

**GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR**

Course: International Business-Laws and Practices
Semester-III (Batch: 2018-20)

M.B.A. End Semester Examination: November 2019

Date: 15th November 2019

Duration: 3 hours

Max. Marks: 60

Instructions:

- Read the questions properly and write the answers in the given answer book.
- The respective marks for each question are indicated in-line.
- Do not write any thing on the question paper.
- Indicate correct question numbers in front of the answers.
- No questions or clarifications can be sought during the exam period, answer as it is, giving reason, if any.
- Bare Act is not allowed.

Answer any six of the following questions:
(Word limit: 550-600 words for each answer)

Marks
(6x10
=60)

- Q.1 'The character of the international monetary order, much of which is set under the International Monetary Fund (IMF) framework, is shaped, *inter alia*, by the nature of the particular monetary problem, the consensus as to the solution, the capacity of the international community to enforce, and the state of international monetary relations'. In the light of the preceding statement, examine the crucial efforts made by the International Monetary Fund to promote the international monetary order.
- Q.2 A seller with a place of business in Germany and a buyer with a place of business in the United Kingdom are currently in the process of entering into a contract for the sale of semiconductor products. While Germany is a contracting State, the United Kingdom has not ratified the CISG. In the light of the aforesaid facts, examine whether the parties to the contract can opt out the CISG. Evaluate the concept of party autonomy in the light of Article 6 of the CISG.
- Q.3 'A bilateral investment treaty (BIT) is an agreement between two countries that sets up 'rules of the road' for foreign investment in each other's territories. It is a tool to break down market access barriers and provide the companies greater protections overseas'. In the light of the foregoing statement, comment on the India's position with respect to bilateral investment treaties in the promotion of foreign investments.
- Q.4 European Communities (EC) initiated anti-dumping investigation into certain imports of cotton-type bed linen from India, and thereupon identified certain number of different 'models' or 'types' of that product. Then, the EC calculated for each of these 'models' a weighted average normal value and a weighted average export price. The EC next compared the weighted average normal value with the weighted average export price for each 'model'. For some 'models' normal value was higher than export price; whereas, for some other 'models' normal value was lower than export price. By subtracting export price from normal value for these other 'models', the EC established 'negative dumping margin'. In the light of the aforesaid facts, answer the following questions:
- (a) Whether the method of zeroing resorted to by the EC is consistent with Article 2.4 of the Agreement on Anti-dumping for establishing the existence of margins of dumping? Examine.

(b) What are the basic factors to be considered in the 'determination of injury' under Article 3 of the Agreement on Anti-dumping? Explicate.

Q.5 'Subsidies continue to be of great concern in international trade, as they assumed a greater importance as a tool of government's economic policy against tariffs, which have been reduced to an insignificant level. In order to support ailing industries, to stimulate infant industries and to promote exports, subsidies have become an important element in the world trade to the extent that, in some sectors, financial ability to subsidize exports has overridden competitive reality, thereby changing the production pattern from one country to another'. In the light of the aforesaid statement, answer the following questions:

- (a) What is meant by 'financial contribution'? Can a financial assistance given by a private body be considered to be a subsidy within the meaning of the Agreement on Subsidies and Countervailing Measures? Evaluate.
- (b) Whether export subsidies are prohibited under the Agreement on Subsidies and Countervailing Measures? Explain.

Q.6 'The main objective of the Foreign Trade Policy (EXIM Policy) of the Government of India is to promote exports to the maximum extent. Exports should be promoted in such a manner that the economy of the country is not affected by unregulated exportable items specially needed within the country. Export control is, therefore, exercised in respect of a limited number of items whose supply position demands that their exports should be regulated in the larger interests of the country'. In the light of the aforementioned statement, critically evaluate the essential features of the current Foreign Trade Policy of India. How far does the current Policy promote the export trade of India? Comment.

Q.7 Write short notes on the following:

- (a) International Carriage of Goods
- (b) Prohibition of Anti-competitive Agreements
