

**PSG COLLEGE OF ARTS & SCIENCE**  
(AUTONOMOUS)  
**BCom DEGREE EXAMINATION DECEMBER 2018**  
(Third Semester)

Branch - **COMMERCE (FOREIGN TRADE)**

**INTERNATIONAL BUSINESS ENVIRONMENT**

Time : Three Hours

Maximum : 75 Marks

**SECTION-A (20 Marks!)**

Answer **ALL** questions

**ALL** questions carry **EQUAL** marks (10 x 2 = 20)

- 1 What is International business environment?
- 2 Why socio cultural environment is essential?
- 3 How technology influences globalization?
- 4 What is the role of FEMA in globalization?
- 5 What is the importance of regional economic cooperation?
- 6 Name any four global MNCs.
- 7 What is fixed exchange rate system?
- 8 Who are the major participants of foreign exchange systems?
- 9 What is an option?
- 10 What do you mean by transaction exposure?

**SECTION-B (25 Marks)**

Answer **ALL** Questions

**ALL** Questions Carry **EQUAL** Marks (5 x 5 = 25)

- 11 a Describe the scope of International Business.  
OR  
b Write a note on inter economic environment.
- 12 a Highlight on the features of globalization.  
OR  
b Write short note on globalization of investments.
- 13 a Explain the functions of SAFTA.  
OR  
b Explain the importance of MNC.
- 14 a Discuss on the types of exchange rates.  
OR  
b Narrate the role of foreign exchange markets on economic development.
- 15 a Explain briefly about swaps.  
OR  
b Explain forward contract.

**SECTION - C (30 Marks)**

Answer any **THREE** Questions

**ALL** Questions Carry **EQUAL** Marks (3 x 10 = 30)

- 16 Describe the importance of International Business.
- 17 What are the barriers to globalization? Explain.
- 18 Explain the aims and functions of ASEAN.
- 19 Explain the factors determining exchange rates.
- 20 Explain forex derivatives in detail.