

AU-1652

**M.B.A. Semester—IV Examination**  
**INTERNATIONAL MARKETING ENVIRONMENT**

**Paper—MBA/4206/SM**

Time : Three Hours]

[Maximum Marks : 70

- Note :—** (1) Attempt ALL questions.  
(2) Figures to the rights indicate full marks.

**SECTION—A**

1. (a) Discuss in detail international business/trade theories. 14

**OR**

- (b) Explain in detail structure, functions of WTO in the development and management of World Trade. 14

**SECTION—B**

2. (a) Discuss present EXIM Policy of India in the context of present international economic/ financial environment. 7  
(b) "The effect of USA's recent restrictions and stringent measures regarding Indian professionals opting to work at USA." What do you think ? Justify your answer. 7

**OR**

- (c) Explain the concept and practices of Bilateral and Multilateral trade agreements. 7  
(d) UK (Britain) was one of the initiators in the formation of European Union as a partially politically and fully economic trading block. Recently the British people gave their decision to opt out of the European Union. Discuss in detail the case and case background with your views on outcome of the move of British people. 7  
3. (a) Explain the role of Export Promotion Councils (EPC) in India. 7  
(b) "Exporting is only one possible international marketing strategy, it may well lead to the employment of additional strategies such as a direct foreign investment, joint ventures, franchising or licensing – all of which contribute to the growth and economic strength of the firm and on an aggregate level, to the economic security of a nation". Do you agree with the statement ? If yes, justify your answer. 7

**OR**

- (c) Describe the procedure for general exports and related documents. 7
- (d) Suggest how to improve India's export in the areas of spices. Consider various types of spices that are having demand overseas. 7

### SECTION—C

- 4. (a) Explain in brief the letter of credit and a draft or a bill of exchange. 7
- (b) "Bill of Lading (B/L) is used to serve three purposes – a receipt, a contract, and a document of title." Discuss. 7

### OR

- (c) Explain the significance of export financing. 7
- (d) Explain significance of shipment insurance regarding exports. 7

### SECTION—D

- 5. In recent years, the balance of payments has emerged as a major branch of economic enquiry. A reflection of the complex payments problems of the postwar years and in part, the result of a greater appreciation of the implications of national economic measures of the external financial position of a country. Developments in the balance of payment are, therefore, of special concern to all those interested in the formulation of correct national economic policies. The practical use of balance of payments statement are many. Apart from lending precision to a country's external transactions, it gives an idea of the historical influences governing the balance of payments. Data presented over a period of time provide a reliable basis for estimating the kind of relationship that exists between the balance of payments and the national income and help to provide answers to such other questions as the seasonal and cyclical trends and regional features of the transactions. The usefulness of a balance of payments statement as a guide to monetary, fiscal, trade and other policies cannot, therefore, be over-emphasized. A decision to raise the Bank Rate, for instance, inevitably involves an examination of the balance of payments. A tax measure of exports or on imports may affect the balance of payments. Public investment policies too, have an important bearing on and are therefore, framed with reference to balance of payments. A decision to expand the capacity of an export industry has necessarily to be based, inter alia, on the foreign exchange earnings of the industry. Similarly, development of facilities for foreign tourists requires a knowledge of their expenditure patterns and the contribution of tourism to the economy of the country providing the facilities. The balance of payments also assists in assessing a country's ability to pay for current goods and services and of its credit-worthiness to borrow abroad and repay the loans.

#### Questions :

- (a) Considering the above case, explain the significance of balance of payments. 7
- (b) Discuss the various uses of the balance of payments in economic enquiry. 7