



I Semester M.Com. Examination, August/September 2021

(CBCS)

(2020-21 and Onwards)

Paper – 1.2 : COMMERCE

International Business Environment

Time : 3 Hours

Max. Marks : 70

SECTION – A

1. Answer **any 7** questions out of 10. **Each** question carries **two** marks : **(7×2=14)**

- a) What do you understand by globalization ?
- b) What are the different factors influencing international business environment ?
- c) What is non – tariff trade barrier ?
- d) What is global competitiveness ?
- e) What is portfolio investment ?
- f) Mention the international strategic compulsions.
- g) What is turnkey contract ?
- h) What is strategic alliance ?
- i) Name few international agencies involved in conflict resolution.
- j) Define Global Trade Point Network.

SECTION – B

Answer **any 4** questions out of 6. **Each** question carries **five** marks : **(4×5=20)**

2. Give a brief account of the economic, political and cultural environment of business between nations and their implications for business.
3. Examine the important arguments for protection vs. liberalization of global business environment.

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4. Examine the impact of World Trade Organization (WTO) on business.
5. Examine the sources, types of conflict and various conflict resolution strategies in international business.
6. Discuss briefly the important foreign market entry strategies.
7. "Intellectual Property Rights have become an important issue in current international business scenario". Comment on the statement.

## SECTION - C

Answer **any 2** questions out of 4. **Each** question carries **twelve** marks : (2×12=24)

8. "Firms need global orientation even to survive the domestic market" – Elucidate.
9. Explain various challenges of global business and the advantages of Regional Trade Blocks.
10. "The whole universe is a potential market for your products". Discuss the various market entry strategies that need to be evolved to exploit this potential.
11. "Fluctuation in exchange rates affect the project ability of not only exporting/importing firms but also purely domestic firms". Comment on the following statement.

## SECTION - D

12. Answer the following questions : (1×12=12)

Mahindra and Mahindra (M and M) is a major player in the tractor and certain segments of the automobile market in India. After an impressive growth for a few years, the tractor market in India has been stagnating during 1998-1999 to 2000-2001. M and M has been selling its tractors and utility vehicles in foreign markets including USA. Some of the components for



its products have been sourced from abroad. M and M has a 100 per cent subsidiary in USA, Mahindra USA, with a strong network of 100 dealers. Mahindra has a five per cent market share in the US market in the 20-30 horse power (HP) range. As a part of the strategy aimed at building a global supply chain, Mahindra USA has signed a memorandum of understanding (MoU) with the Korean tractor major Tong Yang, a part of the \$ 2 billion Tong Yang Moolsam group, according to which Mahindra will source high horse power (mostly 25-40 hp range) and sell them around the world under the M & M brand name. To start with, the premium range of tractors will be sold in the US. M and M's current tractor range is more utility-oriented and lacks the aesthetic appeal that Tong Yang's tractors have, a must for a strong presence in the US market.

**Questions :**

- 1) What are the advantages and disadvantages of global sourcing ?
- 2) How will the foreign market expansion help M and M ?
- 3) How does the strategic alliance with Tong Yang benefit M and M ?
- 4) What are the possible risks of the alliance? How can they be overcome/minimised ?