

**K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH**

Vidyavihar, Mumbai- 400077

Program: PGDM FS (Batch2016-18), Term-IV

Subject: International Business

(End Term Examination)

Maximum Marks: 50.

Date: Sept. 16, 2017  
3 pm to 6 pm

**Instructions**

1. Attempt Q: 1 and any 2 of the remaining questions
2. Q: 1 carries 20 marks, each other question carries 15 marks each
3. Illustrate your answers with examples
4. Conceptual clarity will influence evaluation of answers

Q: 1 Answer any *two* of the following:

- i Explain the characteristics of ethnocentric, Polycentric and geocentric approaches MNEs follow in managing international operations.
- ii Discuss with examples risks an MNE may face while venturing abroad. What steps the firm may take to reduce risks?
- iii Explain with examples various manufacturing configurations an MNE may follow.
- iv Discuss various forms of Regional Trade Agreements and their benefits

Q:2 A Explain the terms: i The foreign exchange market ii. Spot and Forward transactions. iii FE swap  
iv Options and Futures. v Derivatives.

Q2: B Explain the foreign exchange trading process

Q: 3 "Organization structures have to change with changing times" Discuss.  
Discuss in brief contemporary multinational organization structures and in what way do they have advantages over classical structures

Q: 4 Explain with examples why acquisitions have become important for growth and expansion?  
What are the benefits of acquiring a firm over setting up a green-field venture?

Q: 5 Discuss with examples how deeper understanding of environment of a country presents opportunities as well as challenges to a firm in achieving their strategic goals?

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