

M.COM
FOURTH SEMESTER
INTERNATIONAL BUSINESS
MCM-402

Duration: 3 Hrs.

Marks: 70

{ Part : A (Objective) = 20 }
{ Part : B (Descriptive) = 50 }

[PART-B : Descriptive]

Duration: 2 Hrs. 40 Mins.

Marks: 50

[Answer question no. One (1) & any four (4) from the rest]

1. Explain the different forms of FDI. State the significance of FDI in promoting economic development of a nation. (5+5=10)
2. Explain briefly the important theories of international Business. (10)
3. Briefly state the process of determining foreign exchange rate. Give a brief account of currency exchange risk and its management. (2+3+5=10)
4. What do you mean by international business environment? Examine the global demographic trends and its implication for business. (2+8=10)
5. Discuss the working of IBRD and make a critical assessment of its funding policy. (5+5=10)
6. What is tariff? State the reasons of implementing the tariff. Distinguish between tariff and Quotas. (2+3+5=10)
7. Write short notes on: (5+5=10)
(a) International Capital Market
(b) International Monetary Fund (IMF)
8. What are the features of MNCs. Discuss a critical review of role played by MNCs in India. (4+6=10)

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[PART-A : Objective]

Choose the correct answer from the following:

1X20=20

1. Which one of the following is the debit entry in the balance of payment account?
 a. Gift to foreigners.
 b. Export of goods and services.
 c. Import of goods and services.
 d. Export of Capital Assets.
2. Head quarter of the SAARC is situated in:
 a. Delhi
 b. Colombo
 c. Kathmandu
 d. Dhaka
3. The 'terms of trade' means:
 a. An excess of import over export.
 b. The terms and conditions on which a country participates in foreign trade.
 c. Trade agreements.
 d. The relationship between export prices and import prices.
4. Which of the following is not a member of SAARC?
 a. Pakistan
 b. Bhutan
 c. Maldives
 d. Myanmar
5. Which conference gives the birth to the International Monetary Fund?
 a. TIDA
 b. Bretownwoods
 c. LIBOR
 d. Congress
6. Who is the successor of GATT?
 a. ABB
 b. IFC
 c. WTO
 d. World Bank

7. Which of the following institute is considered as 'soft loan window'?
 a. IMF
 b. IBRD
 c. IDA
 d. IFC
8. The UNCTAD is a permanent organization of:
 a. UNO
 b. RBI
 c. GATT
 d. IMF
9. India is not a member of:
 a. G-15
 b. UNO
 c. ASEAN
 d. Commonwealth
10. The comparative Cost Theory of international trade was developed by:
 a. David Ricardo
 b. Haberlar
 c. Adam Smith
 d. Alfred Marshall
11. The gain from two nations depend on:
 a. Domestic Barter rates.
 b. Differences in the domestic barter rates of the two countries.
 c. Terms of Trade.
 d. Degree of absolute advantage.
12. Arrange the following in right chronological order:

	A	B	C	D
I. Formation of WTO	a) I	III	II	IV
II. Uruguay Round of GATT	b) IV	III	II	I
III. Formation of GATT	c) III	IV	II	I
IV. Formation of UNCTAD	d) II	IV	I	III
13. The differences between the export and import of services is called:
 a. Balance of Trade.
 b. Balance of Invisible
 c. Balance of current Account.
 d. Balance of Capital Account.
14. Which is of the following objective is not the objectives of IMF?
 a. Short term assistant.
 b. Issue of Notes.
 c. Long term capital investment.
 d. Restriction on Business Boundless.



15. The headquarters of IMF is in:

- a. Hague
- b. Geneva
- c. Washington
- d. New York

16. Purchasing power parity theory was given:

- a. Proportion
- b. Times.
- c. Percentage
- d. In general

17. The world bank formed as a _____ body of IMF.

- a. Competitive body
- b. Complementary body
- c. Legal body
- d. Holding body

18. Under the gold standard, the main instrument to keep the balance of payment equilibrium was:

- a. Fixed exchange rate policy
- b. Monetary policy
- c. Fiscal policy
- d. None of the above.

19. Under the flexible exchange rate system, the exchange rate is determined:

- a. The force of demand and supply in the foreign exchange market.
- b. The monetary authority of the nation.
- c. The price of the gold.
- d. The quantum of foreign exchange reserve.

20. The basic purpose of international trade is:

- a. To increase the national income.
- b. To encourage exports.
- c. To promote international understanding.
- d. To correct adverse balance of payments.

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Course :

Semester : Roll No :

Enrollment No : Course code :

Course Title :

Session : 2016-17 Date :

Instructions / Guidelines

- The paper contains twenty (20) / ten (10) questions.
- The student shall write the answer in the box where it is provided.
- The student shall not overwrite / erase any answer and no mark shall be given for such act.
- Hand over the question paper cum answer sheet (Objective) within the allotted time (20 minutes / 10 minutes) to the invigilator.

Full Marks	Marks Obtained	Remarks
20		

Scrutinizer's Signature

Examiner's Signature

Invigilator's Signature