

Roll No.-----

Paper Code		
4	8	8
(To be filled in the OMR Sheet)		

प्रश्नपुस्तिका क्रमांक
Question Booklet No.

O.M.R. Serial No.

--	--	--	--	--	--	--	--

प्रश्नपुस्तिका सीरीज
Question Booklet Series

A

B.Com. (Honors) (Fifth Semester)
Examination, February/March-2022
Group-B(International Trade & Export Management)
BCHO-506
International Business
(for Regular Students)

Time : 1:30 Hours

Maximum Marks-100

जब तक कहा न जाय, इस प्रश्नपुस्तिका को न खोलें

- निर्देश : —
1. परीक्षार्थी अपने अनुक्रमांक, विषय एवं प्रश्नपुस्तिका की सीरीज का विवरण यथास्थान सही- सही भरें, अन्यथा मूल्यांकन में किसी भी प्रकार की विसंगति की दशा में उसकी जिम्मेदारी स्वयं परीक्षार्थी की होगी।
 2. इस प्रश्नपुस्तिका में 100 प्रश्न हैं, जिनमें से केवल 75 प्रश्नों के उत्तर परीक्षार्थियों द्वारा दिये जाने हैं। प्रत्येक प्रश्न के चार वैकल्पिक उत्तर प्रश्न के नीचे दिये गये हैं। इन चारों में से केवल एक ही उत्तर सही है। जिस उत्तर को आप सही या सबसे उचित समझते हैं, अपने उत्तर पत्रक (O.M.R. ANSWER SHEET) में उसके अक्षर वाले वृत्त को काले या नीले बाल प्वाइंट पेन से पूरा भर दें। यदि किसी परीक्षार्थी द्वारा निर्धारित प्रश्नों से अधिक प्रश्नों के उत्तर दिये जाते हैं तो उसके द्वारा हल किये गये प्रथमतः यथा निर्दिष्ट प्रश्नोत्तरों का ही मूल्यांकन किया जायेगा।
 3. प्रत्येक प्रश्न के अंक समान हैं। आप के जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
 4. सभी उत्तर केवल ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर ही दिये जाने हैं। उत्तर पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
 5. ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाय।
 6. परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी प्रश्नपुस्तिका बुकलेट एवं ओ०एम०आर० शीट पृथक-पृथक उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें।
 7. निगेटिव मार्किंग नहीं है।

महत्वपूर्ण : — प्रश्नपुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्नपुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्नपुस्तिका में कोई कमी हो, तो कक्ष निरीक्षक को दिखाकर उसी सीरीज की दूसरी प्रश्नपुस्तिका प्राप्त कर लें।

1. A No-Trade world will have which of the following characteristics :
 - (A) Countries will have same relative endowments of production factors
 - (B) Consumers across countries will have identical and homogenous tastes
 - (C) There will be no distortions or externalities
 - (D) All of the above
2. Which one is not a feature of International Business ?
 - (A) Large Scale Business
 - (B) Integration of Economies
 - (C) One Currency
 - (D) Beneficial for participating counties
3. Globalization refers to _____.
 - (A) Lower incomes worldwide
 - (B) Less foreign trade and investment
 - (C) Global warming and their effects
 - (D) More integrated and interdependent world
4. The first phase of Globalization started around 1870 and ended with :
 - (A) World War I
 - (B) World War II
 - (C) The Establishment of GATT
 - (D) In 1931 when GDP was high
5. International trade forces domestic firms to become more competitive in terms of :
 - (A) Introduction of new products
 - (B) Product design and quality
 - (C) Product price
 - (D) All of the above
6. _____ is the first step in the process of Internationalization.
 - (A) License
 - (B) Foreign Investments
 - (C) Sales
 - (D) Exports

