

MAY 2013

P/ID 77560/PMBN4

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. What are the gains from international trade?
2. Analyse recent import trends in India's foreign trade.
3. What are the characteristic features of EXIM policy?
4. Distinguish between fixed exchange rate and flexible exchange rate.
5. Explain various components of international trading environments.
6. Give a brief note on quality control and pre-shipment inspection.
7. Describe the various modes of payments in imports.
8. Explain the various stages involved in the processing of export order.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. What are the dangers of poor relationship with neighbouring countries?
10. Explain in detail the importance and functions of project equipment corporation.
11. List the various documents in export and import.
12. What are the objectives of import oriented units?
13. Elucidate the contribution of RBI to export-import finance.
14. Distinguish between free trade and protection. Bring out the merits and demerits of free-trade.
15. Current global crisis does not have much impact on Indian economy. Do you agree?
16. Discuss the measures for export promotion and import substitution.

PART C — (1 × 20 = 20 marks)

(Compulsory Question)

17. Foreign fast food companies were allowed to enter India during the early 1990's one of the first fast food multinationals to set foot in India were KFC. KFC received permission to open 30 new outlets across the country. It chose Bangalore as its

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launch pad because the city has a substantial upper middle class population. With a trend of families eating out. Also, it was considered India's first growing metropolis in the 1990's. The Bangalore outlet was opened in June 1995. Apart from Bangalore, the company planned to open 60 KFC and Pizza Hut outlets in the country over the next seven years. However, KFC became embroiled in various controversies even before it started full-fledged business in India.

- (a) Since its entry in India in 1995, KFC has been facing protests by cultural and Economic activists and farmers. Give reasons for these protests.
 - (b) Do you think in the light of fierce competition, it is justified for business organisation not to give importance to ethical values at the cost of making profits? Why or why not?
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