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T.Y.B.com Semester VI (CBCS) Ordinance
EXAMINATION APRIL 2023
International Economics

[Time: 2 Hours]**[Max. Marks:80]**

- Instructions:**
1. All questions are compulsory.
 2. Answer sub-questions in question 1 and 2 in not more than 100 words each.
 3. Answer questions 3 to 6 in not more than 400 words.
 4. Figures to the right indicate maximum marks to the question.

Q1 Answer **any four** of the following: (4x4=16)

- a) Define the concept of protectionism.
- b) Describe the meaning of disequilibrium in Balance of Payment (BOP).
- c) Explain the concept of convertibility of rupee on current account.
- d) Write a note on Product life cycle theory of international trade.
- e) Describe the flexible exchange rate system.
- f) State any four gains from international trade.

Q2 Answer **any four** of the following: (4x4=16)

- a) State any four features of foreign exchange market.
- b) Write a note on Free Trade Agreement.
- c) Write a note on Multinational corporations (MNCs).
- d) Explain the impact of Foreign Portfolio Investment (FPI) on capital markets.
- e) Write a brief note on speculation.
- f) Briefly explain Licensing as entry mode of MNCs.

Q3 A) Explain in detail the three concepts of Terms of Trade used in international trade. 12

OR

B) Explain the following Non-Tariff Barriers (NTBs): 12

1. Exchange control.
2. Voluntary Export Restraints.
3. Anti-dumping duties.

Q4 A) Explain the factors influencing short term exchange rates in a country. 12

OR

B) Explain any three measures for correcting disequilibrium in Balance of Payments. 12

Q5 A) Explain any three determinants of Foreign Portfolio Investments (FPI). 12

OR

B) Explain the following entry modes adopted by Multinational corporations (MNCs): 12

1. Franchising.
2. Joint-ventures.
3. Mergers and acquisitions.

Q6 A) Write a detail note on: 12

1. TRIPs
2. TRIMs
3. Market Access.

OR

B) Explain the meaning of regional economic cooperation and describe any five reasons for its growth in the recent times. 12