7. Which is the right sequence of stages of Internationalization ?
- (A) Domestic, Transnational, Global, International, Multinational
 - (B) Domestic, International, Multinational, Global, Transnational
 - (C) Domestic, Multinational, International, Transnational, Global
 - (D) Domestic, International, Transnational, Multinational, Global
8. Subsidiaries consider the regional environment for policy / Strategy formulation is known as _____.
- (A) Polycentric Approach
 - (B) Regiocentric Approach
 - (C) Ethnocentric Approach
 - (D) Geocentric Approach
9. Which of the following is not an advantage of exporting ?
- (A) Easier way to enter into international markets
 - (B) Comparatively lower risks
 - (C) Limited presence in foreign markets
 - (D) Less investment requirements
10. Which of the following do not impact business done Internationally ?
- (A) Quota
 - (B) Tariffs
 - (C) Culture
 - (D) None of these
11. International trade and domestic trade differ because of _____.
- (A) Trade restrictions
 - (B) Immobility of factors
 - (C) Different Government policies
 - (D) All of these
12. A country that does not trade with other countries is called _____.
- (A) Developed economy
 - (B) Closed economy
 - (C) Independent economy
 - (D) None of these

13. Globalization is the term used to describe the process of removal of restrictions on which of the following ?
- (A) Foreign Trade
 - (B) Investments
 - (C) Both (A) & (B)
 - (D) None of these
14. Which of the following are the key objectives of International Trade ?
- (A) To Expand Sales
 - (B) To acquire Resources
 - (C) To diversify sources of sales and supply
 - (D) All of these
15. _____ advocates tolerance to beliefs and values of other societies.
- (A) Ethnocentrism
 - (B) Polycentricism
 - (C) Geocentrism
 - (D) Regiocentrism
16. _____ is the tendency of people to evaluate a foreigner's behaviour by the standards of their own culture, and to believe that their own culture is superior to all others.
- (A) Ethnocentrism
 - (B) Polycentricism
 - (C) Geocentrism
 - (D) Regiocentrism
17. In _____, subsidiary operations are managed by the best qualified individuals, regardless of their nationality.
- (A) Ethnocentrism
 - (B) Polycentricism
 - (C) Geocentrism
 - (D) Regiocentrism
18. Transportation cost of trade affects _____.
- (A) Pattern of trade
 - (B) Boundaries between tradable and non-tradable goods
 - (C) Global supply chains
 - (D) All of these

19. Key controllable factors in global marketing are _____.
- (A) Government policy and legislation
 - (B) Social and technical changes
 - (C) Marketing activities and plans
 - (D) All of these
20. A True Global Company is the one which scores high on which of the following dimensions :
- (A) Internationalization of corporate mindset & capital base
 - (B) Internationalization of supply chain
 - (C) Globalization of market presence
 - (D) All of these
21. This dimension of Corporate Globality refers to ability of the company to understand and integrate diversity across cultures and markets.
- (A) Human Resource Management
 - (B) Internationalization of Corporate Mindset
 - (C) Strategic Human Resource Management
 - (D) None of these
22. The MNC is subject to the home country, host country and often third country laws. This is called :
- (A) Principle of Sovereignty and Immunity
 - (B) Multiple jurisdictional Principle
 - (C) Doctrine of Comity
 - (D) None of these
23. A _____ is characterized by the presence of several sub-cultures, sharing of few values and behavioural norms by employees.
- (A) Strong Culture
 - (B) Unhealthy Culture
 - (C) Weak Culture
 - (D) Semi Strong Culture

24. _____ is the belief that circumstances dictate how ideas and practices should be applied.
- (A) Universalism
 - (B) Collectivism
 - (C) Particularism
 - (D) None of these
25. Subsidy is an example of :
- (A) Tariff barrier
 - (B) Non-Tariff barrier
 - (C) Transit Barrier
 - (D) All of these
26. Why should managers in international business understand international trade theories ?
- (A) Countries' Trade policies, based on trade theories, influence which products companies might export to given countries
 - (B) The understanding helps managers decide whether their companies should follow laissez-faire management practices
 - (C) The theories help managers decide whether to use large-scale versus small-scale technologies for serving their export markets
 - (D) The comprehension is useful when deciding whether to transfer managers abroad to manage foreign operations
27. According to Adam Smith, the trade between countries should happen _____.
- (A) Naturally according to the market forces
 - (B) Under Government regulation
 - (C) Using factors that are available
 - (D) Only when a country has an absolute advantage
28. Which of the following holds that a Government can improve the economic well-being of a country by encouraging exports and discouraging imports without a reliance on previous metals ?
- (A) Leontief Paradox
 - (B) Quotas
 - (C) Mercantilism
 - (D) Neo Mercantilism

