

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA

PGDM / PGDM (M) / PGDM (SM)

VIth TRIMESTER (Batch_2021)

END TERM EXAMINATIONS

Course Name	International Business	Course Code	IB601
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS: Open Book Exam
Attempt both Cases

Each question carries 20 marks

Q1. Case I

Make in India is an initiative by the Government of India to encourage companies to manufacture in India and incentivize dedicated investments into manufacturing. The policy approach was to create a conducive environment for investments, develop a modern and efficient infrastructure, and open up new sectors for foreign capital. The initiative targeted 25 economic sectors for job creation and skill enhancement, and aimed "to transform India into a global design and manufacturing hub."

"Make in India" had three stated objectives:

- to increase the manufacturing sector's growth rate to 12-14% per annum;
- to create 100 million additional manufacturing jobs in the economy by 2022;
- to ensure that the manufacturing sector's contribution to GDP is increased to 25% by 2022 (later revised to 2025).

After the launch, India gave investment commitments worth ₹16.40 lakh crore (US\$230 billion) and investment inquiries worth of ₹1.5 lakh crore (US\$21 billion) between September 2014 to February 2016. As a result, India emerged as the top destination globally in 2015 for foreign direct investment (FDI), surpassing the United States and China, with US\$60.1 billion FDI. As per the current policy, 100% Foreign Direct Investment (FDI) is permitted in all 100 sectors, except for Space industry (74%), defence industry (49%) and Media of India (26%). Japan and India had also announced a US\$12 billion 'Japan-India Make-in-India Special Finance Facility' fund to push investment.

Questions to be attempted (Any 2)

10 marks each

- a) Explain vertical and horizontal industrial policies undertaken by Indian government to promote its make in India initiative with examples.
- b) Critically analyze the effect of Carotar rules on Indian Trade and businesses.
- c) *Elucidate* how the tariff policy has changed with the new make in India and Atmanirbhar India initiative.
- d) Import Substitution is the right model for India's development. *Critically analyze* the argument.
- e) *De-globalization* is the new solution for improving the health of the economy. Critically analyze the statement.
- f) *Elaborate* on the recent changes in India's Tariff structure.

Q2. Case II

The Regional Comprehensive Economic Partnership (RCEP) is a proposed agreement between the member states of the Association of Southeast Asian Nations (ASEAN) and its free trade agreement (FTA) partners. The pact aims to cover trade in goods and services, intellectual property, etc. India eventually decided to play it safe by pulling out at the last minute from the Regional Comprehensive Economic Partnership (RCEP) which was finalised by 15 countries in Bangkok on Monday. The pressure mounted on the government and the Prime Minister by interest groups, ranging from farmers, small industries and traders, to political parties across the board, surely played a major role in the decision to stay out of the grouping. The country had little choice but to exit after its safeguard requests were not conceded.

Questions to be attempted (Any 2)

10 marks each

- a. *Comment* on the recent developments in RCEP.
- b. *Analyze* the reasons cited by India for not being a part of RCEP
- c. *Explain* the role of China in RCEP
- d. *Describe* how could India have gained from signing the RCEP?
- e. *Evaluate* the factors that makes the formation of RCEP important?
- f. *Predict* the impact of RCEP on members and Non-members in Asia
- g. Critically *Analyze* the significance of signing RCEP on ASEAN countries.