APRIL 2025 **72265/150E2A**

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer any TEN questions in about 30 words each.

1. Define international business.

2. Explain the concept of mercantilism in trade theory.

3. What is a Multinational Corporation (MNC)?

4. List two advantages of MNCs in international business.

5. Briefly describe Absolute Advantage theory.

6. What is Horizontal FDI?

7. Explain the significance of the Foreign Exchange Market.

8. Define globalization of markets.

9. Mention two non-tariff barriers.

10. Differentiate between regionalism and multilateralism.

11. What role does the IMF play international business?

12. Explain Porter's Diamond Competitive Advantage Theory.

SECTION B — ($5 \times 5 = 25$ marks)

Answer any FIVE questions in about 200 words each.

13. Discuss the different modes of entry into international markets.

14. What are the key drivers of globalization?

15. Describe the factors influencing Foreign Direct Investment (FDI)

16. Explain the Heckscher-Ohlin Theory of trade.

17. Compare the benefits of FDI for host and home countries.

18. Describe the importance of the World Bank in supporting international business.

19. Explain the significance of protectionism in world trade.

SECTION C — ($3 \times 10 = 30$ marks)

Answer any THREE questions in about 500 words each.

20. Discuss the process of internationalization and the approaches companies take in expanding globally.

21. Explain the Comparative Advantage theory with examples.

22. Discuss the functions of the Foreign Exchange Market and its impact on trade and investment flows.

23. Analyze the major trends and developments in world trade in goods and services.

24. Evaluate the impact of BREXIT on regional economic integration and multilateralism.

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