

TB205600V

Reg. No : .....

Name : .....

**BMS DEGREE (C.B.C.S.) EXAMINATION, NOVEMBER 2022**  
**2020 ADMISSIONS REGULAR AND 2019, 2018 ADMISSIONS SUPPLEMENTARY**  
**SEMESTER V - CHOICE BASED CORE (INTERNATIONAL BUSINESS)**  
**MS5B17B18 - FUNDAMENTALS OF FOREIGN TRADE**

Time : 3 Hours

Maximum Marks : 80

**Part A**

**I. Answer any Ten questions. Each question carries 2 marks** **(10x2=20)**

1. List four advantages of International Business
2. What benefit do MNCs provide to the host country?
3. Distinguish between a Free Trade Area and a Customs Union.
4. What are trade policies? Why is it required for a country to draft one?
5. How would you define exchange rate? Use an example.
6. How does the BOP position of a country impact exchange rate?
7. Define protectionism. Cite an example of a protectionist measure adopted by a country.
8. What is the purpose of having International watchdogs like the UN and the World Bank for International Trade?
9. Mention some uses of foreign exchange for countries.
10. Red tapism is an example for a tariff barrier. Do you agree?
11. What are the trade barriers of United States?
12. What are the advantages of having trade agreements with other countries?

**Part B**

**II. Answer any Six questions. Each question carries 5 marks** **(6x5=30)**

13. Discuss the nature of Internal Business Environment.
14. Mention some pros and cons of Protectionism for a country like India.
15. What are the impact of foreign environment on international business.
16. How can regional integration help international trade?
17. The relationship between an MNC and its host country involves both give-and-take. Substantiate.
18. Specify the meaning of the MEIS scheme introduced in India's FTP Policy document.
19. Under what situations does a country usually adopt a floating exchange rate system?
20. When India focuses on #Make in India, which is better? A devalued currency or an appreciated currency?
21. Who are the architects of India's first economic reforms ? Why are they called so?

**Part C**

**III. Answer any Two questions. Each question carries 15 marks** **(2x15=30)**

22. Discuss in detail the different options available for entering global market. Critically evaluate each as a potential option.
23. Discuss the effects of appreciation of Indian rupee against the US dollar on (i) exports, (ii) imports, (iii) balance of payments and (iv) wages of Indians working in USA.
24. Outline the salient points of India's Foreign Trade Policy 2015-20.

25. How did Manmohan Singh tackle the BoP situation in 1991 that made India resurgent again?