



Sanjay Ghodawat University, Kolhapur

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2018-19

EXM/P/09/01

Year and Program: 2018-19

School of Commerce and Management

Department of MBA

Course Code: MMC IB611

Course Title: International Business Environment

Semester – III

Day and Date:

End Semester Examination (ESE)

Time: Max Marks: 100

Mandy & 17 DEC 18

10:00 to 1:00 pm

Instructions:

- 1) All questions are compulsory.
- 2) Assume suitable data wherever necessary.
- 3) Figures to the right indicate full marks.

Q.1	Solve any Two	Mark s	Bloom's Level	CO
a)	Identify and state the entry mode following large corporations had implemented in the statements given below & mention two advantages each entry mode offer in general. 1) Many Indian companies have entered into a marketing agreement for Germany based medical equipments, dental care items and hearing aids. 2) Mahindra & Mahindra has recently entered into a binding contract with partner Renault to manufacture cars. 3) Kellogg, Pepsi, Coca Cola and the Hyatt group of hotels are willing to invest even if the profits are expected after a long gestation period.	07	L ₂	CO1
OR				
a)	Justify the following statements in relation to essential features of International Business Environment (IBE) and specify the example for each : 1) Information gathered for business operations is not only accurate, but should be timely 2) The size and scope of the international business should be large	07	L ₂	CO1
b)	"As per share of world GDP, Global GDP reached maximum in 2017 with share 18.23% exemplifying rise in International trade and Business collaborations". State the reasons corroborating above statement.	08	L ₂	CO2
OR				
b)	Elaborate the following terms with an appropriate example: 1) Trade deficit 2) Balance of Payment Surplus 3) Trade liberalization 4) Trade rules	08	L ₂	CO2

Q.2 Solve any Two

- a) Compare the objectives & functions of World Trade Organization (WTO), International Monetary Fund (IMF), World Bank (WB) & United Nations Conference on Trade and Development (UNCTAD). **07** L₄ CO3

OR

- a) Write a short note on: **07** L₂ CO3
1) ASEAN Free Trade Agreement (AFTA) & economic growth
2) "The Generalized Scheme of Preferences (GSP)" a means of economic development for developing nations

- b) Recognize & discuss the type of technology transfer for the following statements and state two advantages for each: **08** L₅ CO4

1) Using insights and developments from other aviation & military, the nuclear power industry has internationally developed high-reliability systems

2) A German pharmacy company gives know-how and theoretical concepts to a manufacturing & production house of their own company to make medicines.

3) As computer-aided design (CAD) has become more popular & redesign has become a viable method to create a 3D virtual model of an existing physical part for use in 3D CAD, CAM, CAE or other software.

4) The regional headquarter of Google is in Singapore and it has a subsidiary in Australia. The sales and marketing support technology services provided by the Australian subsidiary to users and Australian businesses and also provides research services to Google worldwide. The billing for Australian activities is done in Singapore and the payment is received from the Google entities.

OR

- b) Differentiate International, Multinational, Global and Transnational company & mention the examples of each. **08** L₅ CO4

Q.3 Solve any Two

- a) "As per the definition of IBE, a cross-border business or new venture is always exposed to country risks". **08** L₂ CO1
Outline the solution that can be offered to such business environment and explain its stages.

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|----|---|----|----------------|-----|
| b) | "As per WTO, Trade policies refer to the procedure that monitor the movement of trade in the country".
Elaborate given statement indicating the types of Economic trade policies and further comparing them. | 08 | L ₅ | CO2 |
| c) | Write a short note on:
1) GSTP as mutual trade
2) International commodity agreements for stabilized commodity trading | 08 | L ₂ | CO3 |
| d) | Construct and describe the conceptual framework for the multinational "Ford Motor Company" who are willing to launch sports car "Ford GT" in India. | 08 | L ₅ | CO4 |

Q.4 Solve any Two

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|----|--|----|----------------|-----|
| a) | Interpret the terms "Regional Economic Groupings" & "Regional Economic Cooperation" in relation to the following framework:
1) Definition
2) Examples
3) Objectives | 09 | L ₂ | CO5 |
| b) | Describe the structure and functioning of "NAFTA" as one of the world's largest free trade zones. | 09 | L ₂ | CO5 |
| c) | "As per Business Today July, 2018 periodical, European Union (EU) is the second largest free trade area in the world contributing to 19% of World GDP".
Validate above statement in relation to the structure and functioning of European Community (EC). | 09 | L ₅ | CO5 |

Q.5 Solve any Two

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|----|---|----|----------------|-----|
| a) | List the ecological issues in businesses and reasons behind them. Carry out detailed analysis of "Trade" related problems and environmental protection solution. | 09 | L ₅ | CO6 |
| b) | Fortune 500 Daily chronicle states "Countertrade as the important means of trade for developing nations".
State its purpose, benefits and justify given statement in relation to "Offset" & "Switch trading" as the types of counter trade. | 09 | L ₅ | CO6 |
| c) | As per HBR business magazine "Information Technology (IT) is facilitating International Business (IB) increasing globalization of markets".
Explore the significance & benefits of Information Technology (IT) in business sectors for the growth of IB in support of given statement. | 09 | L ₅ | CO6 |

Q.6 Solve any Three

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|----|--|----|----------------|-----|
| a) | Distinguish between "Regionalism and Multilateralism" approach of trade agreements of different nations. | 06 | L ₂ | CO5 |
| b) | A brief caselets are given below, identify the collaborative arrangement of MNC's and state its two advantages:

1) Disney understood that technology was imperative to the future development of Disney's innovation. The Imagineering Team at Disney still uses HP platforms in ride creation, animation breakthroughs and improved customer experiences. This opens up ideas for local artists and IT companies to look for ways to build relationships and innovate together in unique ways.

2) Mahindra & Mahindra obtained 90 percent of Schoneweiss, a leading company in the forging sector in Germany. The deal took place in 2007, and consolidated to make Mahindra's position strong in the global market | 06 | L ₂ | CO5 |
| c) | Describe ecological issues and environmental protection solution for Foreign Direct Investment (FDI) and Transnational Companies (TNC's). | 06 | L ₂ | CO6 |
| d) | Explain the following Counter Trade types:
1) Counter purchase
2) Buy back | 06 | L ₂ | CO6 |

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