GOA UNIVERSITY

T.Y B.com (NEP) (Semester-VI)

Subject Name: Commerce - International Economics

Paper Title: International Economics **Paper Code: COM -304**

Duration: 2:00 Hours **Total Marks: 80**

Instructions: i) All questions are compulsory. However, internal choice is provided.
ii) Answer questions in question no 1 in approximately 50 words.
iii) Answer Medium questions in approximately 100 words.
iv) Answer long questions in approximately 400 words.

Q.1 Answer the following questions: **8x2=16 marks**

1. Outline any two features of international trade.
2. List any two areas of scope under international economics.
3. What is a spot transaction?
4. List any two causes of disequilibrium in the Balance of Payments (BoP).
5. What is Anti dumping duty?
6. Give any two objectives of World Trade Organisation (WTO).
7. Mention any 2 determinants of Foreign Portfolio Investment (FPI).
8. What is franchising?

Q.2. A. Explain the Product life cycle and Imitation gap theory. 12 marks

OR

B. Describe the theory of Comparative cost advantage with the help of an example. 12 marks

C. Explain Net and Gross Barter terms of trade. 4 marks

Q3 A. Describe the structure of Balance of Payment (BoP). 12 marks

B. Explain any 2 functions of foreign exchange market. 4 marks

OR

C. Explain exchange rate depreciation as a measure to correct deficit on BoP. 4 marks

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Q.4 A. Analyse any three Non-Tariff Barriers to foreign trade. 12 marks

B. Why is European Union (EU) a good example of an economic union? 4 marks

OR

C. Illustrate with examples the 4 modes under General Agreement on Trade in Services(GATS). 4 marks

Q.5 A. Analyse how political factors, business environment and market size influence Foreign Direct Investment(FDI). 12 marks

B. How do Joint Ventures act as entry modes for FDI?. 4 marks

OR

C. Define American Depository Receipts (ADR) and Global Depository Receipts (GDR). 4 marks.

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