

SECTION II

[TO BE ATTACHED TO THE MAIN ANSWER-BOOK]

M.Com DEGREE (CSS) PRIVATE EXAMINATION, NOVEMBER 2023

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DO NOT WRITE YOUR REGISTER NUMBER OR NAME ANYWHERE IN

SECTION II OF THE QUESTION PAPER

CM010203MCQ - INTERNATIONAL BUSINESS AND FINANCE

Answer **all** questions.

All questions carry equal weight

Put a tick mark [✓] against the correct answer

1. The process by which ideas, goods and services spread throughout the world.
(a) Liberalisation (b) Privatisation
(c) Globalisation (d) None of the above
2. The compulsion in the domestic market such as saturation of the market, which prompts companies to internationalize.
(a) Pull factors (b) Push factors
(c) Proactive reasons (d) None of the above
3. A company directly selling goods from one country into others.
(a) Exporting (b) Indirect Exporting
(c) Intra-corporate transfers (d) None of the above
4. Under this strategy, the company enters into a contract with a firm in the foreign market to manufacture or assemble the product as per its specifications
(a) Licensing (b) Franchising
(c) Contract manufacturing (d) None of the above
5. When one company purchases another company, it is called
(a) Acquisition (b) Merger
(c) Functional alliance (d) None of the above

6. A form of international trade in which import of goods are paid for by exports of goods, instead of money payments.
- (a) Counter trade (b) Piggybacking
- (c) Merger (d) None of the above
7. Theory of National Competitive Advantage was developed by
- (a) Michael Porter (b) Raymond Vernon
- (c) Heckscher-Ohlin (d) None of the above
8. When goods have been subsidized by foreign governments, home country imposes duty to counteract. Such duties are known as
- (a) Import Duty (b) Export duty
- (c) Countervailing duties (d) None of the above
9. A duty which is a flat sum per physical unit of the commodity imported or exported.
- (a) Specific Duty (b) Ad-valorem duty
- (c) Countervailing duties (d) None of the above
10. These subsidies aim to limit production by imposing production quotas or requiring farmers to set aside part of their land.
- (a) Green Box (b) Blue box
- (c) Amber box (d) None of the above
11. It is the exchange of goods between two nations promoting trade and investment.
- (a) Bilateral trade (b) Multilateral trade
- (c) unilateral trade (d) None of the above
12. It means importing goods from one country and exporting it to another country after adding some value to it.
- (a) Direct exporting (b) Indirect exporting
- (c) Entrepot Trade (d) None of the above
13. Double Factorial Terms of Trade is related to
- (a) F. W. Taussing (b) J. Viner
- (c) G.S. Dorrance (d) None of the above
14. It includes all transactions that increase or decrease the country's national income.
- (a) Current account (b) Capital account

- (c) Unilateral Payments Accounts (d) None of the above
15. The monopolist sells the product in a foreign market at a low price initially with a view to drive away the competitors and increase the price after the competitors leave the market and it is called
- (a) Intermittent Dumping (b) Persistent Dumping
- (c) Predatory Dumping (d) None of the above
16. Investing capital in buying equities, bonds and other securities abroad is known as
- (a) Foreign Portfolio Investment (b) Foreign Direct Investment
- (c) Both A & B (d) None of the above
17. Direct investment in industries abroad so as to either provide inputs for the firm's domestic operations or sell its domestic outputs overseas is termed as
- (a) Inward FDI (b) Outward FDI
- (c) Vertical FDI (d) None of the above
18. It is the risk of loss suffered when stock, revenue, assets or liabilities denominated in foreign currency changes with the movement of the foreign exchange rates.
- (a) Economic exposure (b) Transaction Exposure
- (c) Translation exposure (d) None of the above
19. It is a contract to exchange cash flows over the life of the contract.
- (a) Options (b) Futures
- (c) Swaps (d) None of the above
20. An exchange rate system whereby the rate of a currency is determined by the market forces of
- (a) Fixed (b) Flexible
- (c) Pegged exchange rate (d) None of the above

No. of MCQ's Attempted :

Weight Score :

(To be entered by the examiner)

No. of MCQ's not Attempted :

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WITH THE MAIN ANSWER BOOK**