

Mid-West University  
Examinations Management Office  
Surkhet, Nepal  
End-Semester Examination-2081  
Bachelor of Business Studies (BBS)  
Semester - VII

Subject: International Business Environment

Course Code: MGMT 472

Full Marks: 60 Pass Marks: 30

Time: 3: 00 Hours

*You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.*

**SECTION A: VERY SHORT ANSWER QUESTIONS (10 X 1 = 10 MARKS)**

Answer **ALL** the questions.

1. Briefly describe on the modes of operation of international business.
2. "Companies are involved in international business for risk minimize." Justify.
3. Outline any four assumptions of mercantilism theory of international trade.
4. Give the concept of four factors theory of international business.
5. Clarify the meaning of intellectual property.
6. Illustrate any two similarities between democratic and totalitarian political system.
7. Suggest any two short term measures for reducing political risk.
8. List out any four functions of WTO.
9. Enlist any two major objectives of NAFTA.
10. What is ethnocentric marketing promotion strategy?

**SECTION B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

Answer any **THREE** questions.

11. Give the meaning of international business. Also explain the importance of international business and globalization. [2+6]
12. Explain the evolution stages of international business with its features. [8]
13. What is foreign exchange? How is foreign exchange rate determined? Explain the foreign exchange system in Nepal. [2+3+3]
14. What is pricing? Explore the pricing strategies and decision for international and global market.
15. Write short notes (Any two): [4+4]
  - a. Collectivisms political system
  - b. Multinational Companies
  - c. Cultural diversity
  - d. European Union (EU)

**SECTION C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

Answer any **TWO** questions.

16. "If any state cannot produce two products on profit, they specialize product comparatively than other countries." Explain this statement based on trade theory of comparative advantages along with its assumptions and the development factors derived from this theory. [3+5+5]
17. What is economic environment? Explain its elements. Also explain the pros and cons study of the various types of economic system with its features. [2+3+8]
18. Explain the objectives and functions of ASEAN and BIMSTEC. Explain the organizational structure of ASEAN and BIMSTEC operation. Also provide the insights into the relationship between ASEAN and BIMSTEC from the perspective of economic organizations [4+5+4]

**THE END**