

**2023**

**MBA**

**4th Semester Examination**

**INTERNATIONAL BUSINESS**

**PAPER : MBA-404**

*Full Marks : 80*

*Time : 3 hours*

*The figures in the right-hand margin indicate marks.*

*Candidates are required to give their answers  
in their own words as far as practicable.*

*Illustrate the answers wherever necessary.*

Answer from **both** the Groups as directed.

**GROUP—A**

Answer *any eight* questions from the following :

5×8=40

1. State the importance of international business. 5
2. Distinguish between BOP and BOT. 5
3. Write a short note on 'contract manufacturing' 5

4. Why is balance of payment important for a country? 5
5. Discuss the important outcomes of Bretton Woods Agreement. 5
6. Find the current account balance from the following information. The particulars are : export of goods ₹1,500 crores, import of goods ₹1,300 crores, export of services ₹500 crores, import of services ₹400 crores, income receipts ₹400 crores, income payments ₹500 crores, gifts ₹100 crores. 5
7. Narrate the different types of foreign trade. 5
8. Write short note on the direction of India's Foreign Trade. 5
9. Explore the factors influencing the composition of a country's foreign trade. 5
10. Write the contribution of foreign trade to economic growth. 5
11. Discuss the major objectives of India's EXIM Policy. 5
12. Write short note on "Foreign Portfolio Investment". 5

( 3 )  
**GROUP—B**

Answer *any four* questions from the following :

10×4=40

13. Explain absolute advantage theory using a suitable example. 10
14. Discuss various benefits and risks associated with FDI. 10
15. Find the merchandise trade balance, net exports of services, the current account balance and the capital account balance from the following particulars :
- Merchandise exports ₹1,000 crore, merchandise imports ₹1,250 crore, tourism exports ₹900 crore, insurance imports ₹800 crore, income received from abroad ₹1,110 crore, interest payment to foreigners ₹1,150 crore, increase in domestic ownership of foreign assets ₹1,160 crore and increase in foreign ownership of domestic asset ₹200 crore. Assume that the unilateral transfer is equal to ₹100 crore. 10
16. Discuss the main functions of EXIM bank and how it supports the growth of Foreign Trade in a country. 6+4=10
17. Compare and contrast fixed exchange rate mechanisms and floating exchange rate mechanisms. 5+5=10

( 4 )

18. Analyze the factors that influence exchange rates in the foreign exchange market. Discuss, how changes in these factors can impact the value of a country's currency. 5+5=10

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