

Total No. of Questions: 6

Total No. of Printed Pages: 3

Enrollment No.....



Programme: BBA

Branch/Specialisation: Management

Faculty of Management Studies  
End Sem Examination Dec 2024

MS3ET05 Global Business Environment

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d. Assume suitable data if necessary. Notations and symbols have their usual meaning.

	Marks	BL	PO	CO	PSO
Q.1 i. Which framework is used for the analysis of macro environmental factors?	<b>1</b>	2	1, 11, 12	3	
(a) SWOT analysis (b) Case analysis (c) PESTEL analysis (d) None of these					
ii. The following are examples of economic factors except:	<b>1</b>	2	1, 11, 12	3	
(a) Economic growth (b) GDP (c) Interest rate (d) Trade restrictions and tariffs					
iii. Which of the following is a tariff barrier in international trade?	<b>1</b>	2	1, 3, 11, 12	4	
(a) Labour laws & environmental laws (b) Import quotas (c) Custom duties (d) Anti-dumping laws					
iv. Which of the following is not a non-tariff barrier?	<b>1</b>	2	1, 11, 12	4	
(a) A quota on apparel. (b) A tax equal to 12% of value on imported oil. (c) A voluntary export restraint on cars. (d) A regulation requiring government agencies to favour domestically producers					

[2]

- v. NAFTA is an example of which of the following?  
 (a) Common market (b) Free trade area  
 (c) Economic union (d) Customs union
- vi. SAPTA' is related to \_\_\_\_\_.  
 (a) Education (b) Trade  
 (c) Security (d) Environment
- vii. The \_\_\_\_\_ is a market entry strategy best fit for organizations that have a low need for adaptation, such as the food industry or organizations with a unique concept.  
 (a) Franchising (b) Indirect exporting  
 (c) Joint venture (d) Partnership
- viii. \_\_\_\_\_ is the process of sending products or goods into the international market. It can be done either directly or indirectly through the use of a middleman:  
 (a) Turnkey (b) Exporting  
 (c) Joint venture (d) Partnership
- ix. Exposure due to trade transaction is \_\_\_\_\_.  
 (a) Economic exposure  
 (b) Translation exposure  
 (c) Transaction exposure  
 (d) All of these
- x. The exposure of the MNC consolidated financial statement to exchange rate fluctuation is known as \_\_\_\_\_.  
 (a) Economic exposure  
 (b) Translation exposure  
 (c) Transaction exposure  
 (d) All of these

- Q.2 i. What is global business environment? **2** 2 1, 11,  
 12 1
- ii. Discuss the impact of global environment on the international business decisions. **8** 3 1, 11,  
 12 1
- OR iii. Explain in detail the concept of PESTEL analysis. **8** 2 1, 11,  
 12 1, 3

[3]

- Q.3 i. What is countertrade? **2** 2 1, 2,  
 11, 12 1, 4
- ii. What are the major trends and development in world trade in goods and services? **8** 2 1, 2,  
 11, 12 1,  
 4, 5
- OR iii. Explain the various tariff and non-tariff barriers in international business? **8** 2 1, 2,  
 11, 12 1,  
 2, 4
- Q.4 i. What is regional economic co-operation? **2** 2 1, 3, 9,  
 11, 12 1,  
 3, 4
- ii. Explain the different levels of integration between countries. **8** 2 1, 3, 9,  
 11, 12 1,  
 3, 4
- OR iii. Briefly discuss NAFTA, ASEAN, EFTA & SAARC? **8** 3 1, 3, 9,  
 11, 12 1,  
 3, 4
- Q.5 i. Discuss the international technology transfers. **2** 3 1, 3, 9,  
 11, 12 1,  
 3, 4
- ii. Describe the various entry strategies adopted by MNC. **8** 2 1, 3, 9,  
 11, 12 1,  
 3, 4
- OR iii. What is FDI? Explain its impact on Indian economy. **8** 2 1, 3, 9,  
 11, 12 1,  
 3, 4
- Q.6 Write short note on any two:  
 i. Foreign exchange market **5** 2 1, 3,  
 12 1, 3
- ii. Economic exposure **5** 2 1, 3,  
 12 1, 3
- iii. Transaction exposure **5** 2 1, 3,  
 12 1, 3

\*\*\*\*\*

### **Marking Scheme**

#### **MS3ET05 (T) Global Business Environment (T)**

<b>Q.1</b>	i) c) <b>PESTEL Analysis</b>	<b>1</b>	<b>OR</b>	iii. Briefly discuss NAFTA, ASEAN, EFTA & SAARC? <b>NAFTA, ASEAN, EFTA &amp; SAARC ( 2 marks each)</b>	<b>8</b>
	ii) d) <b>Trade restrictions and tariffs</b>	<b>1</b>	<b>Q.5</b>	i. Discuss the International Technology Transfers? <b>meaning (2 marks)</b>	<b>2</b>
	iii) c) <b>Custom duties</b>	<b>1</b>		ii. Describe the various entry strategies adopted by MNC? <b>eight strategy (8*1 marks)</b>	<b>8</b>
	iv) b) A tax equal to 12% of value on imported oil.	<b>1</b>	<b>OR</b>	iii. What is FDI? Explain its impact on Indian economy? <b>as per explanation (8 marks)</b> Short Note (Any Two)	<b>8</b>
	v) b) <b>Free trade area</b>	<b>1</b>	<b>Q.6</b>	i. Foreign Exchange Market <b>as per explanation (5 marks)</b>	<b>5</b>
	vi) b) <b>Trade</b>	<b>1</b>		ii. Economic Exposure <b>as per explanation (5 marks)</b>	<b>5</b>
	vii) a) <b>Franchising</b>	<b>1</b>		iii. Transaction Exposure <b>as per explanation (5 marks)</b>	<b>5</b>
	viii) b) <b>Exporting</b>	<b>1</b>			
	ix) c) <b>Transaction Exposure</b>	<b>1</b>			
	x) b) <b>Translation Exposure</b>	<b>1</b>			
<b>Q.2</b>	i. What is Global Business Environment? <b>meaning (2 marks)</b>	<b>2</b>			
	ii. Discuss the impact of global environment on the International business decisions? <b>as per explanation (8 marks)</b>	<b>8</b>			
<b>OR</b>	iii. Explain in detail the concept of PESTEL analysis? <b>as per explanation (8 marks)</b>	<b>8</b>			
<b>*****</b>					
<b>Q.3</b>	i. What Is Countertrade? <b>meaning (2 marks)</b>	<b>2</b>			
	ii. What are the major trends and development in world trade in goods and services? <b>as per explanation (8 marks)</b>	<b>8</b>			
<b>OR</b>	iii. Explain the various tariff and non-tariff barriers in International business? <b>four tariff (4*1 marks)</b> <b>Four non tariff barriers (4*1marks)</b>	<b>8</b>			
<b>Q.4</b>	i. What is Regional Economic Co-operation? <b>meaning (2 marks)</b>	<b>2</b>			
	ii. Explain the different levels of Integration between Countries?	<b>8</b>			