

Total No. of Questions : 07]

SEAT No. :

P1528

[Total No. of Pages : 3

[5369] - 12

M.B.S. / M.M.S. (Semester - I)

(CNO 102) : Business Policy and Strategic Management

(2008 Pattern)

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) *Question No. 7 is compulsory.*
- 2) *Attempt any Four Questions from question No. 1 to Q6.*
- 3) *All questions carry equal marks.*

Q1) “Formulation of appropriate marketing strategies that are relevant to analysis of environmental appraisal, is helpful to achieve sustainable growth in the business”. Discuss. **[14]**

Q2) What information does an ETOP contain? How is a summary of ETOP prepared? Explain with relevant example. **[14]**

Q3) What is Porter’s five forces model of Industry Analysis? Explain with relevant examples. **[14]**

Q4) What are the key success factors in e-commerce? Discuss. **[14]**

Q5) Define and explain the meaning of corporate vision and mission. What are their significant characteristics? **[14]**

Q6) Write short notes on any two : **[14]**

- a) BCG matrix.
- b) Strategic control.
- c) GE nine cell model.
- d) MC kinsey’s 7s frame work.

P.T.O.

Q7) Case study

Note : Systematic analysis of the case, identification of the issues involved, solutions to the problems based on logical reasoning will carry weightage

The Rise of NOKIA

The cellular telephone industry is one of the great growth stories of the 1990s the number of cellular subscribers has been increasing rapidly Three companies currently dominate the global market for cellular equipment (cell phones, base station equipments and digital switches) Motorola, Nokia and Ericsson. Of the three dramatic rise of Nokia is perhaps most surprising.

Nokia's root are in Finland, not normally a country that jumps to mind when we talk about leading edge technology. Back in 1980s, Nokia was a rambling Finish Conglomerate with activities that embraced tire manufacturing, paper production, consumer electronics and telecommunication equipment. Today it is a focused \$10 billion telecommunication equipment manufacturer with a global reach second only to that of Motorola and with sales and earnings that are growing in excess of 30% per annum. How has this former conglomerate emerged to take a global leadership in the cellular equipment industry? Much of the answer lies in the history, geography and political economy of Finland.

The story starts in 1981, when the Nordic nations got together to create the world's first international cellular network. Sparingly populated and inhospitably cold, they had good reasons to become pioneers. It Would have cost far to much to lay down a traditional wire line telephone service. Yet the same features, that made it difficult, make telecommunications all the more valuable there. People driving through Arctic winter and owners of remote northern houses need a telephone to summon help if things go wrong. As a result Sweden, Norway and Finland became the first nations in the world to take cellular communications seriously. They found, for example, that while it cost up to \$800 per subscriber to bring a traditional wire line service to remote locations in the far north, in the same locations could be linked by a cellular service for only \$500 per person. As a result, in 1994, 12% of the people in Scandinavia owned cell phones as compared to 6% in USA.

Nokia as a long time telecom equipment manufacturer was well positioned to take advantage of this development. Other factors also helped Nokia. In Finland there has never been a national monopoly. Instead there had been 50 odd telephone service providers, whose elected boards set prices by referendum (which results in lower prices.) This army of 50 telephone

providers has never allowed Nokia to take anything for granted. The finish customer always buys from the lower cost supplier, whether it was Nokia, Motorola, Ericsson or any one'else. Nokia has responded to this competitive pressure very well while driving down costs relentlessly and being always at the cutting edge of technology.

Nokia is snapping at the heels of the number one firm in cellular equipment - Motorola. In digital cellular technology - supposed to be the wave of the future - it is Nokia and Motorola, which is the tech leader. The Scandinavian countries have started switching to digital cellular technology five years before the rest of the world. Nokia has now the lowest cost structure for any cellular equipment in the world. The result is that it is more profitable than Motorola.

Answer the following questions:

- a) What are the reasons for Nokia's success?
- b) What is the strategy adopted by Nokia?
- c) Suggest a suitable for Motorola?



