


Name:		
Enrolment No:		
UNIVERSITY OF PETROLEUM AND ENERGY STUDIES End Semester Examination, December 2021		
Course: Managing Trade and Risk in International Business		Semester: III
Program: BBA Foreign Trade		Time: 03 Hours.
Course Code: INTB2002		Max. Marks: 100
SECTION A (Objective type questions) Each question carries 2 marks.		
S. No.	Questions	CO
Q1	State the relationship between risk and return.	CO1
Q2	Is foreign direct investment (FDI) a long-term investment? How it is different from other types of foreign capital inflows?	CO1
Q3	Why do nations trade?	CO1
Q4	What is globalization?	CO1
Q5	What is fixed exchange rate?	CO1
Q6	What do you mean by political risk?	CO1
Q7	What drives trade between countries according to the factor proportions theory of international trade?	CO1
Q8	Give two examples of operational risk.	CO2
Q9	What is the most basic strategy of risk management? What is its limitation?	CO2
Q10	How do exchange rate appreciation impacts exports and imports of a country?	CO2
SECTION B (Short answer type questions) Each question carries 10 marks.		
Q11	Is India a trade deficit country? Does India's trade balance affect its currency exchange rate? Justify your answer.	CO3
Q12	Why China gets large amount of foreign direct investment (FDI) inflows as compared to other developing countries?	CO3
Q13	Why Bretton Woods Agreement collapsed?	CO2
Q14	Explain the current system of exchange rates.	CO2
Section C (Marks: 10*3 = 30)		
Q15	India has abundant supply of labour whereas USA is rich in capital. Explain the trade pattern between India and USA. Explain the Leontief paradox in this context.	CO3

Q16	Analyze the different categories of risk that a multinational firm often encounters. How the Covid-19 pandemic has affected the multinational firms?	CO3
Q17	Discuss the dispute settlement mechanism available for Indian business involved in foreign trade.	CO2
Section D (Marks: 15*2 = 30)		
Q18	An Indian enterprise X is involved in international business i.e., exports of textiles to the African countries. (a) Identify the risks involved in this international business. (b) What approaches the enterprise will follow in the risk management process. Explain in detail.	CO4