

Seat No. _____

MAY -2017
MC0MC203 (Sem.-II)
International Business Environment

Time: 3 Hrs.

Total Marks: 70

- Instruction : (1) All Questions are Compulsory.
(2) Figures to the right indicate total marks of the Questions.

- Q.1** (A) Discuss scope and risk involved in international business. 7
OR
International advantages and disadvantages of Foreign direct Investment. 4
(B) Answer in brief (any two)
(1) State types of foreign direct investment.
(2) Give definition of free trade policy.
(3) What is new International Economic order? 3
(C) Answer in one –two sentence only
(1) What is Trade Policy?
(2) What is protective Trade Policy?
(3) What is International Business?
- Q.2** (A) Discuss the meaning and effect of custom Union. 7
OR
State the objectives and functions of World Trade Organization. 4
(B) Answer in brief (any two)
(1) State objectives of Custom Union.
(2) What is SAARC?
(3) What is Technology Transfer? 3
(C) Answer in one –two sentence only
(1) Write two objectives of International Labour organization.
(2) Write full form Of SAPTA.
(3) What is European Union?
- Q.3** (A) Explain the components of Legal and Political Environments. 7
OR
State the scope of standardization of legal issues and organization established for standardization. 4
(B) Answer in brief (any two)
(1) Give meaning of political risk.
(2) State objectives of WTO Dispute statement mechanism.
(3) Give names of types of political risk. 3
(C) Answer in one –two sentence only
(1) Give meaning of Political Diversity.
(2) Give names of forms of political system.
(3) Write names of management of political risk approach.

- Q.4** (A) Explain process of management of Cultural Diversity. 7
 OR
 What is non-verbal communication? State types and importance of non-verbal communication. 4
- (B) Answer in brief (any two) 4
 (1) Explain meaning of cultural Diversity.
 (2) State reasons of adverse effect of cultural diversity on organization.
 (3) Write names of elements International Culture. 3
- (C) Answer in one –two sentence only 3
 (1) Give meaning of management of cultural Diversity.
 (2) State one problems on account of Cultural diversity.
 (3) Give meaning of cultural aspects in international Business.
- Q.5.** Select correct option: 14
- (1). International business affected by _____.
 (a) National Defense policy (b) National reservation policy
 (c) National trade policy (d) None of above.
- (2). International business is not affected by _____.
 (a) Cultural Differences (b) Inflation Rate
 (c) Foreign Exchange Market (d) National defense policy
- (3). Which of the following factors affected the international business.
 (a) Geographic factor (b) Economic factor
 (c) Socio Culture factor (d) all of above.
- (4). Which of the following is/are not motive of Merger and Acquisition?
 (a) Economy of scale (b) Economy of scope
 (c) Increase revenue or Market share (d) Increase competition
- (5). NAFTA is trade custom union of _____ in order to promote free trade amongst these countries.
 (a) Canada (b) Merxico
 (c) United State (d) all of above.
- (6). International labour organization was established.
 (a) 1991 (b) 1919
 (c) 1949 (d) 1951
- (7). Which of the followings regulates the trade ?
 (a) Trade Union (b) Trade regulatory body
 (c) Both of above (d) None of above
- (8). The fundamental principles of SAARC is /are
 (a) Mutual respect (b) Settlement Mechanism
 (c) Effective regional cooperation. (d) All of above

- (9). The international law is based on
(a) Rules of sovereignty and sovereign immunity
(b) Rules of related to International Jurisdiction
(c) Doctrine of comity
(d) All of above
- (10). The international business is affected by the legal environment of _____
(a) Host country
(b) Home country
(c) Both of above
(d) None of above
- (11). Predictive analysis method for political risk assessment is developed by
(a) Haner
(b) Harland Knudsen
(c) Simon
(d) Robert Stobaugh
- (12). Which of the following is reason for language issue
(a) On account of Education
(b) On account of same language
(c) On account of different language
(d) On account of religion
- (13). Which of the following is strategic response to cultural diversity ?
(a) Transfation of home country culture
(b) Adaptation to local culture
(c) Eliminationa of differences
(d) All the above
- (14). Material culture is related to
(a) Economic
(b) Social infrastructure
(c) Fianancial aspect
(d) All of above