Total No. of Questions : 07]

SEAT No. :

P1529

[Total No. of Pages : 1

[5369] - 13

M.M.S. (M.B.S.) (Semester - I)

**103 - (A) : Services Marketing & Brand Management
(2008 New Pattern) (Marketing Specialization)**

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) *Attempt any 5 questions.*
- 2) *All questions carry equal marks.*

Q1) Explain various reasons of Growth in service sector at national & international level.

Q2) Discuss how does services marketing mix differ from marketing mix for goods. Give suitable examples.

Q3) Being appointed as marketing manager for services of a firm, how will you handle complaints with reference to -
a) Defects in billing.
b) Failure in customer care.

Q4) Define brand equity. Discuss various methods for measurement of brand equity.

Q5) Write note on :
a) e-services
b) 4 I's of services

Q6) Explain the steps in process of brand creation in detail.

Q7) Discuss the following (Any 2) :
a) Service - life cycle
b) SERVQUAL model
c) Brand Resonance
d) Celebrity Endorsement



Total No. of Questions : 07]

SEAT No. :

P1530

[Total No. of Pages : 1

[5369] - 14

M.B.S. / M.M.S.

**103 B : Merchant Banking and Financial Services
(2008 Pattern)**

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

1) Answer any five. All questions carry equal marks.

Q1) What is stock exchange? Explain the functions of stock exchange. [14]

Q2) What is depository? What is its importance in capital market? [14]

Q3) What is IPO? Explain the role of merchant banker in IPO. [14]

Q4) What is credit rating? Explain the process of credit rating. [14]

Q5) What is factoring? Explain the process of factoring its advantages? [14]

Q6) Explain the mechanism of Debt Securitization and its advantages? [14]

Q7) Write short notes (any two) : [14]

- a) Latest changes in capital market.
- b) Hire purchase.
- c) Certificate of deposit.



Total No. of Questions : 08]

SEAT No. :

P1531

[Total No. of Pages : 2

[5369] - 15

M.M.S. / M.B.S.(Mgt Faculty) (Semester - I)

COMPUTER SPECIALIZATION

103 C : Software Engineering

(2008 Pattern)

Time : 3 Hours]

[Max. Marks :70

Instructions to the candidates:

- 1) *Question 1 is compulsory.*
- 2) *Attempt any 5 questions from remaining.*

Q1) The fixed deposit system consist of following details: Name and address of depositor, amount of deposit, period of deposit, rate of interest, mode of payment, form number and date.

- a) Draw E-R diagram. [10]
- b) Draw Screen layout. [10]

Q2) Discuss any one software cost Estimation method with example. [10]

Q3) Compare between Spiral Model and prototyping model. [10]

Q4) Explain functional decomposition diagram with suitable example. [10]

Q5) What are different type of documentation? Explain the role of documentation in maintenance phase. [10]

Q6) Draw a decision table for the following : [10]

To allow discount on cash bill for the following procedure

- offer a discount of 10% on item displayed in advertisement
- additional 2% discount for appointed dealers.

Sale tax

- within Maharashtra no tax
- out of Maharashtra 8%

P.T.O.

Q7) What are the objectives of Good system design? Explain how they achieved?
[10]

Q8) Write short notes (any two) : [2 × 5 = 10]

- a) Reverse Engineering.
- b) Features of Modern GUI.
- c) Web Engineering
- d) Spiral model.



Total No. of Questions : 08]

SEAT No. :

P1532

[Total No. of Pages : 2

[5369] - 16

M.M.S. / M.B.S. (Semester - I)

**103 D : Quality Management
(2008 Pattern)**

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) *Attempt any five questions.*
- 2) *All questions carry equal marks.*

Q1) Define quality from manufacturers perspective and user's perspective. Discuss how the following aspects influence quality.

- a) Management Policy
- b) Leadership

Q2) Explain the Juran philosophy in TQM.

Q3) What do you understand by the term "Quality Function Deployment"? Discuss briefly the QFD approach.

Q4) Explain following concepts with suitable example

- a) Sampling Inspection
- b) 100% Inspection

Q5) Describe the types of control chart? Explain various uses of control chart.

Q6) Explain concept and application with an example of any two of following :

- a) Poka Yoke
- b) Quality Circles
- c) Pareto Analysis

P.T.O.

