

certain objectives like; focus on excellence, place the customer first in the decisions, develop confidence in market and think global.

In May 1998, it was listed in NASDAQ. NASDAQ is the largest U.S. electronic stock market. With approximately 3,200 companies. NASDAQ is the primary market for trading NASDAQ-listed stocks.

In 2006, Infosys opened NASDAQ Stock Market from the Infosys campus in Mysore, India. Opening the NASDAQ market is illustrative of the emerging new world, said Narayana Murthy. "Though the NASDAQ Stock Market is US-based, our charter and scope are global. India is increasingly becoming a driving force in the global economy and companies like Infosys are leading the charge. Infosys was the first Indian company to be listed at the NASDAQ and now has a market capitalization of US\$ 22 billion. Infosys has added another milestone today by becoming the first company to remotely ring the NASDAQ Opening Bell from India," said Mr. Bob Greifeld, President and Chief Executive Officer, The NASDAQ Stock Market.

#### Questions

- (a) Explain how Infosys has grown into a global company by its penetration into consumer market and financial markets.
- (b) Explain the role played by NASSCOM in the growth of Indian companies like Infosys.
- (c) What is NASDAQ and why is participation in it considered prestigious for Infosys?

## MBIB 4001

M.B.A. DEGREE EXAMINATION,  
DECEMBER 2015/JANUARY 2016.

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 out of the following.

1. What are the market imperfections in global financial market?
2. What is the role of IMF in international financial markets?
3. What is the principle of transaction cost theory?
4. List the types of exchange rate.
5. Explain the features and identify the players in international money market.
6. What is arbitrage? What sort of arbitrage opportunities do you see in international financial markets?



7. Explain the features of GDRs.
8. What is speculation? Is there any scope for speculation in International financial markets?

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions out of the following.

9. Explain the features and merits of fixed and floating exchange rate regimes.
10. Discuss the role of WTO in promoting international trade and financial markets.
11. Briefly outline the growth of global currency markets. What are the developments in Asian markets?
12. What are the features of international capital market instruments?
13. Identify the development of banks in international area. Explain how investments are provided taking the case of a bank of your choice.
14. Explain the importance of Euro dollars and euro banking practices. What kind of investments Euro banks make?
15. What is hedging in Forex trading? How do implement a forex trading strategy?
16. Enumerate the risks in Forex trading.

PART C — (1 × 20 = 20 marks)

Compulsory

17. Case study :

In 1981, Mr. Narayana Murthy established Infosys with a dream to supply the best software to the world, with a capital of Rs. 10,000. When the company first went public in 1993 the stocks were offered at Rs. 95. In 1998, the share price of Infosys was around Rs. 2,610.

As on March 31, 2007 the employee strength of the company was 72,241 which was 60,000 in September 2007 out of this 60,000, 10 to 12,000 are foreign based and 3000 are foreign nationals based in foreign countries. Infosys opened its first overseas office in the year 1987 in the US. Successively Infosys has set up first office in Europe in Milton Keynes, UK in 1996 and after that in Toronto, Canada in 1997 and so on. In this process Infosys has offices in more than 35 countries.

Most of the Infosys customers were located in the United States. Infosys generated most of the profit from foreign sales. In the year 2006 Infosys had foreign sales of 98% of its total sales. The internationalization of business has started by Infosys during the liberalization policy of the Indian Government in the year 1991 and NASSCOM has also played a major role in making the Indian companies acceptable in the industry. It has also successfully lobbied for visa for the Indian employees. Infosys believes that to become an international player it needs to concentrate on



**MBIB 4002**

**M.B.A. DEGREE EXAMINATION,  
DECEMBER 2015/JANUARY 2016.**

**Fourth Semester**

**International Business**

**FOREIGN TRADE AND POLICY**

**Time : Three hours**

**Maximum : 100 marks**

**PART A — (5 × 6 = 30 marks)**

**Answer any FIVE questions out of the following.**

- 1. What is International Trade? Explain its origin.**
- 2. Explain the opportunity cost theory.**
- 3. Discuss and Explain Balance of payments. Explain the concept of Balance of payments.**
- 4. Explain the important characteristics of services.**
- 5. What is Export promotion? What are the objectives of Export Promotion?**
- 6. Explain the import facilities for Exporters.**



7. Expand "EOU".

8. What are the benefits of EPZ?

PART B — ( $5 \times 10 = 50$  marks)

Answer any FIVE out of the following.

9. Explain the theories of foreign trade.

10. What are the components of Balance of Payments?

11. Explain the classification of Tariffs.

12. Explain the Import and Export Policy and its features.

13. Discuss the organization set up for the export promotion.

14. What are the major problems of India's Export Sector?

15. Explain the related measures of Exim Policy in India.

16. What are the types of Project areas?

PART C — ( $1 \times 20 = 20$  marks)

Compulsory.

17. Case Study :

Assume that prevailing quote for whole sale transaction by a commercial bank for the euro is \$1.0876/78. This means that the commercial bank is willing to pay \$1.0876 per euro. Alternatively it is willing to sell euro for \$1.0878. The bid/ask spread calculate.

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**MBIB 4003**

M.B.A. DEGREE EXAMINATION,  
DECEMBER 2015/JANUARY 2016.

Fourth Semester

International Business

**CROSS CULTURAL BUSINESS MANAGEMENT**

Time : Three hours

Maximum : 100 marks

**PART A — (5 × 6 = 30 marks)**

Answer any FIVE questions out of the following.