29. Which Theory states that a country should specialize in producing and exporting those products in which it has a relative cost advantage, compared with other countries and should import those goods in which it has a comparative disadvantage:
- (A) Mercantile Theory
 - (B) Absolute Cost Advantage Theory
 - (C) Comparative Advantage Theory
 - (D) Stopler Samuelson Theory
30. The Principal assertion of Mercantilism was that a nation's wealth and prosperity reflected in its stocks of which of the following :
- (A) Precious metals, Gold and Silver
 - (B) Foreign currency
 - (C) Agricultural Production
 - (D) Natural Resources
31. Theory of comparative advantage was presented by :
- (A) Ricardo
 - (B) Hicks
 - (C) Arshad
 - (D) None of these
32. Which Theory demonstrates as to how changes in output prices affect the prices of the factors when positive production and zero economic profit are maintained in each industry ?
- (A) Absolute advantage Theory
 - (B) Comparative Advantage Theory
 - (C) Leontief Paradox
 - (D) Stopler Samuelson Theory
33. Modern theory of international trade is based on the views of :
- (A) Robbins and Ricardo
 - (B) Adam Smith & Marshal
 - (C) Hecksher & Ohlin
 - (D) Saleem and Kareem

34. Theory of Absolute Advantage takes into consideration which of the following assumptions :
- (A) Trade is between two countries
 - (B) Only one commodity is traded
 - (C) Labour is the only factor in the cost of production
 - (D) Both (A) & (C)
35. Two countries can gain from foreign trade if :
- (A) Cost ratios are different
 - (B) Tariff rates are different
 - (C) Price ratios are different
 - (D) Both (A) & (C)
36. Which of the following trade policies limits specified quantity of goods to be imported at one tariff rate :
- (A) Quota
 - (B) Import tariff
 - (C) Specific tariff
 - (D) All of the above
37. International Trade Theory was contribution of _____.
- (A) Bertil-Ohlin
 - (B) Arthur Okun
 - (C) Adam Smith
 - (D) None of these
38. Important Factors considered in International Product Life Cycle Theory are :
- (A) Technological Innovation
 - (B) Market Structure
 - (C) Both (A) & (B)
 - (D) None of these
39. The scope of International Human Resource Management (IHRM) includes :
- (A) Staff Recruitment
 - (B) Staff Development
 - (C) Compensation
 - (D) All of the above

40. A major difference between Domestic and International HRM is the result of :
- (A) Increased complexities such as currency fluctuations, foreign HR policies and practices, and divergent labour laws
 - (B) The number of employees covered by the HR policies
 - (C) The ease with which employees adjust to new cultures
 - (D) The emergence of effective cross-border management styles
41. The following are valid reasons for using an ethnocentric international staffing strategy, except :
- (A) Maintaining a unified corporate culture
 - (B) Maintaining a diverse corporate culture
 - (C) Lack of qualified managers in the host country
 - (D) Maintaining tight control
42. Global assignments in which employees are sent to understand global operations and are required to have intercultural understanding are called :
- (A) Development Assignments
 - (B) Non Development Assignments
 - (C) Executive Assignments
 - (D) None of these
43. When an international firm follows a strategy of choosing only from the nationals of the parent country, it is called _____.
- (A) Polycentric Approach
 - (B) Geocentric Approach
 - (C) Ethnocentric Approach
 - (D) None of these
44. Manager working in Host Country are known as _____.
- (A) Third Country Nationals
 - (B) Third world Employees
 - (C) Expatriate
 - (D) Host Country Nationals
45. The Theory of comparative advantage assumes single factor of Production that is :
- (A) Land
 - (B) Labour
 - (C) Capital
 - (D) All of the above

