Some companies are making private sale of Director's quota which is not transferable. A few companies are resorting to private sale of shares before public issue but constituting a part of public issue with the connivance of registrars. Director's quota is sometimes raised by private sale of shares to friends and relatives which will be subsequently shown in Director's quota. Directors holding more than the required 20% or 25% transfer them to relatives and friends or put them in employee's quota to make them transferable. Many more of such practices were noticed in the market to get over the regulations of the SEBI. All these malpractices took place before the Ken of the SEBI itself as it was just set up.

If you are a Chairman of SEBI. What steps will you take to overcome these malpractices?

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# MBIB 4001

M.B.A. DEGREE EXAMINATION, JUNE 2015.

Fourth Semester

International Business

GLOBAL FINANCIAL MARKETS AND INSTRUMENTS

(2012 – 2013 Batch Onwards)

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of Eight questions.

1. Give an overview of international financial system.
2. Write a note on Bretton woods agreement.
3. Give a brief account of Eurocurrency market.
4. Write a note on Euro Commercial Paper (ECP).
5. Mention the role of financial intermediaries.
6. What are the floating rate instruments?
7. Mention the important characteristics of Euro currency markets.
8. What is the purpose of establishing development bank?

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions out of the following.

9. Critically review the European Monetary System.

10. Is a floating rate system more inflationary than a fixed rate system in exchange rate? Explain.

11. Illustrate the creation of Eurodollars.

12. Describe the size and structure of Europe and Asian Markets.

13. Discuss the salient features of International Capital Market Instruments.

14. Write short notes on :

    (a) GDR

    (b) ADR

    (c) IDR

    (d) Euro bonds.

15. Elucidate the factors affecting international equity returns.

16. Discuss the significance in comparing of domestic and foreign currency markets for lending and investments.



PART C — (1 × 20 = 20 marks)

Compulsory

17. Case Study

Some Corporate Malpractices in New Issue Market

Many promoters were using the Stock lending method of banks to have the bank funds instead of bringing in part or full the promoter's quota. Assume that promoter fell short of his contribution; he uses his existing shares or those to be allotted; which is something like short selling without having shares and then borrow or buy shares to cover up. Some promoters are also using non-transferable promoters' quota shares for borrowing from banks and financial institutions. As banks are not permitted to sell and buy shares in the stock market, they are accepting the non-transferable shares for lending. As a further step of cheating, 'some promoters are creating fake share certificates to borrow from banks for temporary periods. The MD of MS shoes fell short of funds for contribution to his part of rights issue and he asked for 30 days' time to bring in funds. Some promoters have got funds on the basis of this method of borrowing or from companies under inter corporate lending, or get the bridge finance from banks and divert them to show their share in the paid up capital, either in rights issue or public issue.

Questions:

(a) In the light of the above, discuss the implications of social activist groups for business.

(b) With reference to this case, discuss the failure of the governments, Council for Leather Exports and the leather industry and the lessons of this case.

(c) What should the governments, Council for Leather Exports and the leather industry do to overcome the problem?

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# MBIB 4002

M.B.A. DEGREE EXAMINATION, JUNE 2015.

Fourth Semester

International Business

FOREIGN TRADE AND POLICY

(2012– 2013 Batch onwards)

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of Eight questions.

1. Mention the importance of International Trade.

2. Give a brief account of terms of trade.

3. What are the various functions of export promotion councils.

4. Explain how an advance licence for deemed exports can be availed?

5. What are the objectives of India's export policy?

6. Write a note on Rupee Convertibility.

7. Explain the functions of EPZs.

8. What are the simplified export procedures to promote project exports.

PART B — (5 × 10 = 50 marks)

Answer any FIVE out of Eight questions.

9. Explain in detail the theories of International Trade.

10. Differentiate between balance of trade and balance of payment and indicate how balance of payment analysis can be useful to the international marketer.

