

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA-SEMESTER-III-EXAMINATION-WINTER-2024

Subject Code: 4539281**Date: 18/12/2024****Subject Name: International Business****Time: 10:30 AM TO 01:30 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 following terms (a) Foreign exchange (b) Geocentric Orientation (c) NAFTA (d) Expatriate (e) Global Supply Chain (f) Collaborative Strategies (g) Multidomestic strategy	14
Q.2	(a) What is international business? What are the primary reasons that companies engage in international business?	07
	(b) Do you think is it right for government of any country to intervene the International Business in its country? Give reason for your answer. Explain different types of non-tariff instrument used by government to control International trade with examples.	07
	OR	
	(b) Compare and contrast international business with domestic business with examples.	07
Q.3	(a) Which are the areas of concern for a company for International marketing? Explain any two of these areas for an Indian company that manufactures trekking shoes and exports them to USA.	07
	(b) Identify the different steps needed for a company to select a country for doing International Business in that country. Also describe the steps for an Indian firm that needs to export trekking shoes to USA.	07
	OR	
Q.3	(a) Enlist different types of organization structures used for International Business. Explain the Strategic Business Unit (SBU) structure with its advantage and disadvantage.	07
	(b) How do the foreign exchange rate affects any International business? Explain how frequent fluctuations in foreign exchange rate affects a diamond jewelry manufacturer based in Surat.	07
Q.4	(a) With an example explain the use of Product Life Cycle theory for International Business.	07
	(b) Why do countries form trading groups? Explain any two prominent trading groups.	07

OR

- Q.4** (a) With an example explain the use of Porter's Diamond theory for International Business. **07**
- (b) Identify parameters used for the classification of the corporate strategy used for International Business. Explain any two strategy out of the four corporate strategy, namely International, Global, Transnational and Multi-domestic. **07**
- Q.5** **CASE STUDY:**
Assume that France and Russia has 1600 resources equally. France uses 160 resources to produce 2000 tons of bread whereas Russia uses 128 resources to produce 2000 tons of bread. Also France uses 80 resources to produce 1 submarine whereas Russia uses 40 resources to produce 1 submarine. Use theory of comparative advantage to answer following questions.
- (a) How much will France produce if it uses half of its resources for each product? **07**
- (b) What should France do if it needs more submarine then the number of submarines produced by using half of its resources? **07**
- OR**
- Q.5** (a) How much will Russia produce if it uses half of its resources for each product? **07**
- (b) What should Russia do if it uses only one fifth of its resources to produce bread? **07**
