Name:

Enrolment No:

UPES

End Semester Examination, December 2024

Course: Global Context of Business **Semester: 3**
Program: MBA All **Time: 03 hrs.**
Course Code: INTB8020 **Max. Marks: 100**

Instructions:

- **This is a CLOSE BOOK exam.**
- **All questions are mandatory.**
- **The use of laptops, internet access, mobile phones, and other electronic devices is strictly prohibited during the exam**
- **Use of unfair means will result in immediate disciplinary action.**

SECTION A
10Qx2M=20Marks

S. No.		Marks	CO
Q 1	(i) International business is defined as the performance of ________ activities by firms across national borders. a) marketing and fiduciary b) trade and investment c) finance and operational d) accounting and auditing	**2**	**CO1**
	(ii) Which of the following is true about the first stage of evolution in the international product life cycle theory? a) The product enjoys a temporary monopoly at this stage. b) The product's inventors mass-produce it and seek to export it. c) The knowledge about how to produce the product is widespread. d) The competition intensifies at this stage and export orders begin to come from lower-income	**2**	
	(iii) ________ refers to the superior features of a country that provide unique benefits in global competition, typically derived from either natural endowments or deliberate national policies. a) Comparative advantage b) Competitive advantage c) Absolute advantage d) Industrial cluster	**2**	

	(iv) Which of the following is true with regard to mercantilism? a) Mercantilism does not harm consumers. b) Mercantilism helps curb inflation. c) Mercantilism is superior to free trade. d) Mercantilism tends to harm firms that import.	**2**	
	(v) Nations running a trade surplus _________. a) rely solely on imports b) openly discourage export c) export more goods than they import d) import more goods than they export	**2**	
	(vi) According to the _________, a country benefits by producing only those products in which it has complete advantage or that it can produce using fewer resources than another country. a) absolute advantage principle b) comparative advantage principle c) factor proportions theory d) international product cycle theory	**2**	
	(vii) Non-tariff barriers include all of the following EXCEPT: a) Quotas b) Transit duties c) Government regulations d) Import licenses	**2**	
	(viii) A consistently positive Balance of Payments (BoP) indicates: a) A deficit in the current account b) More foreign investments flowing into the country c) Higher exports of local currency d) Declining levels of foreign reserves	**2**	
	(ix) Intellectual Property Rights (IPR) include all the following EXCEPT: a) Patents b) Trademarks c) Export duties d) Trade secrets	**2**	
	(x) The absolute advantage theory was first proposed by: a) David Ricardo b) Adam Smith c) Paul Krugman d) Eli Heckscher	**2**	
SECTION B **4Qx5M= 20 Marks**			
Q 2	What was the view of Mercantilism regarding international trade, and how did it influence the economic policies of nations during the period?	**5**	**CO2**
Q 3	What is the Leontief Paradox, and how does it challenge the Heckscher-Ohlin theory of trade?	**5**	

Q 4	What are Intellectual Property Rights (IPR), and its types that businesses can use to protect their innovations?	**5**	
Q 5	How does licensing serve as a business expansion strategy?	**5**	
SECTION-C **3Qx10M=30 Marks**			
Q 6	How can a PESTEL analysis be used to evaluate the external factors affecting a business and shape its strategic planning for market entry in a new country?	**10**	**CO3**
Q 7	What are the key drivers of globalization, and how do they influence the expansion strategies of businesses seeking to enter international markets?	**10**	
Q 8	What are the various types of trade barriers, and how can they affect the competitiveness and profitability of businesses operating in the global market?	**10**	
SECTION-D **2Qx15M= 30 Marks**			
Q 9	To what extent can Foreign Direct Investment (FDI) truly drive sustainable economic development in emerging markets, given the associated risks of dependency on foreign capital, potential loss of domestic industry control, and the challenges that FDI may exacerbate?	**15**	**CO4**
Q 10	**Case Summary: Tata Group's Global Expansion and Challenges** Tata Group, India's largest and most diverse conglomerate, operates across numerous sectors including automobiles, steel, chemicals, IT, consumer products, and consulting. Under the leadership of Ratan Tata, the group has aggressively expanded into global markets. Notable acquisitions include the Dutch-British steel giant Corus and luxury car brands Jaguar and Land Rover, which bolstered Tata's capabilities in steel production and automobile manufacturing. Tata Motors, a key subsidiary, introduced the Nano in 2009, targeting India's middle class with the world's cheapest car. Despite its innovative and low-cost design, the Nano faced challenges, including protests that forced Tata to relocate its production plant from West Bengal. Additionally, India's complex regulatory environment and rising competition in the budget car market have posed obstacles for Tata Motors. Tata leverages its vast financial resources, competitive cost structure, and strong governmental relationships to gain a competitive edge. The conglomerate also focuses on corporate social responsibility, engaging in projects to improve education, healthcare, and sustainable energy in India. Tata Motors, in particular, has explored electric vehicles, such as the Indica EV, in response to environmental concerns. Despite its successes, Tata faces significant challenges, including navigating India's bureaucratic hurdles, competition from global automakers, and increasing pressure to adopt sustainable practices in a rapidly industrializing nation. Tata continues to seek growth opportunities	**15**	

	in emerging markets, leveraging its experience in India to expand into regions like Africa, Latin America, and Southeast Asia. **Answer the following:** 1. What are the main competitive advantages that Tata Group leverages to maintain its leadership in the Indian and global markets? 2. Given the challenges Tata faced with land acquisition and protests in West Bengal, how should the group approach future expansion projects in India? What strategies can Tata employ to mitigate political risks?		