



Even Semester End Term Examination, May / June 2026

Date: 18/05/2026

Time: 09.30 AM - 12.30 PM

Course Code: PGL3058

Course Name: Law Relating to International Commercial Transactions and Foreign Trade

Semester: Second Semester

Max. Marks: 100

Weightage: 50%

CO - Levels	CO1	CO2	CO3
Marks	38	80	62

PART A: Answer Following Questions. 20 M

Qn.No	Questions	M	CO	BT
1	Who is the Director-General of Foreign Trade (DGFT) and what are his functions?	2	CO1	BT1
2	State the objective of the Foreign Trade (Development and Regulation) Act, 1992.	2	CO1	BT1
3	Why are export subsidies not allowed under WTO rules?	2	CO1	BT1
4	Name any two conditions that must be proven to impose anti-dumping duties.	2	CO1	BT1
5	Explain the significance of foreign trade to a country's economy.	2	CO1	BT1
6	State the objectives of the National Treatment principle under Article III of GATT 1994.	2	CO1	BT1
7	Give two examples of prohibited subsidies.	2	CO1	BT1
8	Define the terms "trade surplus" and "trade deficit" in terms of international trade.	2	CO1	BT1
9	How did the provisional application of GATT contribute to the establishment of the World Trade Organization (WTO)?	2	CO3	BT3

10	How does the Principle of Absolute Advantage differ from the Principle of Comparative Advantage?	2	CO1	BT1
----	--	---	-----	-----

PART B: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
11	The Appellate Body of the WTO's Dispute Settlement Mechanism has been non-functional since 2019 due to the blockage in the appointment of new members. Analyse the reasons behind this paralysis and discuss its impact on the enforcement of WTO dispute settlement rulings.	10	CO2	BT2
12	Explain the procedural stages of dispute settlement under the WTO Dispute Settlement Understanding (DSU) from the request for consultations to the implementation of rulings. Analyse the role of the panel, Appellate Body, and Dispute Settlement Body (DSB) in each stage.	10	CO2	BT2

PART C: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
13	The Heckscher-Ohlin theory emphasizes differences in factor endowments as the basis for international trade. Critically evaluate the validity of this theory in the light of intra-industry trade, outsourcing, and the rise of knowledge-based economies.	10	CO1	BT1
14	Discuss the Product Life Cycle theory of international trade, explaining how it accounts for the changing trade positions of developed and developing countries over time.	10	CO1	BT1

PART D: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
15	Developing economies, including India, argue that the CBAM imposes a unilateral carbon cost on their exports, potentially undermining the principle of Common but Differentiated Responsibilities (CBDR) under international environmental law. Evaluate the legitimacy of this claim by examining the balance between the EU's environmental objectives and the trade disadvantages faced by developing countries. In your opinion, does the CBAM strike an equitable balance between trade liberalization and climate protection, or does it serve as a disguised restriction on international trade? Provide a reasoned evaluation supported by international trade and environmental law principles.	10	CO3	BT3
16	Discuss any notable initiatives or policies introduced in the FTP of	10	CO3	BT3

2023 to address sector-specific challenges and promote the growth of priority industries in line with national development objectives?

PART E: Answer Any 1 Following Questions. 15 M

Qn.No	Questions	M	CO	BT
17	A surge in foreign exchange outflow has raised concerns for India's trade deficit. Assume the role of a trade advisor and develop a strategic framework suggesting measures for increasing foreign exchange inflows through export promotion and controlling outflows, ensuring compliance with WTO obligations and India's Foreign Trade Policy.	15	CO2	BT2
18	India is negotiating a Free Trade Agreement (FTA) with a major economic bloc. As part of the negotiation team, you are asked to evaluate the impact of globalization and past trade policies on India's domestic industries. Prepare a comprehensive assessment report recommending which sectors should be liberalized further and which should be protected, along with legal justifications for your recommendations.	15	CO2	BT2

PART F: Answer Any 1 Following Questions. 15 M

Qn.No	Questions	M	CO	BT
19	The country Novara is a WTO member that imports large quantities of automobile components. Recently, Novara entered into a bilateral trade agreement with Argenta, under which it grants zero tariffs on automobile component imports from Argenta. However, Novara continues to impose a 10% tariff on the same products imported from Zentara, another WTO member that is not part of the bilateral agreement. As a member of the WTO Panel examining this dispute, analyze whether Novara's tariff policy violates the MostFavoured-Nation (MFN) principle under Article I:1 of GATT 1994.	15	CO2	BT2
20	Protectio imposes an 8% tariff on imports of spruce, pine, and fir (SPF) lumber, while keeping a zero tariff on other types of dimension lumber. Patria challenges this before the WTO, claiming that SPF lumber and other lumber types are "like products", and that the differential tariff violates Article I:1 of GATT (MFN treatment). Discuss whether Protectio's measure violates Article I:1 of the GATT 1994.	15	CO2	BT2

PART G: Answer Any 1 Following Questions. 20 M

Qn.No	Questions	M	CO	BT
21	The TRIPS Agreement establishes minimum standards for protecting	20	CO3	BT3

	intellectual property rights (IPRs) across WTO Members. Assume you are a legal advisor for a domestic pharmaceutical company in India developing a generic version of a patented COVID-19 drug originally manufactured by a U.S. company. The company seeks your advice on whether it can produce and export the drug under India's patent law while remaining compliant with TRIPS obligations. Apply your understanding of Article 31 (Compulsory Licensing) and Article 31bis (Export of Pharmaceuticals) of TRIPS to explain the conditions under which the company can lawfully proceed. Discuss the legal and ethical considerations involved in balancing IP protection with the right to public health.			
22	India's domestic tile manufacturers file a complaint alleging that ceramic tiles imported from China are being sold in India at prices lower than their normal value in the Chinese market. They claim this has caused a significant decline in domestic sales, profits, and employment. As a legal advisor to the Directorate General of Trade Remedies (DGTR), answer the following: a. What are the key legal elements that must be proven to establish dumping under the WTO Anti-Dumping Agreement? (10 Marks) b. What steps must India take before imposing anti-dumping duties consistent with its WTO obligations?	20	CO3	BT3