

--	--	--	--	--	--	--	--	--	--	--

Second Semester MBA Degree Examination, December 2012
International Business Management (IBM)

Time: 3 hrs.

Max. Marks:100

Note: 1. Answer any FOUR full questions from Q.No.1 to Q.No.7.
2. Question No. 8 is compulsory.

- | | | |
|---|--|------------|
| 1 | a. What is meant by collectivism and individualism? | (03 Marks) |
| | b. Distinguish between WTO and GATT. | (07 Marks) |
| | c. Discuss the head quarters and subsidiary relations in MNCs. | (10 Marks) |
| 2 | a. What is meant by customs union? | (03 Marks) |
| | b. Discuss the factors which determine the “exchange rate”. | (07 Marks) |
| | c. What are your concerns as an opponent to globalization? Discuss any two of them. | (10 Marks) |
| 3 | a. What is mercantilism? | (03 Marks) |
| | b. “Political and legal factors affect international business”. Comment. | (07 Marks) |
| | c. Discuss any three types of economic systems with reference to international business. | (10 Marks) |
| 4 | a. What is meant by currency convertibility? | (03 Marks) |
| | b. Discuss “European union” (EV) as a trade bloc. | (07 Marks) |
| | c. Explain product life cycle theory considering the stages of development, production and consumption gaps in developing , developed and most advanced countries. | (10 Marks) |
| 5 | a. What is meant by globalization? | (03 Marks) |
| | b. Discuss the role of IMF in maintaining the order in international monetary system. | (07 Marks) |
| | c. State few objectives of SAARC and also discuss the organization structure of SAARC. | (10 Marks) |
| 6 | a. What is meant by forward exchange rate? | (03 Marks) |
| | b. Discuss the “theory of absolute advantage” with examples. | (07 Marks) |
| | c. “Ethics in international business is as important as the business itself.” Discuss ethical issues in international business. | (10 Marks) |
| 7 | a. State the determinants of culture, in the context of international business. | (03 Marks) |
| | b. Discuss the instruments of trade policy. | (07 Marks) |
| | c. “Domestic business and international business are different”. Discuss the reasons for such differences. | (10 Marks) |

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
 2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

8 Case Study:

Basmati is aromatic rice grown in Northern India and Pakistan.

In September 1997, Rice Tec, a small food technology Company based in US, was granted a patent by the US Patent office to call an aromatic rice variety developed in USA, Basmati. India challenged the case, arguing that basmati is an unique aromatic rice grown in Northern India and not a name, Rice Tec, could claim In that only inventions can be patented. Consequently US patent office accepted India's argument and Rice Tec had to drop 15 of the 20 claims it had made. Of the remaining claims, Rice Tec evolved three new varieties of rice for which it got patent from US patent office, as India did not object to this.

The ruling has not handed over Rice Tec the Basmati brand. Rather it provides it a patent for superior three strains of Basmati developed by cross breeding a Pakistani basmati with a semi dwarf American variety.

According WTO, geographical indications like basmati can be legally protected and their misuse can thus be prevented. The unfortunate thing is that India has not taken timely steps for protecting our geographical indications and biodiversity. Although geographical indication of Goods Bill has introduced in Indian Parliament in 1999, even at the end of 2001 it had not become an Act.

Questions:

- a. Can any of the following viz, turmeric, neem and the name basmati be patented? Substantiate your answer. (07 Marks)
- b. Evaluate the role played by Government of India in preventing the misuse of the name basmati. (07 Marks)
- c. What are your suggestions to settle such types of disputes in international business? (06 Marks)

* * * * *