

MASTER OF COMMERCE
FOURTH SEMESTER
INTERNATIONAL BUSINESS
MCM – 402

**SET
A**

[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 3 hrs.

Full Marks: 70

Time: 30 mins.

(Objective)

Marks: 20

Choose the correct answer from the following:

1 × 20 = 20

- _____ transfer is a process that permits flow of technology from a source to a receiver.
a. Technology
b. Product
c. Service
d. None of the above.
- The scope of international business include/s _____.
a. International marketing
b. International investment
c. Management of foreign exchange
d. All of the above
- _____ is a process in which a country denies to trade with a particular country.
a. Embargo
b. Tariff
c. Quota
d. None of the above
- The GSP System was instituted in the year _____.
a. 1991
b. 1981
c. 1971
d. None of the above
- _____ accounts are an accounting record of all monetary transactions between a country and rest of the world.
a. Balance of Payments
b. Balance of Trade
c. Capital Account
d. None of the above
- _____ agreements reduce or eliminate barriers to trade across international borders.
a. Free trade
b. Political
c. Technological
d. None of the above
- _____ trade theory stated that a country's wealth was determined by the amount of its gold and silver holding.
a. Comparative advantage
b. Mercantilism
c. Absolute Advantage
d. None of the above.
- The member countries of NAFTA is/are _____.
a. Canada
b. Mexico
c. United States
d. All of the above
- The reduction in the value of a currency due to market forces is known as _____.
a. Inflation
b. Revaluation
c. Depreciation
d. None of the above

10. International Finance Corporation was established in the year _____
 - a. 1954
 - b. 1956
 - c. 1966
 - d. None of the above
11. Balance of Payment includes _____ transactions.
 - a. Visible
 - b. Invisible
 - c. Both a and b
 - d. None of the above
12. Asean consist of _____ pillars which was formed in the year 2003.
 - a. 4
 - b. 3
 - c. 5
 - d. None of the above
13. _____ hosted the G20 Leaders' Summit for the first time in 2023.
 - a. India
 - b. Australia
 - c. Canada
 - d. None of the above
14. _____ is an arrangement where the international company transfers technology, patent and so on for a limited period of time to an overseas entity in return for some form of payment.
 - a. Licensing
 - b. Franchising
 - c. Contractual Agreements.
 - d. None of the above
15. Foreign exchange market is also known as _____ market.
 - a. Currency
 - b. Trade
 - c. Forex
 - d. None of the above
16. WTO started its operations from the year _____
 - a. 1998
 - b. 1947
 - c. 1995
 - d. None of the above
17. The headquarters of MNC's are located in _____
 - a. Home country
 - b. Host country
 - c. Both a and b
 - d. None of the above
18. DTAA stands for _____
 - a. Double Taxation Avoidance Agreement
 - b. Double Tax Avoid Agreement
 - c. Duty Tax Assurance Agreement.
 - d. None of the above
19. The theory of Absolute Cost Advantage was promulgated by _____
 - a. David Ricardo
 - b. Adam Smith
 - c. Heckscher & Bertil Ohnn
 - d. None of the above
20. The headquarter of UNCTAD is located at _____
 - a. London
 - b. New York
 - c. Switzerland
 - d. None of the above

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(Descriptive)

Time : 2 Hr. 30 Mins.

Marks : 50

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

1. Describe the entry mode of MNC's in International Business. 10
2. a) What is meant by DTAA? 2+8=10
b) Mention in brief about Mercantilism theory.
3. Write short notes on (*any two*) of the following: 5×2=10
a) IMF
b) Quota
c) UNCTAD
d) NAFTA
4. a) What is a BOP? 2+8=10
b) Explain the factors that lead to the disequilibrium of BOP.
5. a) What is meant by Foreign Exchange Market? 3+7=10
b) Mention the functions of Foreign Exchange Market.
6. What is transfer pricing? Describe the methods of transfer pricing. 5+5=10
7. What is meant by ASEAN and mention the objectives of ASEAN. 3+7=10
8. State the significance of legal and political environment in international business. 5+5=10

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