46. The _____ theory states that a company will begin by exporting its product and later undertake FDI as the product moves through its life cycle.
- (A) Product Life Cycle
 - (B) Market Imperfections
 - (C) Eclectic
 - (D) Internalization
47. _____ theory is advocated by John Dunning.
- (A) Product Life Cycle
 - (B) Market Imperfections
 - (C) Eclectic
 - (D) Internalization
48. _____ involves gaining ownership or increased control over distributors or retailers.
- (A) Backward Integration
 - (B) Forward Integration
 - (C) None of these
 - (D) Both Forward and Backward
49. This theory states that a firm seeks to establish a dominant market presence in an industry by undertaking :
- (A) Market Imperfections
 - (B) Eclectic
 - (C) Internalization
 - (D) Market Power
50. The location aspect of the Internalization theory suggests following primary motivations :
- (A) Foreign Market Seeking FDI
 - (B) Efficiency Seeking FDI
 - (C) Resource Seeking FDI
 - (D) All of these

51. An owner of a valuable trade mark, brand name or technology may choose to operate in foreign countries rather than export to them. This is also called _____.
(A) Competitive advantage Approach
(B) Follow the rivals Approach
(C) Follow the Clients Approach
(D) None of these
52. Supply Factors affecting the FDI Decision include _____.
(A) Customer Access
(B) Economic Priorities
(C) Production Costs
(D) All of these
53. FDI flows, in the recipient country should get reflected in _____.
(A) Capital Formation
(B) Formation of new firms and factories
(C) Increase in Foreign Equity Holdings in the existing firms
(D) All of these
54. This involves granting of right by a company to another to do business in a specified manner. This right can take the form of selling the owner's products, using its name, production etc.
(A) Franchising agreement
(B) Contracting agreement
(C) Licensing agreement
(D) Sub-contracting agreement
55. The MNC can establish a totally new facility in the host country which is called
(A) Turnkey Projects
(B) Innovative Projects
(C) Greenfield Projects
(D) None of these

56. A multinational is a firm that controls and manages production facilities in :
(A) Both developed and developing countries
(B) At least two countries
(C) At least two developed countries and one developing country
(D) None of these
57. _____ strategy uses existing core competence to exploit opportunities in foreign markets.
(A) International
(B) Multi-Domestic
(C) Global
(D) Transnational
58. _____ strategy prefers a flexible value chain to facilitate local responsiveness and global integration.
(A) Global
(B) Multi-Domestic
(C) Transnational
(D) International
59. Export import mode of international comes under _____.
(A) Trade related Mode
(B) Transfer related Mode
(C) FDI related Mode
(D) None of these
60. This is a form of trade in which a seller and a buyer from different countries exchange goods for goods with little or no cash changing hands :
(A) Buy Back
(B) Counter Trade
(C) Exchange Trade
(D) None of these

61. Under _____, one firm permits another to use its intellectual property for a compensation called royalty.
- (A) Franchising agreement
 - (B) Contracting Mode
 - (C) Licensing agreement
 - (D) None of these
62. _____ are agreements where MNCs, for a fee, train local employees and manage foreign based facilities for a prescribed time period.
- (A) Franchising agreement
 - (B) Management contracts
 - (C) Licensing agreement
 - (D) Leasing agreement
63. This entry mode involves 100 percent ownership by an MNC in a venture located in a host country :
- (A) Joint Venture
 - (B) Wholly Owned Subsidiary
 - (C) Branch Office
 - (D) Portfolio Investment
64. _____ occurs when the owner of a property rents out to other party and the lending company retains ownership and the borrower firm obtains possession of the property in due course.
- (A) Franchising agreement
 - (B) Licensing agreement
 - (C) Leasing agreement
 - (D) None of these
65. _____ strategy views the world as a single market and tightly controls global operations from Headquarter to preserve focus on standardization.
- (A) International
 - (B) Global
 - (C) Transnational
 - (D) Multi-Domestic

