

<b>Name:</b>	 <b>UPES</b> UNIVERSITY WITH A PURPOSE
<b>Enrolment No:</b>	

**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**Final Examination, Dec.-2020**

**Course: Fundamental of International Business**  
**Semester: III**

**Program: MBAs**  
**Course Code: Open Elective EIIB 8202**

**Time: 03 hrs.**  
**Max. Marks: 100**

**Instructions:**  
**There are three sections.**

**SECTION A (Attempt all) : True and False**

S. No.		Marks	CO
Q 1	a) The Indian labor laws are very stringent . b) Interests paid on external borrowings are included in the capital a/c of BOP a/c.	5	CO1
Q 2	a) Imports of services are included in trade a/c. b) India's foreign exchange reserves are mainly made of surplus current a/c.	5	CO1
Q 3	a) Foreign direct investment ( FDI) is invested in stocks . b) Very low inflation rate is a sign of good health of economy.	5	CO1
Q 4	a) Regional trading blocs are added advantage for foreign investors. b) Trade-Related Intellectual Property Rights( TRIPs) ensure the protection to technology .	5	CO4
Q 5	a) Flexible exchange rate is good for the initial stage of economic development. b) India has fixed exchange rate currently.	5	CO3
Q 6	a) As per mercantilism, both export and import should be discouraged. b) As per absolute advantage theory, a country should import a commodity it produces efficiently.	5	CO2

**SECTION B**

Q 1	“ Labor laws and Land laws are main barriers to FDI in India”. Critically discuss.	10	CO2
Q2	What are points of difference between absolute and comparative advantage theories of international Trade? With the help of below given matrix , calculate the relative prices and show whether it is profitable to conduct trade for both countries. Productivity with 1 Labor Hours in           US           India Cloth   0.5        0.1 Wheat    0.6        0.7	10	CO2
Q3	What is the BOP a/c of a country ? How do you determine the external health of the economy through analyzing it? Discuss with a hypothetical BOP a/c.	10	CO2
Q4	Critically discuss the fixed exchange rate and its functioning.	10	CO3
Q5	What is the impact of COVID19 pandemic on Indian and global economies?	10	CO2
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**SECTION-C**

Q 1	a) Assume yourself as a manager of a company wishing to invest outside the domestic economy. Critically discuss all the factors you are going to consider before finalizing you decision.  b) Which is a better way for globalization for a country like India: Regional Trading Bloc or Multilateralism? Critically discuss.	<b>20</b>	<b>C04</b>