22COP317AN

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

MCom DEGREE EXAMINATION MAY 2026
(Third Semester)

Branch- **COMMERCE**

MAJOR ELECTIVE COURSE - I: INTERNATIONAL BUSINESS

Time: Three Hours — Maximum: 75 Marks

SECTION-A (10 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks (10 × 1 = 10)

Question No.	Question	K Level	CO
1	International Business involves_______. a) Only trade in goods b) Only exchange of services c) Trade in goods, services, and capital across borders d) Trade within a single country	K1	CO1
2	Overseas operations with equity investment include___________. a) Contract manufacturing b) Joint ventures and wholly owned subsidiaries c) Exporting through agents d) Turnkey projects only	K2	CO1
3	One potential cost of FDI to the host country is_______. a) Employment generation b) Technology diffusion c) Infrastructure development d) Repatriation of profits to foreign investors	K1	CO2
4	According to the World Bank, countries are classified based on_________. a) Population size b) GDP per capita and income levels c) Political structure d) Climate conditions	K2	CO2
5	Tariff barriers are primarily used to___________. a) Protect domestic industries b) Encourage imports c) Reduce government revenue d) Promote foreign monopolies	K1	CO3
6	TRIPS deals with_________. a) International travel b) Intellectual Property Rights c) Trade subsidies d) Shipping and transport	K2	CO3
7	The current global exchange rate regime followed by most countries is________________. a) Purely fixed rate b) Purely floating rate c) Managed float or hybrid system d) Barter-based system	K1	CO4
8	IDA loans are often called________. a) Hard loans b) Private sector loans c) Commercial credits d) Soft loans or interest-free credits	K2	CO4
9	Export houses are recognized by____________. a) Directorate General of Foreign Trade (DGFT) b) RBI c) Ministry of Finance d) SEBI	K1	CO5
10	The document used by the exporter to claim payment from the importer is___________. a) Bill of Lading b) Shipping Bill c) Bill of Exchange d) Certificate of Origin	K2	CO5

Cont…

SECTION - B (35 Marks)

Answer **ALL** questions
ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Question No.	Question	K Level	CO
11.a.	Define International Business. State the major reasons for entering International Business.	K2	CO1
(OR)			
11.b.	Illustrate the Overseas Operations with Equity Investment.		
12.a.	State any three benefits and three costs of FDI to the host country.	K2	CO2
(OR)			
12.b.	What is the impact of social and legal environments on international business?		
13.a.	Critically compare GATT and WTO in terms of structure, scope, and effectiveness.	K4	CO3
(OR)			
13.b.	Analyze the benefits and costs associated with Regional Trade Agreements.		
14.a.	Outline the main objectives of the International Monetary Fund.	K3	CO4
(OR)			
14.b.	Describe the features of the IDA and how it differs from IBRD.		
15.a.	List and briefly explain major export promotion measures in India.	K3	CO5
(OR)			
15.b.	What are factoring and forfeiting? How do they assist exporters?		

SECTION -C (30 Marks)

Answer **ANY THREE** questions
ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Question No.	Question	K Level	CO
16	Explain the different Modes of Entry into International Markets. Evaluate their pros and cons.	K2	CO1
17	Distinguish between Foreign Direct Investment (FDI) and Foreign Portfolio Investment (FPI) with examples.	K1	CO2
18	Evaluate the role of WTO in resolving international trade disputes.	K4	CO3
19	Compare fixed and floating exchange rate systems. Highlight their advantages and disadvantages.	K5	CO4
20	Analyze the importance of following safety procedures in a warehouse. Explain with examples.	K4	CO5

Z-Z-Z END