66. Locational advantages are based on which combination of the following specific country characteristics :
- (A) A large reserve of natural resources, a large local market and efficiency opportunities
 - (B) A small reserve of natural resources, a large local market and efficiency opportunities
 - (C) A small reserve of natural resources, a small local market and efficiency opportunities
 - (D) A large reserve of natural resources, a small local market and efficiency opportunities
67. In _____, foreign investor assumes responsibility for the design and the construction of an entire operation and, upon completion hands the project over to the purchaser.
- (A) Franchising agreement
 - (B) Contracting agreement
 - (C) Licensing agreement
 - (D) Build- Operate- Transfer agreement
68. _____ strategy relies on foreign subsidiaries operating as autonomous units to customize products and processes for local markets.
- (A) Global
 - (B) Multi-Domestic
 - (C) International
 - (D) Transnational
69. This involves investments in the equity of another company or lending money to it in the form of bonds or bills :
- (A) Branch Office
 - (B) Portfolio Investment
 - (C) Wholly Owned Subsidiary
 - (D) None of these

70. Firm that operates internationally is able to :
- (A) Earn a greater return from their skills and core competencies
 - (B) Realize location economies where they can be performed most efficiently
 - (C) Realize greater experience curve economies, which reduces the cost of production
 - (D) All of these
71. Conglomerate FDI refers to _____.
- (A) FDI made by a group of firms
 - (B) FDI made in subsidiaries
 - (C) FDI made in similar products
 - (D) FDI made in unrelated products
72. The _____ was established to regulate the exchange rates and enforce the rules of an international monetary system.
- (A) IMF
 - (B) World Bank
 - (C) World Trade Organization
 - (D) None of the these
73. The main objectives of International Monetary Fund are :
- (A) Promoting international monetary cooperation
 - (B) Facilitating expansion and balanced growth of international trade
 - (C) Promoting exchange stability
 - (D) All of the these
74. The IMF introduced the _____ to help countries address balance of payments difficulties related partly to structural problems.
- (A) Stand-By Arrangements
 - (B) Extended Fund Facility
 - (C) Poverty Reduction and Growth Facility
 - (D) None of these

75. The world Bank is made up of Two unique development institutions namely :
- (A) IBRD and IDR
 - (B) IBRD and IMF
 - (C) IMF and WTO
 - (D) None of these
76. IBRD stands for _____ .
- (A) Indian Bank for Reconstruction and Development
 - (B) International Bank for Reconciliation and Development
 - (C) International Bank for Reconstruction and Development
 - (D) International Bank for Reconciliation and Developing Economies
77. WTO Headquarters is based in which of the following places :
- (A) Tokyo
 - (B) New Delhi
 - (C) London
 - (D) Geneva
78. India is a member nation of which of the following regional economic integration :
- (A) NAFTA
 - (B) ASEAN
 - (C) SAARC
 - (D) All of these
79. Which of the following levels of regional economic groups is least integrated ?
- (A) Free Trade Area
 - (B) Customs Union
 - (C) Common Market
 - (D) Economic Union
80. Which of the following levels of regional economic group has the highest integration :
- (A) Free Trade Area
 - (B) Customs Union
 - (C) Economic Union
 - (D) Political Union

81. In _____, member nations remove barriers for each other and also follow common trade policy for other non-member nations.
- (A) Free Trade Area
 - (B) Customs Union
 - (C) Common Market
 - (D) Economic Union
82. Which of these is not an international organization ?
- (A) NAFTA
 - (B) SAFTA
 - (C) CBDT
 - (D) ASEAN
83. The secretariat of WTO is held by _____.
- (A) General Council
 - (B) Ministerial conference
 - (C) Director General
 - (D) Council for TRIPS
84. _____ supervises the international and global trade practices and protects the interests of trading nations.
- (A) GATT
 - (B) WTO
 - (C) TRIMS
 - (D) ITO
85. FERA was replaced by _____.
- (A) GATT
 - (B) FEMA
 - (C) WTO
 - (D) ITO

