



Printed Pages : 4

MBA – 412 (NEW)

(Following Paper ID and Roll No. to be filled in your Answer Book)

**PAPER ID : 7071**

Roll No.

**M. B. A.**

**(SEM. IV) EXAMINATION, 2006-07**

**INTERNATIONAL BUSINESS & TRADE**

*Time : 3 Hours]*

*[Total Marks : 100*

- Note :*
- (1) Attempt **all** questions.*
  - (2) All questions carry **equal** marks.*
  - (3) Do proper time management.*
  - (4) Be precise, factual and analytical in your answers.*

1. Attempt any **two** parts of the following: **10×2=20**
  - (a) "Globalization is a practical reality or operational neo-colonialism by the western world." Discuss this statement, in the light of Micheal Porter's 4-I's of globalization and the benefits and limitations of globalization based economic reforms, initiated since July, 1991 in India.
  - (b) What do you understand by the international Business Environment? How does Non-Economic Environment effect the Economic Environment of International Business in a Global –Oriented 21<sup>st</sup> Century World Economy. Take Corporate examples from India to substantiate, your viewpoints.

- (c) Define multinational corporations. In your viewpoints - in the Indian Economy. Discuss the benefits and limitations of MNCs in India, with appropriate, corporate, examples.
- (d) Discuss the role of political and legal environment with reference to investments by MNCs in developing countries viz. Brazil, Russia, India and China. What kind of political and legal environment of business do you favour?

2. (a) What do you understand by Foreign Direct Investment(FDI)? How is it different than Foreign Institutional Investment (FII) ? Differentiate. Explain with corporate examples the concepts and the differences in FDI and FII. **10**
- (b) What is Joint Venture in international business? **10**  
Why do JVs succeed in different international markets? What are the benefits and weaknesses of JVs? Write corporate examples.

**OR**

2. (a) What are different models of strategic management ? Discuss its merits with practical corporate illustrations. **10**
- (b) Diagrammatically illustrate Porter's Five Forces Model. Define Porter's model of five-forces with corporate application. Explain, how this model is practically, different to generic strategies and Sustained Competitive Advantages (SCA) model. **10**

3. Attempt any **two** parts of the following : **10×2=20**

- (a) Define Ghoshal & Bartlett Model of TNCs. Discuss its relevance, in international business. Cite corporate applications.
- (b) What is the role of foreign subsidiaries in global business? What do you understand by SBUs? Why does GE has 1,260 SBUs in 130 countries, in the world? Explain the logic.
- (c) What do you understand by international locational decision-making? How is it different from strategic planning? How are decision made, in MNCs and Assembly-line production, planned of cars by Carlos Gosn, CEO, Nissar Motors Japan?

4. Attempt any **two** parts of the following : **10×2=20**

- (a) Discuss the Raymond Vernon's International Product Life Cycle Theory (PLC). In practice, how do you compare the experiences, in innovations, in USA vis-à-vis Japan? Give examples of products and services.
- (b) Define Balance of Payments. How is Current Account different to Capital Account? Explain and substantiate your answer, with country – specific examples.

- (c) What do you understand by the Tarapore Committee Report, 1997-2002 findings on Capital Account Convertibility (CAC) in India? Why has India, not gone in, for CAC? Discuss the merits and demerits of capital account convertibility (CAC) and why do you think USA, UK, China and Canada have CAC?

5. Attempt any **two** parts of the following : **10×2=20**

- (a) Discuss the following issues of International Trade :
- (i) WTO issue of subsidies in agriculture by European Countries.
  - (ii) Global Warming, KYOTO Protocol and USA's approach to pollution control.
- (b) Discuss the Mint Parity Theory of Foreign Exchange Management with appropriate diagrams and examples.
- (C) In the world of Liberalization, Privatization and Globalization (LPG) with 130 countries going in, for economic reforms, discuss, analyze and differentiate the functions of World Bank and International Monetary Fund (IMF). Bring out their importance for developing countries.

