



B.Com. (Semester – V) (New Course) Examination, October 2015
INTERNATIONAL ECONOMICS

Duration : 2 Hours

Total Marks : 80

- Instructions :** i) **All** questions are **compulsory**, however **internal** choice is available.
ii) Figures to the **right** indicate **marks**.
iii) Start **each new** question on a **fresh** page.
iv) Answer to question no. **3 to 6** must be of approximately **400 words each**.

1. Answer **any four** of the following in approximately **100 words each** : **16**
- How scale of production affects international trade ?
 - What are countervailing duties in trade ?
 - Any four gains arising out of international trade.
 - Define Foreign Portfolio Investment.
 - What is licensing ?
 - Relationship between FPI and exchange rates.
2. Answer **any four** of the following in approximately **100 words each** : **16**
- Structural disequilibrium in Balance of payments.
 - Four features of foreign exchange market.
 - What is the meaning of convertibility of rupee in capital account ?
 - What is managed floating ?
 - What is 'National Treatment' principle under WTO ?
 - What is regionalism in trade ?
3. a) What is Terms of Trade ? Explain different types of terms of trade used in International trade. **12**

OR

- b) Differentiate free trade from protection. Explain any three protectionist measures adopted by countries in international trade. **12**



4. a) Explain various determinants of Foreign Direct Investment (FDI) in a host country. 12
- OR
- b) Describe various entry modes adopted by the Multinational Corporations in international business. 12
5. a) Explain different methods used to correct disequilibrium in Balance of Payment of a Country ? 12
- OR
- b) What are the different types of foreign exchange transactions carried out in foreign exchange markets ? 12
6. a) Briefly explain the following trade agreements of WTO : 12
- i) TRIPs
- ii) GATS.
- OR
- b) Give five reasons for the growth of Regional Economic Cooperation in the world trading system. 12