86. _____ is also known as soft loan window of world Bank.
- (A) IMF
 - (B) IFC
 - (C) IDA
 - (D) None of these
87. When customs duty is levied according to the weight of the goods, it is called ____.
- (A) Excise Duty
 - (B) Ad Valorem Duty
 - (C) Revenue Duty
 - (D) None of these
88. GATT stands for _____.
- (A) General Agreement on Trade and Tariffs
 - (B) Group Agreement on Tariffs and Trade
 - (C) General Agreement on Tariffs and Trade
 - (D) General Agreement on Trade and Travel
89. The main promoter of Trade Liberalization was _____.
- (A) GATT
 - (B) NAFTA
 - (C) IMF
 - (D) World Bank
90. The first ever set of multilateral, legally enforceable rules covering international trade in services is called _____.
- (A) GATT
 - (B) GAAS
 - (C) WTO
 - (D) GATS
91. _____ is at the top of structural organization of the WTO.
- (A) Ministerial Conference
 - (B) General Council
 - (C) Committee on Trade and Development
 - (D) Committee on Balance of Payments restrictions

92. There are three committees in WTO except :
- (A) Committee on Trade and Development
 - (B) Committee on Balance of Payments restrictions
 - (C) Committee on Budget Finance and Administration
 - (D) Committee on Budget reconstruction and Control
93. _____ is the WTO agreement related to investment avenues :
- (A) TRIPS
 - (B) TRIMS
 - (C) GATS
 - (D) TCA
94. TRIPS stand for _____.
- (A) Trade related Aspects of Intellectual Property Rights
 - (B) Trade related Aspects of Investment Property Rights
 - (C) Trade related Aspects of Investment Patent Rights
 - (D) None of these
95. The initial guiding principle behind the formation of GATT was :
- (A) Free Trade through establishment of regional economic groups
 - (B) Free Trade through reduction of tariff world wide
 - (C) Free Trade through establishment of industrial countries
 - (D) All of these
96. A Tax imposed on certain type of imported goods :
- (A) Tariff
 - (B) Surcharge
 - (C) Severance Tax
 - (D) Subsidy
97. _____ protects the names and identifies marks of products and companies :
- (A) Patent
 - (B) Copyright
 - (C) Trademark
 - (D) Goodwill

98. _____ occurs when production shifts to more efficient producers for reasons of comparative advantage, allowing consumers access to more goods at a lower price than would have been possible without integration.
- (A) Trade Diversion
 - (B) Divestment
 - (C) Trade Creation
 - (D) Retrenchment
99. _____ occurs when trade shifts to countries in the group at the expense of trade with countries not in the group, even though the non-member country might be more efficient in the absence of trade barriers.
- (A) Trade Diversion
 - (B) Divestment
 - (C) Trade Creation
 - (D) Retrenchment
100. The WTO was established to implement the final act of Uruguay Round agreement of :
- (A) MFA
 - (B) GATT
 - (C) TRIPS
 - (D) UNO

Rough Work / रफ कार्य

Rough Work / रफ कार्य

DO NOT OPEN THE QUESTION BOOKLET UNTIL ASKED TO DO SO

1. Examinee should enter his / her roll number, subject and Question Booklet Series correctly in the O.M.R. sheet, the examinee will be responsible for the error he / she has made.
2. **This Question Booklet contains 100 questions, out of which only 75 Question are to be Answered by the examinee. Every question has 4 options and only one of them is correct. The answer which seems correct to you, darken that option number in your Answer Booklet (O.M.R ANSWER SHEET) completely with black or blue ball point pen. If any examinee will mark more than one answer of a particular question, then the first most option will be considered valid.**
3. Every question has same marks. Every question you attempt correctly, marks will be given according to that.
4. Every answer should be marked only on Answer Booklet (O.M.R ANSWER SHEET). Answer marked anywhere else other than the determined place will not be considered valid.
5. Please read all the instructions carefully before attempting anything on Answer Booklet (O.M.R ANSWER SHEET).
6. After completion of examination please hand over the Answer Booklet (O.M.R ANSWER SHEET) to the Examiner before leaving the examination room.
7. There is no negative marking.

Note: On opening the question booklet, first check that all the pages of the question booklet are printed properly in case there is an issue please ask the examiner to change the booklet of same series and get another one.