

PARUL UNIVERSITY
FACULTY OF MANAGEMENT
MBA., Summer 2017 - 18 Examination

Semester: 4
Subject Code: 06204252
Subject Name: Foreign Direct Investment

Date: 23/05/2018
Time: 10:30am to 1:00pm
Total Marks: 60

Instructions

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as Directed.**A). Multiple choice type questions (Each of 1 mark)****(05)**

1. Large scale developmental expenditures usually increase the purchasing power, aggregate demand and prices, resulting in substantially large imports are called _____ disequilibrium.

a) Development	c) Cyclic
b) Secular	d) Structural
2. _____ subsidies are those contingents upon export performance or the use of domestic instead of imported goods.

a) Prohibited	c) Actionable
b) Non actionable	d) None
3. It is an incorporated enterprise in the host country in which an investor owns a total of at least 10 percent, but not more than a half, of the shareholders' voting power.

a) Associate	c) subsidiary
b) Branch	d) Franchising
4. Which of the following is/are features of new globalization?

a) New Markets	c) New Actors
b) New Rules and Norms	d) All of the Above
5. Definition of Multinational corporation by _____ depends on such characteristics as earnings, sales and assets. These characteristics indicate the extent of the commitment of corporate resources to foreign operations.

a) by Size	c) By Structure
b) by performance	d) General definition

B). Define the following. (Each of 1 mark)**(05)**

1. Theoretical international economics.
2. Patent
3. Globalization
4. Transnational corporations.
5. Dispute settlement

C). Direct questions. (Each of 1 mark)**(05)**

1. Explain how political factor cause disequilibrium in Balance of Payment.
2. Define Appropriability theory.
3. Discuss briefly about special drawing right (SDR)
4. Explain briefly how economic factors create disequilibrium in balance of payment.
5. Discuss briefly about poverty reduction and growth facility of WTO.

Q.2 Answer the following questions.

A). Discuss about different factors promoting Global economic integration. (07)

B). What is balance of payment? Discuss about different components of balance of payment (08)

Q.3 Answer the following questions.

A). Mr. Akshay wants to start his foreign business. Help him by Suggesting different theories of international investment which can be helpful to him. (07)

B). What is IMF. Discuss about its functions and purpose. (08)

Q.4 Attempt any two questions. (Each of 7.5 mark) (15)

1. Explain different market entries strategies of globalization.
2. Write a short note on Foreign private investment.
3. Explain the different organizational models and also discuss about characteristics of Multinational corporation, International organization model, global organization model and transnational organization
4. Give a critical account of Uruguay round agreement.