

**Indian Maritime University**  
**(A Central University, Govt of India)**  
**End Semester Examinations– June 2023**  
**Programme Name: MBA (ITLM)**  
**Semester: IV**  
**Subject Code: PG22T2402**  
**Subject Name: International Logistics**

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Date: 26.05.2023

Max Marks: 60

Duration: 03 Hrs

Pass Marks: 30

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General Instructions

All Sections (A, B & C) are to be attempted.  
Options, if any, are specified in respective section.

**Section A**

Ten MCQs/Fill in the Blanks of 01 Mark each  
Choose the correct answer as applicable.

Ten MCQs/Fill in the Blanks of 01 Mark each – Choose the correct answer as applicable.

1. Which trade theory holds that nations can increase their economic well-being by specializing in the production of goods they produce more efficiently than anyone else?
  - a) The international product life cycle theory
  - b) The theory of absolute advantage
  - c) The factor endowment theory
  - d) The theory of comparative advantage
2. Which of the following is referred to as the predecessor to WTO?
  - a) OPEC
  - b) IMF
  - c) GATT
  - d) World bank
3. \_\_\_\_\_ is a management tool that allows a manufacturer to determine what to produce and in which quantity, in function of what it sells to customers.
  - a) Materials Replacement Process
  - b) Materials Requirement Planning
  - c) Distribution Resource Process
  - d) Distribution Resource Planning

4. A company that purchases goods in one country for the purpose of reselling them in another country at a profit is termed as
  - a) Export Trading Company
  - b) Export management Corporation
  - c) Marketing Subsidiary
  - d) None of the above
5. In a documentary collection, ..... interacts with the importer and withholds the documents until payment is received or a draft signed.
  - a) The Presenting Bank
  - b) The Remitting Bank
  - c) Confirming Bank
  - d) The Correspondent Bank
6. Forfaiting is used for credit terms of up to
  - a) 30 days
  - b) 60 days
  - c) 90 days
  - d) 180 days
7. Which of the following theory of exchange rate determination holds that exchange rates should reflect the price differences paid by consumers?
  - a) International Fisher Effect
  - b) International Rate Parity
  - c) Purchasing Power Parity
  - d) Fisher effect
8. The spot exchange rate \_\_\_\_\_
  - a) is the rate today for exchanging one currency for another for immediate delivery
  - b) is the rate today for exchanging one currency for another at a specific future date
  - c) is the rate today for exchanging one currency for another at a specific location on a specific future date
  - d) is the rate today for exchanging one currency for another at a specific location for immediate delivery
9. Which of the following is not a security measure implemented by the United States?
  - a) Interdiction
  - b) Maritime Transportation Security Act
  - c) Customs Trade Partnership Against Terrorism
  - d) Authorized Economic Operator
10. The Security and Facilitation in Global Environment (SAFE) initiative is implemented by \_\_\_\_\_
  - a) International Maritime Organisation
  - b) World Customs Organisation
  - c) United States
  - d) European Union

## **Section B**

Five Questions of 02 Marks each

11. List out potential reasons for reverse logistics to occur.
12. What are parallel imports?
13. What is Stand-by Letters of Credit?
14. Briefly explain Currency Futures and Currency Options.
15. Define 'Interdiction'.

## **Section C**

Seven Questions of 08 Marks each of which any 05 questions to be answered.

16. Discuss various drivers that facilitate international trade.
17. What are the main elements of the communication and utilities infrastructure? How does the quality and dependability of these infrastructures affect an international shipment? (6+2)
18. Describe the factors that influence a company's entry strategy into foreign market.
19. A good exporter should consider the risk of currency fluctuations (fluctuations in exchange rate) as an opportunity – explain.
20. Briefly describe the Customs-Trade Partnership Against Terrorism (C-TPAT) programme and the steps that have been taken to encourage the corporations to participate in this programme.
21. Discuss various issues that need to be considered in international packaging for ocean cargo? Explain consequences of improper packaging for the exporter? (4+4)
22. What are the precautions to be taken by native speakers of English to communicate clearly with non-native speakers of English in international logistics?

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