1. Explain brief wrap of organizational culture.
2. What are the types of stakeholder?
3. Discuss the cultural implication of team building.
4. What is decision making? What are the processes of decision making?
5. Explain selection. What are the processes of selection?
6. Explain the process of motivation.



7. Briefly explain strategy implementation.

8. Describe corporate culture.

**PART B — (5 × 10 = 50 marks)**

Answer any FIVE questions out of the following.

9. Discuss the cultural background of business stakeholder.

10. Explain the contribution of Indian MNCs.

11. Describes India - Europe relations in International Business.

12. What is strategy formulation? What are the methods of strategy formulation?

13. What are the different methods of training?

14. Explain Human resource Management. What are the advantages of HRM?

15. What are the merits and demerits of MNCs?

16. Explain the different types of measurement of ongoing improvement.

**PART C — (1 × 20 = 20 marks)**

**Compulsory.**

17. Case Study :

X Co-Ltd is planning to finance a foreign project. He approaches you for means of financing. Suggest the various sources available as well as the advantage, disadvantage associated with the same.



Thus the herb business became a main stay of Ram and Rama. Rama is contemplating to take a industrial shed closer to Bangalore to produce the herb mixes. A full fledged marketing team may be required. The couple estimated that in order to remain profitable they need ten times the current sales. Rama is also contemplating using catalog sales and Increasing the use of website.

Questions :

- (a) How does Rama currently organize her logistics? What do you think of her aims and priorities?
- (b) What would be the effect of expansion on logistics? What problems Rama would face and what options do she has to overcome them?

### MBIB 4004

M.B.A. DEGREE EXAMINATION,  
DECEMBER 2015/JANUARY 2016.

Fourth Semester

International Business

### INTERNATIONAL LOGISTICS MANAGEMENT

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. What are the objectives of logistics?
2. Explain the various elements of logistics system.
3. What is containerization?
4. Write short notes on dry ports.
5. Explain the various types of shipping.
6. What is meant by cargo handling?
7. Explain the advantages of air transportation.
8. What is inventory management?



PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. Explain the relevance of logistics in international marketing.
10. Discuss the various factors which influences distribution and logistics.
11. Elaborate the functions of CFS and inland container depots in logistics management.
12. Explain the role of intermediaries in transportation.
13. Discuss the chartering principles and practices followed by shipping companies in international trade.
14. What are the various documents used for shipping of goods? Explain.
15. What are the factors considered while selecting air cargo transportation for the shipment of goods?
16. Explain the different types of warehousing facilities available in international logistics.

PART C — (1 × 20 = 20 marks)

(Compulsory question)

17. Ram & Rama settled down in farm near Bangalore after their 15 year stint at USA. They started a Dairy farm and were growing traditional crops for last ten years. The income fluctuated widely. However Rama who is agri science graduate took over a small field and started growing herbs more of a hobby in the beginning. She started selling the herbs to local people and also to tourist who come to stay in the farm house as well those on the way to Mysore. The herb business started growing with demand exceeding supply. Rama took over second field, growing exotic herbs and also opened a visitors centre where a demonstration was organized to enable them taste samples with herbs grown in the farm.  
  
After about two years she converted some part of the farm house to accommodate "Herbs Kitchen" which prepared a ready to use mix of herbs in cooking and the product was promoted as "healthy stuff". Herb mixtures are traditionally said to have beneficial effects. The farm has become popular and attracted tourists. Rama was delivering 100 parcels a week to nearby areas and also send 200 parcels by courier to more distant customers. She has started accepting order through the web site and e-mails.



**MBIB 4005**

M.B.A. DEGREE EXAMINATION,  
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Fourth Semester

International Business

**FOREX MANAGEMENT AND CURRENCY  
DERIVATIVES**

Time : Three hours

Maximum : 100 marks

**PART A — (5 × 6 = 30 marks)**

Answer any FIVE questions out of Eight questions.

1. What is the purpose of foreign exchange market?
2. Give a brief account of bid-ask spread.
3. Mention the role of forward market participants.
4. Why does most interbank currency trading worldwide involve the U.S. dollar?
5. Write a note on Gold Exchange standard during 1925–1931.
6. Discuss the features of forward contract.



7. What are the basics of currency options?

8. What are the key features of interest rate swaps?

PART B — ( $5 \times 10 = 50$  marks)

Answer any FIVE questions out of Eight questions.

9. Elucidate the relationship between the forward rate and the future spot rate.

10. Critically examine the Interest Rate Parity theory with suitable illustrations.

11. Examine the efficacy of four alternatives to devaluation under fixed-rate system.

12. Explain in detail the Bretton Woods System of fixed exchange rate system.

13. Discuss the different types of Foreign Exchange Exposures.

14. Explain the forward foreign exchange market. What are its important features? Explain with suitable examples.

15. Explain the features of currency futures contract with suitable illustrations.

16. Describe the major types of financial swaps.

PART C — ( $1 \times 20 = 20$  marks)

Compulsory.

17. A stock is currently selling for Rs. 60. The call option on the stock exercisable a year from now at an exercise price of Rs. 55 is currently selling for Rs. 15. The risk free interest rate is 12 percent. The stock can either rise or fall after a year. It can fall by 30 percent. By what percent can it rise?