

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER –III-EXAMINATION – WINTER-2022

Subject Code: 4539281**Date: 25/01/2023****Subject Name: International Business****Time: 10:30 AM to 1:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

Q. No.	Question Text and Description	Marks
Q.1	Explain the following terms : (a) Globalization (b) Corporate Governance (c) NAFTA (d) Future market (e) CSR (f) FDI (g) Political Risk	14
Q.2	(a) What is cultural environment for an international business and what are the strategies to deal with cultural differences? (b) Write a note on EPRG Framework.	07 07
OR		
	(b) Write a note on Foreign Exchange Market and players of this market.	07
Q.3	(a) What are the various methods of payment available for settlement of international trade? (b) Explain the concept of Product Life Cycle Theory.	07 07
OR		
Q.3	(a) Write a note on points to be considered in deciding the Global Marketing mix (b) Explain the working of a letter of credit and list all the types of L/Cs.	07 07
Q.4	(a) What is the Theory of Absolute Advantage and Comparative Advantage? Explain both in brief. (b) Write a note on Tariff and non-tariff barriers faced by the MNCs.	07 07
OR		
Q.4	(a) Write a note on Global Supply Chain strategies. (b) Explain the Tools for Country Evaluation and Selection for International business.	07 07

Q.5 CASE STUDY:

Mahindra & Mahindra (M & M) is a major player in the tractor and certain segments of the automobile market in India. After an impressive growth for a few years, the tractor market in India has been stagnating during 1998-1999 to 2000-2001. M & M has been selling its tractors and utility vehicles in foreign markets including USA. Some of the components for its products have been sourced from abroad. M & M has a 100 per cent subsidiary in USA, Mahindra USA, with a strong network of 100 dealers. Mahindra has a five per cent market share in the US market in the 20-30 horse power (HP) range. As a part of the strategy aimed at building a global supply chain, Mahindra USA has signed a memorandum of understanding with the Korean tractor major Tong Yang, a part of the \$ 2 billion Tong Yang Moolsam group, according to which Mahindra will source high horse power (mostly 25-40 hp range) and sell them around the world under the M & M brand name. To start with, the premium range of tractors will be sold in the US. M & M's current tractor range is more utility-oriented and lacks the aesthetic appeal that Tong Yang's tractors have, a must for a strong presence in the US market.

- (a) What are the advantages and disadvantages of global sourcing? **07**
(b) How will the foreign market expansion help M & M? **07**

OR

- Q.5** (a) How does the strategic alliance with Tong Yang benefit M & M? **07**
(b) What are the possible risks of the alliance? How can they be overcome/ minimized? **07**
