

KAMARAJ COLLEGE (Autonomous)

Accredited with A+ Grade by NAAC

(Affiliated to Manonmaniam Sundaranar University, Tirunelveli)

(4 Pages)

Reg. No:.....

Question Code:26E00720

Course Code: 24PMCO43

PG Degree - End Semester Examinations, April 2026

Fourth Semester

M.COM

International Business

(For those who joined in July 2024 onwards)

Time : 3 Hours

Maximum : 75 Marks

PART - A (10 × 1 = 10 Marks)

Answer ALL Questions

Choose the correct answer:

CO:1 1. Define International Business.

- K:1
- | | |
|-----------------------------------|---|
| (a) Trade within a single country | (b) Business activities conducted between two or more countries |
| (c) Local marketing activities | (d) Production within a domestic market |

CO:1 2. Identify the method of entry into foreign markets where a firm permits another company to use its intellectual property for a fee.

- K:1
- | | |
|-------------------|----------------|
| (a) Joint Venture | (b) Licensing |
| (c) Acquisition | (d) Subsidiary |

CO:2 3. Identify the theory which states that a country should export goods in which it has absolute efficiency in production.

- K:1
- | | |
|-----------------------------|-----------------------------|
| (a) Mercantilism | (b) Absolute Cost Advantage |
| (c) Opportunity Cost Theory | (d) Heckscher–Ohlin Theory |

CO:2 4. Recognize the theory that explains international trade based on the relative abundance of factors of production.

- K:1
- | | |
|-----------------------------|-----------------------------|
| (a) Mercantilism | (b) Heckscher–Ohlin Theory |
| (c) Opportunity Cost Theory | (d) Absolute Cost Advantage |

- CO:3 5. List the legal system based mainly on written statutes and
K:1 codified laws.
- (a) Customary law (b) Code law
(c) Religious law (d) Case law
- CO:3 6. Choose the document that legally binds parties in an
K:1 international business transaction.
- (a) Invoice (b) International business contract
(c) Packing list (d) Shipping advice
- CO:4 7. Point out the organization that regulates global trade rules
K:1 among nations.
- (a) IMF (b) WTO
(c) ADB (d) SAARC
- CO:4 8. Mark the regional economic organization formed by countries of
K:1 South Asia.
- (a) ASEAN (b) SAARC
(c) NAFTA (d) BRICS
- CO:5 9. Indicate the pricing method used for transactions between
K:1 different units of the same multinational company.
- (a) Market pricing (b) Transfer pricing
(c) Discount pricing (d) Penetration pricing
- CO:5 10. Name the process by which MNCs share technical knowledge and
K:1 skills with host countries.
- (a) Outsourcing (b) Technology transfer
(c) Market segmentation (d) Product diversification

PART - B (5 X 5 = 25 Marks)

Answer ALL Questions choosing either (a) or (b).

Answer should not exceed 250 words.

- CO:1 11. (a) Explain the importance of International Business in
K:2 economic development.

(OR)

(b) Summarize the stages of internationalization of business.

- CO:1 12. (a) Illustrate how the Product Life Cycle theory explains
K:3 international production and trade.

(OR)

(b) Demonstrate the main ideas of the Theory of Mercantilism in international trade.

CO:2 13. (a) Describe the nature of the legal framework governing
K:3 international business.

(OR)

(b) Implement suitable payment terms in an international business contract to ensure secure transactions.

CO:2 14. (a) Outline the different forms of economic integration.

K:2

(OR)

(b) Discuss the promotional role of the International Monetary Fund (IMF) in international business.

CO:3 15. (a) Interpret the nature and characteristics of Multinational
K:3 Companies (MNCs).

(OR)

(b) Construct the motives of MNCs for operating in developing countries.

PART - C (5 X 8 = 40 Marks)

Answer ALL Questions choosing either (a) or (b).

Answer should not exceed 600 words.

CO:1 16. (a) Analyze the methods of entry into foreign markets.

K:5

(OR)

(b) Evaluate the effectiveness of strategic alliances in international business expansion.

CO:2 17. (a) Examine the role of market imperfections in explaining
K:5 international business activities.

(OR)

(b) Assess the importance of Dunning's Eclectic Theory of International Production in explaining multinational enterprises.

CO:3 18. (a) Differentiate the implications of code law and common law
K:4 for international business operations.

(OR)

(b) Break down the essential components of an international business contract.

CO:4 19. (a) Compare the features of Free Trade Area and Common
K:4 Market in economic integration.

(OR)

(b) Appraise the contribution of the World Bank and its affiliates in global economic development.

CO:5 20. (a) Distinguish between intra-firm trade and transfer pricing in
K:6 multinational companies.

(OR)

(b) Recommend strategies for developing countries to benefit from MNC investments.