11. Discuss the Instruments of commercial policy.

12. Illustrate the non-tariff measures in International Economic Institutions.

13. Discuss the salient features of India's Latest Foreign trade and policy.

14. Name the important promotion organisations established in India and describe their main functions.

15. Elucidate the facilities available under the EPCG scheme.

16. Critically evaluate the policy and framework for FDI in India.



PART C — (1 × 20 = 20 marks)

Compulsory

Case Study

17. Indian leather export, an important foreign exchange earner for the country, has been reportedly hit hard by the decision of some major US retail chains like Eddie Bauer, LL Bean, Timberland and Casual Corner, and a German company Bader to boycott leather goods from India in protest against the ill-treatment of animals here. This move came shortly after a decision by global retail chains Gap, Marks & L. Spencer, Liz Claiborne and J. Crew not to buy Indian leather goods. This development has a lot to do with the lobbying by the US-based animal rights group people for Ethical Treatment of Animals (PETA) for a ban on leather goods from India by documenting evidence of 'cruelty to animals' killed for making leather. It has been reported that the overseas firms have officially communicated to the Indian outfit of PETA that they will not be sourcing leather products from India until there is strict enforcement of animal protection laws. Following this, the Mumbai-based Teja Industries, the official supplier of leather goods for Marks & Spencer in India, started outsourcing leather from other manufacture products for the global chain.

# MBIB 4003

M.B.A. DEGREE EXAMINATION, JUNE 2015.

Fourth Semester

International Business

CROSS CULTURAL BUSINESS MANAGEMENT

(2012 – 2013 batch onwards)

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of Eight questions.

1. What are the definitional elements of culture?
2. What are the positive aspects of globalisation?
3. Discuss culture and globalisation by examining the concepts of homogenization.
4. Give examples of a team with cross culture team members.
5. What is the need for global human resource management.
6. Define staffing and training for global operations.
7. State the corporate culture.
8. Write a note on 'measurement of ongoing improvement'.

PART B — (5× 10 = 50 marks)

Answer any FIVE questions out of the following.

9. Explain the concept of culture and its process of development.

10. Elucidate the organisational culture and its dimensions.

11. Discuss the major factors influencing globalisation process.

12. Explain various issues of cross cultural negotiations. How are such issues related to the variables of cross cultural negotiations.

13. Enunciate how culture can affect behaviour. How can attitude and values comelate with culture?

14. What is Expatriate compensation? Discuss the key issues in compensating expatriate.

15. Explain in detail how companies can be successful in implementation of culture change phase.

16. Discuss how will you design the strategy for a culture change building.

The data is analyzed to identify trends. Managers are then tasked with sharing their results with their teams and developing team action plans to address issues and drive improvements.

Discussion questions.

(i) How can Dell computer's culture benefit the company?

(ii) List the cultural constructs in Dell computers.

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PART C – (1 × 20 = 20 marks)

(Compulsory)

17. Case Study:

Dell Computers' Work Culture*

Dell Computers of USA is the third most admired company, as ranked by the Fortune magazine. The company delivers value to customers through their direct business model, focusing on customer's experience. Primarily data driven, in Dell managers report on achievement of their targets on day-to-day basis. Employees' attitude at Dell is strongly influenced by their aspiration to be a "great company and a great place to work" through the adoption of a "winning culture". Dell's primary focus is on the team and on individual contributions to the team. People/Line managers are expected to interact with individual employees, and their performance in the respective area is closely monitored. Both people managers and individual contributors are measured by the way in which they deal with people as well as by their technical proficiency. There is a consistent emphasis on how people do their job, not just what they do, including, for example, support for colleagues and behaving ethically.

The company makes a conscious effort to recruit people who will have a good 'fit' with its values- people who are open, direct and who focus on getting the job done rather than engaging in office politics. The company runs a leadership programme each year, which focuses on personal development planning. Employee engagement is driven by the relationship between individuals and their managers. The expectations of people managers are clearly defined:

(a) Set a performance plan.

(b) Work in each team on individual development plans.

(c) Undertake mid-year review.

(d) Undertake end-year review.

(e) Undertake monthly review with each individual (30 minutes to 1 hour)

(f) Give feedback to improve performance.

Dell measures people managers' compliance with their performance management targets,



tracking what has been done at each stage. In addition, senior managers are expected to take regular opportunities to engage with more junior staff, for example, at 'brown bag' lunches with different groups, or while visiting operations in other countries, to help build a common culture.

Other methods of encouraging dialogue include quarterly results meetings across the business at which senior managers take questions. 'Tell Dell' surveys every six months cover core areas suggested by statements such as 'Management is doing a good job positioning the company to win in the marketplace,' "My manager is effective at managing people," "I receive ongoing feedback that helps me to improve my performance," "My manager sets a good example of ethical business behaviour," "I would recommend Dell as a great place to work", etc. The surveys provide a broad measure of employee engagement.

actively developing new materials as alternatives to peat, but these are more expensive and will probably be more attractive in the longer term. In the medium term we want to exploit our existing reserves, and get a smooth transition to the new products. In particular, we want to increase current peat production, and start exporting to the UK and the rest of Europe.

