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**T.Y.B.Com (Semester VI) (CBCS) Ordinance  
EXAMINATION NOVEMBER 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: (4 x 4=16)

- a) Define the concept of Income Terms of Trade.
- b) Distinguish between Balance of Payment and Balance of Trade.
- c) Write a brief note on comparative advantage in international trade.
- d) Write a note on devaluation of currency.
- e) Explain the meaning of Managed floating exchange rate system.
- f) Explain any two types of tariffs used in international trade.

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

- a) State any four characteristics of Multinational Corporations.
- b) Write a note on forward transaction in foreign exchange market.
- c) Explain the concept of Foreign Direct Investment (FDI).
- d) Explain the concept of convertibility of rupee on capital account.
- e) Explain the impact of Foreign Portfolio Investment (FPI) on exchange rate.
- f) State any four functions of World Trade Organisation (WTO).

Q3 A) Define international trade. Explain any five features of international Trade. (12)

OR

B) Explain any three Non-Tariff Barriers (NTBs) used in International trade as protective devices. (12)

Q4 A) Explain the characteristics and functions of foreign exchange market. (06 +06=12)

OR

B) Explain the components of current account and capital account of the Balance of Payments. (06 +06=12)

Q5 A) Explain any three entry modes adopted by Multinational Corporations. (12)

OR

B) Explain resources, market size, and economic environment of the host country as the determinants of Foreign Direct Investments (FDI). (12)

Q6 A) Write a detail note on General Agreement on Trade in Services (GATS) and TRIPS. (06 +06=12)

OR

B) Explain the role and importance of NAFTA, EU and ASEAN in international trade. (12)