

SET C

CBCS

Roll no.

Unique Paper Code	:	22417604
Name of the Paper	:	International Business
Name of the Course	:	B. Com (Hons.)
Semester	:	VI
Duration	:	2 hours
Maximum Marks	:	75 Marks

Attempt any four questions. All questions carry equal marks.

Q1. A well established Electric Cars company in US set up their first plant in a developing nation involving huge investment. But within 2 years, it had to shut down its store in that country with huge losses because the company failed to understand the consumers and business environment there.

What would have been the possible reasons of failure? What would you suggest as one important measure, the company could have taken to avoid the failure?

Q2. "The Regional Economic Integration can both create as well as divert trade in future to member countries." Critically analyse this statement with suitable examples.

Q3. As arbitrage inflow continues, the net gain tend to diminish, and then disappear, when the interest parity line is reached. Do you agree? Explain.

Q4. Real interest rate may remain unchanged even when nominal interest rate changes. Analyse.

Q 5. Is there any need to strengthen the SEZ Scheme? Give suitable reasons. Also explain the approval mechanism for SEZ.

Q6. What induces disequilibrium in Balance of Payments in developing countries? Also explain the relevance of export promotion and import substitution as measures to control the deficit in the Balance of Payment.

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