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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