


Name:	
Enrolment No:	

Course: International Business	Semester: III
Program: BBA (Aviation Management)	Time: 03 hrs.
Course Code: INTB2013	Marks: 100

INSTRUCTIONS:

- **This is a CLOSED-BOOK EXAM.**
- **Cellphones / Tablets / Laptops / Books / Notes etc. are NOT allowed.**
- **Please ensure that you do not change the question number when writing your answers.**

S. No.	SECTION A 10Qx2M=20M	Marks	CO
Q1	Which factor motivates companies to expand internationally? a) Reducing market demand b) Seeking access to new markets and opportunities c) Limiting product variety d) Increasing trade barriers	2	CO1
Q2	What's a major risk associated with international business? a) Diversification of revenue streams b) Exposure to geopolitical and currency risks c) Enhanced market knowledge d) Decreased access to technological advancements	2	CO1
Q3	Which factor characterizes a significant difference between domestic and international business operations? a) Marketing strategies b) Consumer behavior c) Logistics and supply chain complexities d) Technological advancements	2	CO1
Q4	How does international business contribute to risk mitigation? a) By limiting operations to one market to minimize risks b) By expanding operations to diversify risks across multiple markets c) By avoiding currency fluctuations and geopolitical risks d) By centralizing operations in a single market to avoid complexities	2	CO1

Q5	<p>What role does market saturation play as a driver of international business?</p> <p>a) It encourages businesses to solely focus on saturated markets</p> <p>b) It prompts businesses to explore new markets for growth opportunities</p> <p>c) It limits expansion to avoid market complexities</p> <p>d) It hinders companies from adapting to new market conditions</p>	2	CO1
Q6	<p>What is a primary mode of entry for companies looking to expand internationally without direct investment in a foreign market?</p> <p>a) Exporting</p> <p>b) Franchising</p> <p>c) Joint ventures</p> <p>d) Greenfield investment</p>	2	CO1
Q7	<p>4. In the context of international trade, what does "comparative advantage" refer to?</p> <p>a. A country's ability to produce goods more efficiently than others.</p> <p>b. A country's ability to export all types of goods.</p> <p>c. A country's ability to avoid importing any goods.</p> <p>d. A country's ability to set high tariffs on imported goods.</p>	2	CO1
Q8	<p>The Leontief Paradox is a famous criticism of the Heckscher-Ohlin theory. It refers to the situation where:</p> <p>a. A country exports goods that use a lot of the abundant factor</p> <p>b. A country exports goods that do not reflect its factor endowments</p> <p>c. A country exports goods with high transportation costs</p> <p>d. A country imports goods that are identical to its domestic products</p>	2	CO1
Q9	<p>"Firm Strategy, Structure, and Rivalry" in the National Competitive Advantage Model refer to:</p> <p>a. The business plans and organizational structure of domestic companies</p> <p>b. The degree of government intervention in the economy</p> <p>c. The influence of trade unions on company operations</p> <p>d. The intensity of domestic competition and the pressure to innovate.</p>	2	CO1
Q10	<p>In the Product Life Cycle Theory, during which stage firms may begin to standardize their products for international markets?</p> <p>a. Introduction stage</p>	2	CO1

	b. Growth stage c. Maturity stage d. Decline stage		
	SECTION B 4Qx5M= 20 M		CO
Q11	Provide brief descriptions of the structural adjustment lending and the special action program initiated by the World Bank.	5	CO4
Q12	State the provisions proposed in the foreign trade policy to promote export production and international marketing?	5	CO4
Q13	How did the Export Policy Resolution of 1970 impact India's trade relations with other countries?	5	CO4
Q14	Explain in detail the targeted financial aid programs offered by the IMF.	5	CO4
	SECTION-C 3Qx10M=30 M		CO
Q15	Elaborate on the importance of having a stable exchange rate system. How has the introduction of the Euro affected India's trade relations and economic interactions with the Eurozone?	10	CO4
Q16	Explain the roles and responsibilities carried out within the foreign exchange market. What impact does the foreign exchange market have on global transactions and payments?	10	CO4
Q17	Enumerate the roles and fundamental principles upheld by UNCTAD. OR How does the International Trade Centre support the developing countries?	10	CO4
	SECTION-D 2Qx15M= 30M		CO
Q18	Examine the disintegration of the Bretton Woods system and the subsequent rise of managed floating exchange rates.	15	CO4
Q19	Using the Product Life Cycle Theory, analyze the evolution of a prominent technological product, such as smartphones or electric vehicles, in the international market. Trace its stages through introduction, growth, maturity, and decline, and explain how this product's life cycle has	15	CO4

influenced global trade patterns and the redistribution of manufacturing and innovation across different countries.

OR

Applying the Heckscher-Ohlin Theory, analyze the trade dynamics between two countries—one rich in capital and the other abundant in labor. Take the example of an industry such as automobile manufacturing or textile production. Discuss how comparative advantages based on factor endowments have influenced the trade patterns and specialization between these two countries. Consider the impact on the distribution of resources, production strategies, and any observed changes in employment and economic development.