**VALLUVAR COLLEGE OF SCIENCE AND MANAGEMENT, KARUR**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**CLASS: III BBA SEMESTER: IV**

**Subject Code: 16MBEBB3 Subject: Global Business Management**

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1. **What is International Business? Meaning**

International Business conducts [business](http://kalyan-city.blogspot.com/2011/03/what-is-business-meaning-definitions.html) transactions all over the world. These transactions include the transfer of goods, services, technology, managerial knowledge, and capital to other countries. International business involves exports and imports.

1. **List out the An international business has many options for doing business**,

* Exporting goods and services.
* Giving license to produce goods in the host country.
* Starting a joint venture with a company.
* Opening a branch for producing & distributing goods in the host country.
* Providing managerial services to companies in the host country.

1. **The nature and characteristics or features of international business are:-**
   * **Large scale operations.**
   * **Integration of economies.**
   * **Dominated by developed countries and MNCs.**
   * **Benefits to participating countries.**
   * **Keen competition**.
2. **Write the types of International business?**

* Exporting,
* Licencing,
* Franchising,
* Foreign direct Investment.

1. **Write the meaning of pull factors?**

Pull factors companies are motivated to internationalize because of the attractiveness of the foreign market. Such attractiveness includes, broadly, the relative profitability and growth prospects.

1. **Write the meaning of push factors?**

Push Factors (Reactive reasons): These are those factors of the market & environment, which prompt the companies to internationalize e.g. compulsions of the domestic market like market saturation.

1. **Write the components of business environment?**

* Micro Environment.
* Macro Environment.

1. **Write the meaning of Economic Environment?**

* Economic environment refers to all those economic factors which have a

Bearing on the functioning of a business unit.

* Business depends on the economic environment for all the needed inputs. It also depends on the economic environment to sell the finished goods.

1. **Write the meaning of Political environment?**
   * + Political environment includes political conditions such as general stability and peace in the country and specific attitudes that elected government representatives hold towards business.
     + Government policies relating to business, taxation, trade, incentives and foreign exchange impact business decisions.
2. **Write the meaning of privatization?**

Privatization: Privatization is the economic process of transferring property, from public ownership to private ownership. The opposite process is nationalization. In theory, privatization helps establish a "free market", as well as fostering capitalist competition.

**UNIT-II**

**1. Write a short note on the important determinants of indias exports and imports?**

Export performance is influenced by two factors

* External factors
* Internal factors

**2. What are the major problems in Indian export sector?**

* Lack of integrated approach.
* Problem recognition and action lags.
* Technological factors.

**3. How many sector plays a major role in our Indian export sector?**

There are four categories of manufacturing goods.

* Engineering goods.
* Textiles.
* Gems and jewellerry.
* Chemicals and allied products.

**4**. **How many sectors play a major role in our Indian Import sector?**

* Oil.
* Pearls, Precious &non-precious stones.
* Capital goods.
* Gold & silver.
* Electronic goods.

**5. Write the meaning of Export Processing Zones?**

The meaning of Export Processing Zones (EPZs) can be broadly defined as an area enjoying special government of India support with respect to fiscal incentives, tax rebates and other exclusive benefits for the growth of export.

**6. Write the Objectives of setting up of EPZs?**

* Encourage and generate the economic development
* Encourage Foreign Direct Investments (FDI)
* To channel the sources of foreign exchange within the system in a phased manner
* Foster the establishment and development of industrial enterprises within the said zones
* Encourage and generate wider economic activities by encouraging foreign investments for the development of the zones.

**7. Define Free trade zones**

The World Bank defines free trade zones as "in, duty-free areas, offering warehousing, storage, and distribution facilities for trade, transshipment, and re-export operations.

### 8. State any three Prominent Indian Export Processing Zones.

* Kandla Free Trade Zone (KAFTZ), Kandla, Gujarat
* Santa Cruz Electronic Export Processing Zone (SEEPZ), S. Cruz, Maharashtra
* Cochin Export Processing Zone (CEPZ), Cochin, Kerala.

## 9. What is a Trading House?

A trading house is a business that specializes in facilitating transactions between a home country and foreign countries. A trading house is an exporter, importer and also a trader that purchases and sells products for other businesses.

**10. State the eligible for Status Certificate to minimum export performance as follows.**

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| Category | Average FOB / FOR value during the preceding three Licensing years, in Rupees. |
| Export House | 15 Crore |
| Trading House | 100 Crore |
| Star Trading House | 500 Crore |
| Super Star Trading House | 2000 Crore |