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**MBAH 551**

**Fourth Semester M.B.A. Degree Examination, September/October 2022  
(Regular and Repeaters)  
BUSINESS ADMINISTRATION  
International Business Environment**

Time : 3 Hours

Max. Marks : 70

- Note :** 1) Answer **all** Sections.  
2) Marks are indicated against **each** Section.

**SECTION – A  
(Compulsory)**

Answer to the question should **not** exceed **6** pages. (1×15=15)

1. Evaluate the advantage and disadvantage of FDI. Explain the role of FDI in the economic development of the host country.

**SECTION – B**

Answer **any five** questions. **Each** question carries **8** marks. Answer to **each** question should **not** exceed **5** pages. (5×8=40)

2. Briefly explain the various approaches to International Business.
3. Describe the multilateral trade agreements related to (i) agriculture and (ii) textiles and clothing.
4. What are the various activities performed by the World Bank ? Do you think these activities are beneficial for developing countries ? Explain.
5. Write a note on :
  - a) UNCTAD
  - b) SDR.
6. Explain the advantages and disadvantages of outsourcing.
7. Discuss the role of Multinational Corporations and their involvement in the International Business.
8. Examine the role of information technology in International Business.

P.T.O.



SECTION – C  
(Compulsory)

Answer to this question should **not** exceed **6** pages.

(1×15=15)

9. Case Study.

Richard was a 30 year old American sent by his Chicago based company to set up a buying office in India. The new office's main mission was to source large quantities of consumer goods in India, cotton piece goods, garments, accessories and shoes as well as industrial products such as tent fabrics and cast iron components.

India's ministry of Foreign Trade (MFT) had invited Richard's company to open their buying office because they knew it would promote export, bring in badly needed foreign exchange and provide manufacturing know how to Indian factories.

Richard was, in fact, the first international sourcing office to be located anywhere in South Asia. The MFT wanted it to succeed so that other Western and Japanese companies could be persuaded to establish similar procurement offices.

The Expatriate manager decided to set up the office in the capital, New Delhi because he knew he would have frequently met senior officials. Since the Indian Government closely regulated all trade and industry, Richard often found it necessary to help the suppliers obtain import licenses for the semi manufacturers and components required to produce the finished goods his company had ordered.

Richard found these government meeting frustrating. Even though he always phoned to make firm appointments, the bureaucrats usually kept him waiting for half an hour or more. Not only that his meetings would be continuously interrupted by phone calls and unannounced visitors as well as by clerks bringing in stacks of letters and documents to be signed. Because of all the waiting and the constant interruptions, it regularly took him half a day or more to accomplish something that could have been done back home in 20 minutes.

3 months into this assignment Richard began to think about requesting a transfer to a more congenial part of the world, somewhere, where things work. He just could not understand why the Indian officials were being so rude. Why did they keep him waiting ? Why didn't the bureaucrats hold their incoming calls and sign those papers after the meeting, so as to avoid constant interruptions ? After all the Government of India had invited this company to open this buying office. So didn't he have the right to expect reasonably courteous treatment from the officials in the various ministries and agencies he had to deal with ?

**Questions :**

- a) Why is Richard not able to jell with local conditions ?
- b) If you were Richard, what would you do ?