the factor proportions theory of International trade.
 10. Examine the policy and functioning of W.T.O. in the light of its objectives.
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