23COU628N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2026
(Sixth Semester)

Branch – **COMMERCE**

INTERNATIONAL TRADE

Time: Three Hours | Maximum: 75 Marks

SECTION-A (10 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Merchandise trade deals with (i) Services only (ii) Physical goods (iii) Digital marketing (iv) Insurance policies	K1	CO1
	2	The theory of Comparative Cost was developed by (i) Adam Smith (ii) David Ricardo (iii) Alfred Marshall (iv) J.M. Keynes	K2	CO1
2	3	Free trade means (i) Trade without any restrictions (ii) Trade with high tariffs (iii) Trade within a country only (iv) Barter trade	K1	CO2
	4	SAARCstands for (i) South Asian Association for Regional Cooperation (ii) South American Regional Council (iii) Southeast Asian Regional Cooperation (iv) South African Regional Council	K2	CO2
3	5	A cartel is an agreement among (i) Consumers (ii) Producers to control price and output (iii) Governments only (iv) Retailers	K1	CO3
	6	The EURO is the common currency of the (i) European Union (ii) BRICS (iii) SAARC (iv) G7	K2	CO3
4	7	In a fixed exchange rate system, the rate is (i) Determined only by market forces (ii) Fixed by the government (iii) Determined by banks (iv) Decided by traders	K1	CO4
	8	FEMA stands for (i) Foreign Exchange Management Act (ii) Federal Exchange Monitoring Act (iii) Foreign Export Management Act (iv) Financial Exchange Market Authority	K2	CO4
5	9	One major significance of foreign investment is (i) Technology transfer (ii) Trade restriction (iii) High inflation (iv) Isolation	K1	CO5
	10	Globalization refers to (i) Restricting imports (ii) Integration of national economies into the global economy (iii) Increasing tariffs (iv) Closed economy	K2	CO5

Cont...

SECTION - B (35 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** Marks (5 × 7 = 35)

<table>
<tr><th>Module No.</th><th>Question No.</th><th>Question</th><th>K Level</th><th>CO</th></tr>
<tr><td rowspan="3">1</td><td>11.a.</td><td>Explain the Comparative Cost Theory and its significance.</td><td rowspan="3">K2</td><td rowspan="3">CO1</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>11.b.</td><td>Summarise the concept of gains from international trade.</td></tr>
<tr><td rowspan="3">2</td><td>12.a.</td><td>Explain the methods of protection and trade barriers.</td><td rowspan="3">K2</td><td rowspan="3">CO2</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>12.b.</td><td>Summarise the role of G7 in global economic cooperation.</td></tr>
<tr><td rowspan="3">3</td><td>13.a.</td><td>Identify the meaning and objectives of commodity agreements.</td><td rowspan="3">K3</td><td rowspan="3">CO3</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>13.b.</td><td>Identify the features of the Bretton Woods System.</td></tr>
<tr><td rowspan="3">4</td><td>14.a.</td><td>Outline the different exchange rate systems and their classification.</td><td rowspan="3">K2</td><td rowspan="3">CO4</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>14.b.</td><td>Explain the development and full convertibility of the Indian rupee.</td></tr>
<tr><td rowspan="3">5</td><td>15.a.</td><td>Examine the importance of MNC.</td><td rowspan="3">K4</td><td rowspan="3">CO5</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>15.b.</td><td>List down the importance of Globalization.</td></tr>
</table>

SECTION -C (30 Marks)

Answer **ANY THREE** questions

ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Explain the features and components of international trade.	K2	CO1
2	17	Examine the objectives and functions of the World Trade Organization.	K3	CO2
3	18	Identify the importance of the International Monetary System in global trade.	K3	CO3
4	19	Determine the structure and functions of the Foreign Exchange Market.	K4	CO4
5	20	Explain about types of Foreign Investments.	K5	CO5

Z-Z-Z END