

**NH-101**

November-2018

B.B.A., Sem.-V

**CC-305 : International Business**

Time : 2:30 Hours]

[Max. Marks : 70

1. (A) What does Globalization mean and explain various factors affecting it. 14

**OR**

(i) Write Short Note on - New Trade Theory 7

(ii) What is cultural orientation in International Business? Explain EPRG Approach in detail. 7

(B) Short Questions : (Attempt any 4 out of 6) 4

(1) \_\_\_\_\_ Government is considered as an ideal political system for international business.

(Totalitarianism, Democracy, Authoritarian Totalitarianism)

(2) \_\_\_\_\_ Economies of scale indicates focusing on mass scale output to reduce average cost per unit. (Internal, external)

(3) Totalitarianism is a type of Democratic system. (True/False)

(4) Give full form of FDI.

(5) The capitalism system is like a free market economy for business enterprises and customers. (True/False)

(6) Trade Sanction is an official ban on trade or other commercial activity with a particular country. (True/False)

2. (A) Name the tools available for country selection and explain MPI and GCI in detail. 14

**OR**

(i) Explain in detail the concept of International Product Life Cycle. 7

(ii) Explain in detail the concept of Consignment Sales and Open account as mode of payment in International Trade. 7

(B) Short Questions : (Attempt any 4 out of 6) 4

(1) Fixed Exchange Rate System is also known as pegged exchange rate system. (True/False)

(2) \_\_\_\_\_ is a remittance of payment of goods before the exporter ships the goods. (Letter of Credit, Consignment Sales, Advance Payment)

(3) The Global competitive Index (GCI) is prepared by the World bank. (True/False)

- (4) FDI Confidence Index is measured and published by \_\_\_\_\_.  
(WTO, A. T. Kearny, the World Economic Forum)
- (5) In the first stage of IPLC, product is initially manufactured in the \_\_\_\_\_ country.  
(developed, developing, least developed)
- (6) Which one of the following is not the part of Market Potential Index ?  
(Growth Rate, Market Intensity, Type of economic System)

3. (A) Write in detail advantages and disadvantages of Direct and Indirect Exporting as a Strategy of entering the International Market. 14

**OR**

- (i) Write a detailed note on International Contract Manufacturing. 7
- (ii) Discuss the various Investment related Modes of entering into International Markets. 7
- (B) Short Questions : (Attempt any 3 out of 5) 3
- (1) Clearing arrangement is a form of counter trade. (True/False)
- (2) Export, Piggy Backing, Counter Trade and E-channels are \_\_\_\_\_ related modes or options for international business expansion.  
(Trade, Investment, Contractual)
- (3) A Joint Venture is created by two or more \_\_\_\_\_ firms.  
(Independent, dependent)
- (4) When a company establish its fully owned subsidiary at a foreign location, it is known as \_\_\_\_\_. (Green field operation, Joint Venture, Licensing)
- (5) \_\_\_\_\_ is a special form of Licensing. (FDI, Leasing, Franchising)

4. (A) Explain the entire Process of Export Import in detail. 14

**OR**

- (i) Name and explain the documents used in exporting before shipment. 7
- (ii) Explain the process of pre-shipment Inspection in International Trade. 7
- (B) Short Questions : (Attempt any 3 out of 5) 3
- (1) Give Full form of RCMC \_\_\_\_\_.
- (2) How many digits does the Importer-exporter code number contain ?  
(5, 10, 15, 16)
- (3) Payment by documentary credit is known as \_\_\_\_\_.  
(clean Advance, deferred payment, letter of credit)
- (4) Sign draft is used when an exporter grants credit to the importer.  
(True/False)
- (5) IEC has a validity of 5 years. (True/False)