

Total No. of printed pages = 5

63/2 (SEM-4) MCO 401

2023

COMMERCE

(Theory Paper)

Paper Code : MCO 401

(International Business)

Full Marks – 80

Pass Marks – 32

Time – Three hours

The figures in the margin indicate full marks for the questions.

1. Choose the correct answers : 1×6=6
- (a) Which one of the following creates opportunity for International Business ?
- (i) Privatisation
 - (ii) Globalisation
 - (iii) Monopoly
 - (iv) All of the above

[Turn over

(b) The full form of NAFTA is

- (i) North American Free Trade Agreement
- (ii) North Atlantic Free Trade Association
- (iii) North Asia Free Trade Association
- (iv) North Australia Free Trade Association

(c) FDI decisions are affected by

- (i) Government policy
- (ii) Cultural environment of a country
- (iii) Education
- (iv) None of these

(d) Foreign exchange rate is

- (i) the price of one currency in terms of other currency
- (ii) a type devaluation
- (iii) Both (i) and (ii)
- (iv) None of these

70/63/2 (SEM-4) MCO 401 (2)

(e) ADB is

- (i) an international organisation
- (ii) a regional organisation
- (iii) a local organisation
- (iv) None of these

(f) Foreign exchange market is

- (i) centre of trade for the different currencies
- (ii) centre of trade for the different commodities
- (iii) centre of trade for the different ideas
- (iv) All the above.

2. Answer the following questions : $2 \times 5 = 10$

- (a) What is FII ?
- (b) What is meant by strategic alliance ?
- (c) What is exchange rate regime ?
- (d) What is foreign exchange ?
- (e) Mention any two methods of foreign exchange rate determination.

70/63/2 (SEM-4) MCO 401 (3) [Turn over

3. Answer any six of the following questions :

5×6=30

- (a) Distinguish between domestic and international business. 5
- (b) Explain the factors to be considered while doing international business. 5
- (c) Explain in brief, the various types of Foreign Direct Investment. 5
- (d) State the advantages and disadvantages of Foreign Institutional Investors. $2\frac{1}{2}+2\frac{1}{2}=5$
- (e) Examine the merits and demerits of merger and acquisitions. $2\frac{1}{2}+2\frac{1}{2}=5$
- (f) Write a note of SAARC. 5
- (g) Write the differences between floating and fixed exchange rate. Which one is more applicable is India ? Give reasons. 4+1=5
- (h) Discuss the PPP theory of exchange rate determination. 5
- (i) Discuss the role of Regional Economic Integration in international business. 5

70/63/2 (SEM-4) MCO 401 (4) 200

4. Answer any two of the following questions :

10×2=20

- (a) State the objectives of strategic alliance. Elaborate its merits and demerits. 4+3+3=10
- (b) What is MNC culture ? Explain how MNC culture can affect the business environment of a particular nation. 2+8=10
- (c) Discuss the merits and demerits of regional economic integration. 5+5=10

5. Answer any one of the following questions :

14×1=14

- (a) Explain the positive and negative impact of MNCs on domestic market. 7+7=14
- (b) How does ASEAN promote international business ? Discuss. 14

70/63/2 (SEM-4) MCO 401 (5)

200