



(Following Paper ID and Roll No. to be filled in your Answer Book)											
PAPER ID : 7071	Roll No. <table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>										

M. B. A.
(SEM. IV) EXAMINATION, 2008-09
INTERNATIONAL BUSINESS & TRADE

Time : 3 Hours]

[Total Marks : 100

Note : Attempt **all** questions, which carry **equal** marks.

1 Attempt any **two** parts of the following **10×2=20**
questions :

- (a) What are the benefits of globalization for a country like India?
- (b) What is social and cultural environment of international business? Analyse the impact of social and cultural factors on any global business of your choice.
- (c) What is a multi-national corporation? Why do developing countries allow MNCs to operate in their countries?

2 Attempt any **two** parts of the following: **20×2=20**

- (a) Distinguish between Foreign Direct Investment and Foreign Institutional Investment. What factors are attracting Foreign Direct Investment into India today?

(b) "Foreign Direct Investment can be easily made through joint ventures." Comment in light of the reduced risk of such investment and contrast it with other methods of making foreign direct investment.

(c) What are the four elements of Porter's diamond of national competitive advantage? Critically comment on each.

3 Attempt any **two** parts of the following: **10×2=20**

(a) Do managers of international firms need to approach organisation design differently from their counterparts in domestic firms? Why or why not?

(b) Explain the following, highlighting their merits and demerits:

(i) Geographic Area Structure

(ii) Product Organization.

(c) What role does Information Technology play in designing an organization structure?

4 Attempt any **two** parts of the following : **10×2=20**

(a) How do the theories of absolute advantage and comparative advantage differ from each other?

(b) Give the different stages of Vernon's Product Life Cycle Theory. How does this theory impact the growth of international trade for a particular product.

(c) "The Indian Rupees is not fully convertible." Explain this statement in light of the current account and capital account of the Balance of Payments. What can be the advantages of making the Rupee fully convertible for the Indian economy?

5 Attempt any **two** parts of the following: **10×2=20**

(a) "WTO has made an important contribution to pushing world trade." Comment in light of the functioning of WTO and the principles of WTO.

(b) What is the Purchasing Power Parity theory of foreign exchange rate determination?

(c) Write short notes on:

(i) Role of World Bank in economic development in India.

(ii) IMF Assistance to help India out of the 1991 crisis.

