

MAY 2014

**P/ID 77577/PMBX1/
PMSI1**

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. What are the importance of international trade?
2. Discuss the classical view of international trade.
3. What is important quota?
4. What do you mean by optimum tariff?
5. Write short notes on 'structure of IMF'.
6. Define IMF.
7. What is international liquidity?
8. Define international commercial and arbitration.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. Discuss the problems of international trade.
10. What is the need of international trade in modern times? Explain.
11. Explain the various effects of an import Quota.

12. Discuss the effects of tariff.
13. Explain the objectives of IMF.
14. Discuss the functions of IMF.
15. Explain the merits of special drawing rights.
16. What is Euro currency market? How does it function?

PART C — (1 × 20 = 20 marks)

Case study.

17. Indian Now Grabs 44% of Global Outsourcing.

Tech Exports rise to \$ 17.2 B in 05 from \$ 12.8 last fiscal

The Indian tech story shows no signs of slowing down. India today commands an impressive 44% share of the total global outsourced market. Technology exports from India rose in Feb 05 to \$ 17.2 billion a 34.5% growth over \$ 12.8 billion earned previous fiscal, Nasscom, the trade body for technology service industry, at a press meet on Thursday said. Project IT and ITES export growth in the current fiscal is \$ 22.5 billion, a 30 to 32% increase.

Growth on a big base is a challenge and the industry needs considerable support from the Government, specifically on infrastructure front

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and also through supportive policies, said Mr. Kiran Karnik, president Nasscom. The total value of out sourcing to Indian in 2004 is estimated at 44% of the world-wide total. It is forecast to reach \$ 48 billion by 2008.

2004-05	USA Billion
IT software and services	16.2
– Exports	12
– Domestic	4.2
ITES -BPO	
– Exports	5.8
– Domestic	5.2
	0.6
Total IT-ITES (IT software and services + ITES -BPO	22
–Exports	17.2
–Domestic	4.8

Questions :

- (a) Discuss why India is a better outsourcing country for developed nations.
- (b) Exports and employment opportunities one on the rise due to BPO and ITES. Discuss role of private sector and the Government in improving this further.