MBIB 4001

M.B.A. DEGREE EXAMINATION,
DECEMBER 2016/JANUARY 2017.

Fourth Semester

International Business

GLOBAL FINANCIAL MARKETS AND INSTRUMENTS

Time : Three hours　　　　Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. What is Floating Exchange Rate? State its merits.

2. List out the objectives of the IMF.

3. What are the resolutions of Bretton Woods Conference?

4. What is Arbitrage?

5. Explain GDRs.

6. Discuss the role of Financial Intermediaries.

7. A brief note on Interest Rate Parity.

8. Write about the structure of Asian Markets.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. To whom and for what purposes the World Bank grants loans?

10. Explain the structure of WTO.

11. Make a note on the strengths and weaknesses of Eurodollar in comparison with American dollar.

12. What are the money market instruments available to a global investor, explain them?

13. How to overcome the foreign exchange risks?

14. Briefly explain the contribution of IMF to International Trade.

15. Compare the merits and demerits of Domestic and Foreign Investments.

16. How to integrate International Financial Markets?

PART C — (1 × 20 = 20 marks)

Case Study – Compulsory question.

17. In recent past, Government of India allowed 100% FDI in many of the sectors. What will be its impact on the Global and Indian Financial Markets?

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MBIB 4002

M.B.A. DEGREE EXAMINATION,
DECEMBER 2016/JANUARY 2017.

Fourth Semester

International Business

FOREIGN TRADE AND POLICY

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. Critically examine the comparative cost theory.
2. Describe the different concepts of terms of trade.
3. What is a Tariff? Explain different types of Tariff.
4. What are the various instruments of International trade policy? Explain.
5. Write a brief note on Export Import policy.
6. Bring out the impact of special Economic Zone in India's foreign Trade policy.
7. Write a brief note about Duty draw back scheme.
8. What are the negative impart of F.D.I? Explain.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. What is mean by balance of payment disequilibrium brume? Explain the factors which cause balance of payments disequilibrium.

10. Discuss the factor endowment Theory.

11. Explain various arguments for quotas.

12. Enumerate different Non tariff measures.

13. Briefly explain various measures to promate trade under the foreign trade policy.

14. Discuss the role of state Trading organisation.

15. List out the advantages of E P C G schemes.

16. Discuss the trends in foreign private capital flows to India — Evaluate the impact of foreign Investment in India.

PART C — (20 marks)

Compulsory

(Case Study)

17. Oil Levies : The Economic Implications

BACKGROUND

The combination of weakening oil prices and the failure of Congress to deal with the budget deficit by cutting spending has led some to see the possibility of achieving two objectives at once: (a) protecting U.S. oil producers from " cheap

foreign competition and (b) reducing the budget deficit. The solution is an oil-impart fee or tariff. A tax on imported crude and refined products that matches a would oil-price decline, for example, would leave oil and refined-product prices in the United States unchanged, Thus, it is argued, such a tax will have little effect on U.S. economic activity. It merely represents a transfer of funds from foreign oil producers to the U.S. Treasury. Moreover, it would provide some price relief to struggling U.S. refineries and encourage the production of U.S. oil, Finally, at the current level of import, a $5/barrel tariff on foreign crude oil and a separate tariff of $10/barrel-equivalent on refined products would raise more than $11.5 billion a year.

Questions.

(i) Suppose the tariff were levied solely on imported crude. In an integrated would economy, who will bear the burden of the import tariff? Who will benefit? Why? What will be the longer-term consequences?

(ii) If a $10/barrel tariff were levied on imported refined products (but no tariff were levied on crude oil), who would bear the burden of such a tariff? Who would benefit? Why? What will be the longer-term consequences?

MBIB 4003

M.B.A. DEGREE EXAMINATION,
DECEMBER 2016/ JANUARY 2017.

Fourth Semester

International Business

CROSS CULTURAL BUSINESS MANAGEMENT

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. What is relevance of cross cultural business? Also explain its role.

2. Describe the issues relating to cross cultural operations.

3. How does "the culture" influences Global business?

4. What are the elements of communication across cultures?

5. Describe the communication strategy of Indian MNCs.

6. Identify the cultural characteristics of high performance winning team.

7. List out the role of cross cultural thinking in decision making.

8. Categorize the factors determining successful organizational change.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

Each question carries 10 marks.