Sandra O'Daid runs another part of the family business. She imports materials to make a range of high-value Celtic Jewellery, which she exports to 42 countries around the world. Her materials are largely gemstones and precious metals from South Africa and Australia. Her main exports are to the countries around the Pacific Rim, particularly Singapore and Australia. Last year sales from her traditional customers fell slightly, and she started looking for sales in the Middle East and South America.

Questions:

(a) How would you compare the logistics requirements of these two parts of the family business? What problems are they each likely to face? How can these be overcome?

(b) Do you think that expanding internationally is a reasonable strategy for Sean? Can he learn anything from Sandra's experience?



# MBIB 4004

M.B.A. DEGREE EXAMINATION, JUNE 2015.

Fourth Semester

International Business

INTERNATIONAL LOGISTICS MANAGEMENT

(2012 –2013 Batch onwards)

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of eight.

1. What are the elements of logistics system?

2. Discuss the marketing logistics.

3. Define transportation.

4. Briefly explain: 'CONCOR'.

5. What are the documents required for shipping of goods?

6. What is meant by cargo handling?

7. Explain the concept of carrier consignee liabilities.

8. Name the main applications of international marketing.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions out of the following.

9. Discuss the following statement about distribution channels. "It's the battlefield of business where in a firm's ultimate success or failure is determined".

10. Discuss the major differences between domestic and internation operations in logistics and supply chain management.

11. What is the role of a freight broker? Do you feel that this service will grow or decline in the future?

12. Explain in detail the factors of containerization.

13. Illustrate the various types of shipping and general structure of shipping.

14. Elucidate why are freight – all – kinds (FAK) rates important to an enterprise engaged in the delivery of a broad product line to customers?

15. Illustrate the significance and types of warehousing facilities.

16. Critically evaluate the inventory requirement of a firm to satisfy the desired level of customer service.



PART C — (1 × 20 = 20 marks)

Compulsory

17. Case Study:

O' Daid Group

Sean O Daid runs part of a family business in Cork, Ireland, producing a range of natural conditioners for gardens. The main product is peat. This is dug from local bogs owned by the company, dried, shredded to give a uniform texture, treated to remove unwanted material and then compressed for packing into 25kg and 50kg bags. These are delivered throughout Ireland, but the highest sales are in the south around Cork and east around Dublin.

Over the past 20 years, trade has varied, depending on the state of the economy and enthusiasm for gardening (which is often affected by television programmes). A more series problem is the environmental damage done by peat extraction and which is encouraging gardeners to look for environmentally friendly alternatives. O'Daid Garden Products is a small company, but they extract more than 10,000 tonnes of peat a year. Continuing at this rate of extraction, their accessible reserves will last about a century. Sean summarises this situation by saying, 'We have lots of peat in the ground, but demand is a certainly falling, and is likely to go even lower. We are

# MBIB 4005

M.B.A. DEGREE EXAMINATION, JUNE 2015.

Fourth Semester

International Business

FOREX MANAGEMENT AND CURRENCY DERIVATIVES

(2012 – 2013 Batch Onwards)

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of the following.

1. What is Foreign Exchange Market? What is Gold Standard?

2. Define Spot Market.

3. Explain Bid/Ask Spread of Bank

4. What is Exchange Rate Movements? Explain its measures.

5. Discuss the Opportunity Cost Theory

6. Explain the functions of foreign exchange market.

7. "Bretton Woods Twin" - Discuss.

8. "Interest Rate Prinity" – Explain.

PART B — (5 × 10 = 50 marks)

Answer any FIVE out of the following.

9. What are the factors affecting the Spread?

10. Explain Indian Capital Market and its classification

11. What are the factors affecting exchange rates.

12. Discuss Heckscher – owlin theory.

13. What is balance of Payments? Explain its structure.

14. What is Purchasing Power Parity theory (PPP)? Discuss in detail.

15. What are the major players of Derivatives?

16. What are the components of Derivatives?



PART C — (1 × 20 = 20 marks)

Compulsory

17. Case Study :

X Ltd, an Indian Company opened LC for 6 million Swedish Kroner for import of two numbers of pulsed Swedish Kroner. Swedish company shipped only one number pulsed rectifier but invoiced for 2 numbers of pulsed rectifier. The Bill of lading says that the packing contains two numbers of pulsed rectifiers, invoice and packing list also mentions about two numbers pulsed rectifier. State Bank of India the banker for Indian Company remitted the amount and debited the value to Indian Company's accounts. Indian Company wants to hold the banker, the banker responsible for short shipment, will it succeed?