

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA SEMESTER-3- EXAMINATION – SUMMER 2020

Subject Code: 3539203

Date:05/11/2020

Subject Name: International Business (IB)

Time: 2.30 PM to 5.30 PM

Total Marks: 70

Instructions:

- 1. Attempt all questions.**
- 2. Make suitable assumptions wherever necessary.**
- 3. Figures to the right indicate full marks.**

Q. No.	Question Text and Description	Marks
Q.1	Explain (a) Globalization (b) Bi-Lateral trade agreement (c) FEMA (d) WTO (e) D/P (f) Repatriation of Expatriates (g) C&F	14
Q.2	(a) What is International Business? What is the role of International Business in emerging economies like India? (b) What are different aspects of Cultural Environment? Explain with the help of examples.	07 07
	OR	
	(b) Political & Legal environment are important to study in International Business. Analyze the impact of ignoring it.	07
Q.3	(a) What is Foreign Exchange Rate? What are determinants of FOREX? (b) What is INCO term? Explain – Ex-Works, FOB, CIF, DDP.	07 07
	OR	
Q.3	(a) Write short note on: 1. DGFT, 2. EPC, 3. Commodity Boards (b) Discuss county evaluation & selection procedure in detail with example.	07 07
Q.4	(a) Assuming that you are HR manager of a company need to send 2 executives out of 10 for your international project out of India. What strategy will you implement for selection & training of Expatriates. (b) What is Letter of Credit? What are the types of LOC?	07 07
	OR	
Q.4	(a) E-Commerce differs from product to product. Justify this statement showing the different strategies & e-commerce platforms for any 3 different products of your choice from different sector. (b) Determine the process of global supply chain network for the manufacturer of paper bag.	07 07

Q.5

CASE STUDY:

Micro Small and Medium Enterprises (MSMEs) play a vital role in the country's economic development. The current trend of economic growth and the rapid industrial development has made India as one of the most open economies in the world. In conjunction with the current economic situation due to COVID - 19, the government is devoting and designing the SME development plan to assist the SMEs to meet the existing as well as new business challenges in the competitive global business environment.

The Indian MSME sector is the backbone of the national economic structure and has unremittingly acted as the bulwark for the Indian economy, providing it resilience to ward off global economic shocks and adversities. With around 63.4 million units throughout the geographical expanse of the country, MSMEs contribute around 6.11% of the manufacturing GDP and 24.63% of the GDP from service activities as well as 33.4% of India's manufacturing output. They have been able to provide employment to around 120 million persons and contribute around 45% of the overall exports from India.

Globalization has made the economy of a nation more exposed to any unfavorable events or crisis since the market has becoming less segmented. The impact of COVID – 19 has spread out to almost every nation in the world that has opened their door for international business. Most country has experienced the mist of recession as businesses are slowing down, productions are diminishing, unemployment rate climbing up, bearish capital market and capital flows stalled. India experienced similar symptoms and MSMEs were hit hard. MSMEs, small in its assets, working capital, skilled workforce etc, are affected in larger degree especially those involved with trading and supplying products or services to other businesses. Lower cash flows and limited financing are the major challenges faced by the MSMEs during this bearish period.

Nevertheless, the government has recognized the importance of MSMEs for the economy and has implemented various policies, action plans and programs to assist them in these difficult circumstances. However, new empirical evidence suggests that policies should not be directed solely to strengthen inter-firm co-operation within MSMEs clusters. To be more effective, they should be combined with another set of policies: government interventions at the national level and specific schemes to build up the technological capabilities of MSMEs. Worth to mention, MSMEs in India are still capable of absorbing the depressing global economic condition due to well-structured supporting plans tailored by the government and related agencies. Internal strengths of the MSMEs because of the continuous development and innovation as well as knowledgeable workforce has also contributed to their resilient.

- (a) Considering the above fact, what economic factors would you consider before entering in International Business in recent situation? **07**
- (b) Considering the given problems to MSMEs, which entry options are available to enter in International market? **07**

OR

- Q.5** (a) Given the current situation, what kind of cross-national co-operations & agreements Indian government can do to support MSME of India? **07**
- (b) Looking at the present situation, set the proper marketing strategy for the manufacturer of Plastic kitchenware items. **07**