9. How do you prepare an analytical frame work of employees?

10. Narrate the dimensions of cross cultural management and discuss its implications.

11. What are the effects of MNCs in the Indian business?

12. Explicate the process of Team building.

13. Explain the international retention strategy.

14. Elucidate the ongoing changes in the staffing process.

15. What are the steps involved in aligning strategy?

16. What are the efforts taken by companies to develop values and behaviors of its employees?

PART C — (1 × 20 = 20 marks)

Compulsory.

Case Study.

17. Mr. Loganathan has been working as an Information Officer at a foreign consulate in Pondicherry for several years. His boss, Mr.Vadivel wants to reward Mr.Loganathan for his hard work and offers him a promotion and pay raise to become an Information Clerk. Mr.Loganathan politely declines the offer, leaving Shankar confused.

    (a) Why does Mr. Loganathan refused the promotion?

    (b) How should Shankar proceed?

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MBIB 4004

M.B.A. DEGREE EXAMINATION,
DECEMBER 2016/JANUARY 2017.

Fourth Semester

International Business

INTERNATIONAL LOGISTICS MANAGEMENT

Time : Three hours Maximum : 100 marks

SECTION A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. Explain the importance and elements of Logistics.

2. Explain the functions of Transportation.

3. What are the documents required for shipping of goods? Explain.

4. Explain the advantages and disadvantages of Air transport.

5. Discuss the essential requirements and importance of a good materials handling system.

6. What are the functions and benefits of CFS and Inland Container Depots?

7. What is Cargo handling services? Explain the carrier consignee liabilities.

8. Explain various costs involved in Logistics.

SECTION B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. What is meant by International Logistics? Explain the factors influence the distribution of goods.

10. What do you mean by Multimodal transport? Explain its advantages. State its different forms.

11. What is chartering? Explain about Liner and Tramp Services.

12. Discuss the role of Information support system in International Logistics.

13. What is Warehousing? Explain its types and objectives.

14. Explain various techniques of material control.

15. What is containersation? Explain its various elements, advantages and types.

16. Write a detailed note on CONCOR.

SECTION C — (1 × 20 = 20 marks)

Compulsory.

17. You have been appointed as Logistics manager of a medium sized organisation having a sales turnover of Rs. 172 crore in year ended March 2013. The working capital of the company is under strain because of overdue outstandings, inaccurate optimistic forecasting resulting in high inventories and hopes of bagging huge institutional orders.

The company makes products which have lead time of maximum 15 days to manufacture and except for 5 ingredients which are imported all others have a procurement lead time of 2 weeks maximum. The imported items require a lead time of 6 weeks. Present day Finished product inventories represent on an average Rs. 9 crores at Cost of goods which are approximately 60 % of Sales. Customers are complaining of receiving goods considerably late, with shortages in shipments and errors in billing, Sometimes wrong products are also despatched. The billing is manually done. The audit report for the company was recorded as unsatisfactory. A considerable amount of money in the inventory is locked up in slow moving goods which have piled on and occupy vital space in the organisation. Employee morale is low. The MD of the firm is looking upto you to help him turnaround the organisation and bring orderliness and efficiency.

Questions:

(a) Evolve a suitable inventory management policies for betterment of the organization.

(b) Suggest what all measures you will take to improve the fortunes of the company.

MBIB 4005

M.B.A. (I.B) DEGREE EXAMINATION,
DECEMBER 2016/JANUARY 2017.

Fourth Semester

Paper –XX — FOREIGN EXCHANGE MANAGEMENT AND CURRENCY DERIVATIVES

Time : Three hours   Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. What is Spot Rate?

2. Explain Bid and Ask Rates.

3. Give a brief outline about Bretton Woods Conference Decisions.

4. State the demerits of Fixed Exchange Rate System.

5. Define Forward Margins.

6. Describe a Cover Deal.

7. What is Ready Merchant Rates?

8. Explain Currency Derivatives.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. Outline the functions of Foreign Exchange Dealers Association of India.

10. Explain the International Gold Standard System.

11. What are different types of Foreign Exchange Exposures?

12. State the merits and demerits of Forward Contracts.

13. How does the operation of the Central Bank of a Country affect the exchange rate in the market?

14. Explain how forward rate for a currency is determined.

15. What are the Option products available in India?

16. How participatory forwards different from range forwards.

PART C — (1 × 20 = 20 marks)

Case Study- Compulsory Question.

17. A London firm has payable of USD 2 million due in 6 months. The spot rate is USD 1.7560 per pound and 6 months forward is quoted at a premium of USD 0.0480 per pound. The interest rate in London is 6% p.a and 5% p.a in New York. Examine if the firm cover its position

(a) By entering into forward contract or

(b) By executing a money market hedge.