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6771

Register Number:

Name of the Candidate:

M.B.A. DEGREE EXAMINATION, May 2015

(INTERNATIONAL BUSINESS)

(FIRST YEAR)

140: INTERNATIONAL BUSINESS ENVIRONMENT

Time: Three hours

Maximum: 75 marks

SECTION - A

Answer any FIVE questions

(5 × 3 = 15)

1. Write a short note on balance of payment.
2. What do you mean by core competencies?
3. What are the functions of IBRD?
4. Mention briefly the types of foreign investment.
5. Explain the features of Euro currency market.
6. Write a note on letter of credit.
7. What are the essential elements of a valid contract?
8. Discuss on the appointment of auditors in a company.

SECTION - B

Answer any THREE questions

(3 × 15 = 45)

9. Discuss the Non-tariff barriers in international trade.
10. Enumerate the cultural environment of international business.
11. explain in detail the role of IMF
12. Evaluate the export promotional measures of Indian Government.
13. Explain the remedies for breach of contract.

**SECTION - C
COMPULSORY****(1 × 15 = 15)**

14. After long negotiations between McDonald's and Soviet officials, the former entered Russian market in 1990. Moscow city council was a partner of McDonald's in the Russian joint venture. But McDonald's faced with severe shortages in supply of building materials to build the restaurant as these requirements were not included in the central plan. The company was not provided with sufficient supply of wheat flour, sugar, mustard either due to non-inclusion in the central plan or due to inability of soviet manufacturers to deviate from their standard output or due to the strict control that soviet manufactures should sell to the Soviet companies. Another problem was that certain products like iceberg, lettuce, pickling cucumbers and the Russet Burbank potatoes used for McDonald's French fries were not produced or consumed in Russia. McDonald's educated Soviet farmers and cattle ranchers involved on how to grow and raise the products it needed.

McDonald's did not face any problem in respects of employees and customers and advertising. Russian television covered the event, it became almost impossible to accommodate the customers for the first time in January 1990, even though the Moscow's restaurant was biggest in the world. Customers preferred its food though it was five times costlier than the normal local meal. Despite the crisis in 1998, McDonald's grew in Russia and had 73 storages by the end of 2001. McDonald's success in Russia enabled it to enter China and also become successful there.

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