

MANAGEMENT PROGRAMME

Term-End Examination

00262

June, 2017

MS-097(S) : INTERNATIONAL BUSINESS

Time : 3 hours

Maximum Marks : 100

(Weightage : 70%)

Note : There are two sets. Set I is meant for students who have registered for MS-097 prior to July 2016. Set II is meant for those students who have registered from July 2016 onwards. Attempt any five questions. All questions carry equal marks.

SET I
(Pre-revised)

1. (a) Explain the theory of mercantilism. Does this theory have any relevance in the present day world ? Discuss.
- (b) What are the determinants of international investment decisions ? What different strategies could a firm follow ?

2. (a) What are the environmental trends influencing a given company engaged in international business ?

(b) Differentiate between (i) Ethnocentric, (ii) Polycentric, and (iii) Geocentric approaches to structuring the international business operations.
3. Why is it important for a multinational enterprise to have a performance evaluation system ? Distinguish between parameters of performance and indicators of performance.
4. Discuss the stages in cross-cultural negotiation process citing relevant examples in relation to each stage.
5. What effects do MNC operations usually have on the management of domestic firms ? Discuss in light of the Indian experience, citing relevant examples.
6. Analyse the policies that have been implemented in developing countries to attract higher volumes of FDI with special reference to India. Do you think that the policy shift in India has been successful ? Give reasons.

7. Write short notes on any *three* of the following :

- (a) GATT and International Business
- (b) Nature of Control in MNEs
- (c) Theory of Comparative Cost Advantage
- (d) Objectives of Trade Groupings
- (e) Partial Productivity vs Total Productivity

SET II
(Revised)

1. (a) What are the main instruments of Trade policy ? Explain in brief.
(b) Discuss the functioning of foreign exchange markets.
2. Describe the various types of trade blocks. Discuss the major trade blocks in the world.
3. (a) Examine how the theories of internationalisation play an important role in framing international entry strategies.
(b) Identify the factors influencing entry decisions of the firms.
4. Explain in detail the various terms of payment in international trade.
5. Discuss the issues related to transfer pricing and double taxation giving illustrations.
6. (a) Distinguish between domestic and international marketing with examples.
(b) Explain the characteristics of emerging economies.

7. Write short notes on any *three* of the following :

- (a) **Balance of Payments**
 - (b) **Trade Creation and Trade Diversion**
 - (c) **Need for Strategic Alliances**
 - (d) **International Consumer Behaviour**
 - (e) **Knowledge Management**
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