

(8 pages)

Reg. No. :

Code No. : 7700

Sub. Code : WBAED 21

M.B.A. (CBCS) DEGREE EXAMINATION,
APRIL 2024.

Second Semester

Business Administration

INTERNATIONAL BUSINESS

(For those who joined in July 2023 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (15 × 1 = 15 marks)

Answer ALL questions.

Choose the correct answer :

1. _____ refers to that shift toward a more integrated and interdependent world economy.

(a) Globalization
(b) National market
(c) Gross border trade
(d) Factors of production

2. _____ is the first step in the internationalization process.

(a) Foreign investment
(b) Sales
(c) License
(d) Export

3. _____ environment comprises of factors that exist within an organization and are controllable in nature.

(a) Macro (b) Internal
(c) Task (d) Operating

4. _____ is the way of life of a group of people and includes their shared values, beliefs, customs and accepted behaviors.

(a) Society (b) Social groups
(c) Social satisfaction (d) Culture

5. Zero sum game theory applies _____.

(a) Mercantilism
(b) Absolute cost advantage theory
(c) Factor equalization theorem
(d) New trade theory

Page 2

Code No. : 7700



6. Theory of comparative advantage was given by _____.
- (a) Philip Kotler (b) Adam Smith
(c) Peter Drucker (d) David Ricards
7. Expand the term SEZ _____.
- (a) Special Energy Zones
(b) Special Economic Zappers
(c) Special Economic Zones
(d) Special Energy Zappers
8. The _____ is an intergovernmental organization that regulates and facilitates international trade.
- (a) World Trade Organization
(b) International Monetary Fund
(c) Export Oriented Units
(d) TRIMS
9. INCO terms were given by _____.
- (a) International Chamber of Commerce
(b) Director General of Foreign Trade
(c) Ministry of Commerce
(d) None

Page 3

Code No. : 7700

10. Which of the following is the function of a Clearing and Forwarding agent?
- (a) To submit the sales tax and other ventures to the respective authorities before due date
(b) To collect the returned good from the market and arrange for replacement as per the policies of the company
(c) To purchase goods from super distributor and sell to smaller territory
(d) To maintain adequate stocks of the entire range of products marked by the company.
11. Globalisation has improved living structure of which of the following?
- (a) All the people
(b) People living in developing countries
(c) People living in developed countries
(d) None of the above
12. _____ is the application of knowledge which redefines the boundaries of global business.
- (a) Technology (b) Cultural values
(c) Society (d) Economy

Page 4

Code No. : 7700

[P.T.O.]



13. Which of the following was the Predecessor of the WTO?
- (a) General Agreement of Trade
 - (b) General Agreement on Tariffs and Trade
 - (c) World Trade Forum
 - (d) General Agreement on World Trade
14. For how many years do the companies in the SEZs don't need to pay taxes?
- (a) 6 years (b) 10 years
 - (c) 20 years (d) 5 years
15. Global events and global competition affect _____.
- (a) Small organization
 - (b) Medium organization
 - (c) Big organization
 - (d) All

PART B — (5 × 4 = 20 marks)

Answer ALL questions, choosing either (a) or (b), each answer should not exceed 250 words.

16. (a) What are the differences between international business and domestic business?
- Or
- (b) What are the non-tariff barriers of international business?

Page 5 Code No. : 7700

17. (a) Give a brief account of the international economic environment of business.

Or

- (b) Write a short note on :
- (i) Religion
 - (ii) Language.

18. (a) Explain Central American Common Market (CACM) and Latin American Free Trade Association (LAFTA).

Or

- (b) Explain World Bank and IMF.

19. (a) State the Role of state trading agencies in foreign trade.

Or

- (b) List out the functions of foreign exchange market.

20. (a) What is quality control and pre-shipment inspection?

Or

- (b) What is port in international trade?

Page 6 Code No. : 7700



PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b), each answer should not exceed 600 words.

21. (a) Discuss the scope of international business.

Or

- (b) Explain the multinational corporations and their involvement in international business.

22. (a) State the different types of international business environment.

Or

- (b) Explain the framework for analyzing international business.

23. (a) Explain the functions of World Trade Organization (WTO).

Or

- (b) What are the assumptions, merits and derivatives of Heckscher – Ohlin theory?

24. (a) Explain the role of EXIM bank of India.

Or

- (b) Elaborate the different types of Foreign Direct Investment (FDI).

Page 7

Code No. : 7700

25. (a) Explain the contemporary issues in international business.

Or

- (b) Explain the role of clearing and forwarding agents.

Page 8

Code No. : 7700

