

sem-II

INDIAN MARITIME UNIVERSITY
(A Central University, Govt. of India)
End Semester Examinations – June/July 2019
M.B.A (Port and Shipping Management) /
(International Transportation & Logistics Management)
PG21T2205/PG22T2205– International Business

Date: 14-06-2019

Time: 3 Hrs

Max Marks :60

Pass Marks: 30

PART – A

Answer all the Questions.

12 x 1 = 12

1. One of the basic characteristics of MNEs is
 - a. Their affiliates must be responsive to a number of important environmental forces.
 - b. An MNE does not draw on a common pool of resources.
 - c. An MNE does not link together the affiliates and business partners with a common strategic vision.
 - d. None of the above

2. Find the odd one out from the following related to strategic management process for MNEs.
 - a. Identification of firms basic mission
 - b. Analysis of the external and internal environment
 - c. Formulation of strategy
 - d. None of the above

3. International Capital flows include
 - a. Foreign Portfolio investment
 - b. Foreign Direct Investment
 - c. Only b
 - d. Both a & b

4. According to the theory of comparative advantage, international trade is gainful to all the trading countries because
 - a. Trade increases competition
 - b. Every country has absolute advantage in producing something.
 - c. Workers efficiency in terms of production increases and thus real wage rates.
 - d. World output can increase when each country specializes in the commodity of its comparative advantage.

5. "Buy national" restrictions could act as a non tariff trade barrier if
- Government purchases are financed by tax receipts.
 - Government requires goods purchased to meet certain uniform standards.
 - Government prefers to buy from domestic producers.
 - Government treats domestic and foreign producers on a level playing field.
6. A trade bloc which allows no trade restrictions among member countries and harmonized trade policies for non members is called
- Free trade area
 - Customs Union
 - Common market
 - Economic Union
7. Global sourcing is a
- Organizing strategy
 - Production Strategy
 - Marketing Strategy
 - International Financial Management
8. _____ solution is to treat all foreign operations as if they were extensions of domestic operations.
- Polycentric Solution
 - Ethnocentric Solution
 - Geocentric Solution
 - None of the above
9. TRIMS stands for
- Trade Recognized Investment Measures
 - Trade Related Investment Measures
 - Trade Related Intellectual Measures
 - None of the above
10. In _____ year, United Nations Industrial Development Organisation (UNIDO) was set up?
- 1955
 - 1962
 - 1967
 - None of the above

11. In terms of trade policy, the first two five year plans of India witnessed _____.
- Export Promotion
 - Export Pessimism
 - Open System Trade Policy
 - Outward looking Strategy
12. A deficit in the trade balance has its direct impact on
- Gross National Product of a country
 - Foreign Borrowing
 - Balance of Payment
 - SDRs at IMF

PART – B

**(Answer any five out of seven)
All questions carry equal marks**

5 x 4 = 20

13. Explain various reasons for firms to become MNEs.
14. Elaborate on Porter's national competitive advantage theory.
15. Discuss factor Endowment Theory of international trade.
16. Discuss various forms of regional trade integration between countries.
17. Briefly discuss various determinants of exchange rates between trading countries involved in international transactions.
18. Explain the significance of "Brexit" in the context of EU.
19. Explain major problems faced by Indian exporters.

PART - C

**(Question number 20 is compulsory and any three
to be answered from the remaining)**

4x 7 = 28

20. Explain the use of Firm Specific Advantage-Country Specific Advantage matrix in the context of global strategies of MNEs.
21. Write a note on theory of absolute advantage and comparative advantage. (3 marks + 4 marks)

22. Elaborate on various types NTMs that could be imposed by a country to act as form of protectionism for international trade.
23. Discuss the process of international market assessment as used by a firm to do business in global market place
24. Write a short note on IFC and ADB. (4 marks + 3 marks)
25. Discuss the evolution of India's Foreign Trade Policy since independence.
