

This question paper contains 2 printed pages.]

Your Roll No. ....

**2109**

**A**

**M.Com./Sem. IV**

**Paper—6401 : International Business**

**(Admissions of 2009 and after)**

**Time : 3 Hours**

**Maximum Marks : 70**

*(Write your Roll No. on the top immediately*

*on receipt of this question paper.)*

*Attempt all questions.*

*All questions carry equal marks.*

To answer the

1. Distinguish between the theory of absolute advantage and the theory of comparative advantage? How useful are these theories in explaining international trade? 14

**Or**

- (a) What are the political arguments for trade intervention? 7
- (b) What are subsidies? How do they disrupt the normal pattern of international trade? Explain giving an example. 7
2. (a) What are the types of international strategic alliances? How do companies gain from these alliances? 8
- (b) Distinguish between a management contract and a turnkey project as a mode of entry in international business. 6

[P.T.O.]

*Or*

What implications does the political and legal environment of countries have for international business? 14

3. What is Balance of payments? What are the major accounts in a country's balance of payments? Examine the trends in India's BOP in the last ten years. 14

*Or*

(a) What is foreign exchange risk? How is it different from foreign exchange exposure? 7

(b) Distinguish between fixed versus flexible exchange rate mechanism. 7

4. What is regional economic integration? Discuss the process of integration in the contemporary global context, and its implications for member nations. 14

*Or*

(a) What are the various types of foreign direct investment? Explain. 7

(b) Explain the internalization theory of FDI. 7

5. Write notes on any *two* of the following :

(a) GATS

(b) World Bank as a regulator of global development

(c) Multinational Corporations from the emerging markets 7, 7