



INDIAN SCHOOL AL WADI AL KABIR

Class: XI

Department: Commerce

Chapter 10

Topic: International business

1. Which one of the following is not amongst India's major trading partners?
(a) USA
(b) UK
(c) Germany
(d) New Zealand Ans: (d)
2. Which one of the following is not amongst India's major export items?
(a) Textiles and garments
(b) Gems and jewellery
(c) Oil and petroleum products
(d) Basmati rice Ans: (c)
3. Which one of the following is not amongst India's major import items:
(a) Ayurvedic medicines
(b) Oil and petroleum products
(c) Pearls and precious stones
(d) Machinery Ans: (a)
4. International Trade is a wider concept when compared to International Business. Is this statement true or false? Ans: False

5. Earning of foreign exchange is an advantage of International Business to _____ (Nation)

6. “International business operates on a simple principle — produce what your country can produce more efficiently, and trade the surplus production so generated with other countries to procure what they can produce more efficiently”. Identify the advantage of international business highlighted here.

Ans: More efficient use of resources

7. “In the absence of international trade of goods and services, it would not have been possible for the world community to consume goods and services produced in other countries”.

The above statement signifies the _____ of international business

Ans: Increased standard of living

8. “The vision to become international comes from the urge to grow, the need to become more competitive, the need to diversify and to gain strategic advantages of internationalization”.

Identify the advantage of international business discussed here

Ans: Improved business vision

9. “Highly competitive domestic market drives many companies to go international in search of markets for their products. International business thus acts as a substance of growth for firms facing tough market conditions on the domestic turf”.

Identify the advantage of international business discussed here

Ans: Way out to intense competition in domestic market

10. “International business can be more profitable than the domestic business. When the domestic prices are lower, business firms can earn more profits by selling their products in countries where prices are high”.

The advantage of international business stated here is _____

Ans: Prospects for higher profits.

11. Discuss the advantages of International business to the firm and to the nation. (Refer Notes).