

No. of Printed Pages : 03

Roll No. ....

**CC-397**

**M.B.A. EXAMINATION, Dec. 2017**

(Fourth Semester)

(Re-appear Only)

IB-09

INTERNATIONAL TRADE THEORY AND  
PRACTICE

*Time : 3 Hours]*

*[Maximum Marks : 70*

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Before answering the question-paper candidates should ensure that they have been supplied to correct and complete question-paper. No complaint, in this regard, will be entertained after the examination.

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**Note :** Attempt *Five* questions in all, selecting at least *one* question from each Unit. All questions carry equal marks.

(3-67/1) M-CC-397

**P.T.O.**

### **Unit I**

1. Explain the Heckscher-Ohlin theory of trade. How does it show an improvement over the previous theories ?
2. What is the difference between Balance of Trade and Balance of Payment ? Suggest some measure to correct adverse Balance of Payment.

### **Unit II**

3. How does free trade lead to complete equalisation of factor rewards ? What are the wide disadvantages of imbalanced incomes in the world ?
4. Discuss the tariff and non-tariff measures to protect the domestic markets. In what way India used these measures to protect its market ?

### **Unit III**

5. Define rupee convertibility. India has adopted current account convertibility but why it could not go for capital account convertibility till date.
6. Explain the institutional set-up in India for export promotion and role of Indian Exim Bank in promoting export of India.

### **Unit IV**

7. Discuss the policy framework for foreign direct investment in India. What are the factors behind decline of foreign investment in India in recent past ?
8. Define joint venture and the role of joint ventures in abroad by Indian companies in improving the India's share in global trade.