Q7) Explain how suppliers and customers relationship plays an important role in enhancing product quality in manufacturing industry?

Q8) What are the various stages in “Quality Auditing Work”? Explain in detail.



Total No. of Questions : 07]

SEAT No. :

P1533

[Total No. of Pages : 1

[5369] - 17

M.B.S. (Semester - I)

**103 (E) : Organisational Development
(2008 Pattern)**

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) *Solve any five questions.*
- 2) *Each question carries 14 marks.*

Q1) What is OD? How can OD programs be implemented in organizations? [14]

Q2) Explain action research as a process of organizational development in detail. [14]

Q3) Write in brief on what bases can an intervention strategy is selected? [14]

Q4) Write in detail a note on process consultation. [14]

Q5) Explain the role & competencies of OD consultant in detail. [14]

Q6) How organizational development public sector enterprises in India can work? Explain with any two public sector enterprises. [14]

Q7) Write a short note on (any two) : [14]

- a) T-Groups
- b) Quality work life
- c) Role Analysis technique.
- d) Difference between group & Inter-group interventions.
- e) Total quality Management.



Total No. of Questions : 07]

SEAT No. :

P1534

[Total No. of Pages : 1

[5369] - 21

M.M.S. / M.B.S.

**201 : Entrepreneurship Development and Project Management
(2008 Pattern)**

Time : 3 Hours]

[Max. Marks :70

Instructions to the candidates:

- 1) Answer any five questions.*
- 2) All questions carry equal marks.*

Q1) Explain the need of an entrepreneur & 'entrepreneurship' as carrer in todays scenario.

Q2) Elaborate, in detail, the theory put forth by McClelland.

Q3) What are the different entrepreneurial traits? Explain the factors that influence entrepreneurship development.

Q4) What are the challenges faced by woman entrepreneurs? Do you see any changes around you?

Q5) Explain the role played by EDII to promote entrepreneurship.

Q6) "Business plan is termed as an entrepreneurial tool". Do you agree? Justify.

Q7) Write Short Notes on (Any 2) :

- a) Creativity
- b) D.I.C.
- c) Elements of business plan
- d) I.D.B.I.



Total No. of Questions : 07]

SEAT No. :

P1535

[Total No. of Pages : 1

[5369] - 22

M.B.S. / M.M.S. (Semester - II)

MARKETING MANAGEMENT SPECIALIZATION

202A : Retail & Distribution Management

(2008 Pattern)

Time : 3 Hours]

[Max. Marks :70

Instructions to the candidates:

- 1) *Attempt any five questions.*
- 2) *All questions carry equal marks.*

Q1) Explain the causes of channel conflicts. Discuss Strategies to resolve these conflicts.

Q2) Design Marketing channels for the following :

- a) Herbal Mosquito coil.
- b) Electric Bike.

Q3) Explain the Horizontal, Vertical and Multichannel marketing systems with suitable examples.

Q4) Write short notes on (any two) :

- a) Private label brands.
- b) The Internet store.
- c) RFID.
- d) Supply chain Management.

Q5) Explain role and Importance of different types of wholesalers.

Q6) What are the different types of store layout? Explain the factors that influence store layout.

Q7) Define Merchandising. Elaborate the steps in Merchandise planning.



Total No. of Questions : 6]

SEAT No. :

P1537

[Total No. of Pages : 1

[5369] - 24
M.B.S./M.M.S.
COMPUTER SPECIALISATION
Business Application
(2008 Pattern)

Time : 3 Hours]

[Max. Marks :70

Instructions to the candidates:

- 1) *Q.6 is compulsory.*
- 2) *Solve any four from Q.1 to Q.5.*

Q1) Explain Inventory Management system in detail. **[15]**

Q2) Explain payroll system for a public sector company. **[15]**

Q3) What is Investment Management? Explain the importance of DEMAT account. **[15]**

Q4) What is ERP? Explain implementation of ERP for an automobile industry. **[15]**

Q5) Explain purchase order processing system. **[15]**

Q6) Write notes on (any two) : **[10]**

- a) BOM
- b) Trial balance
- c) WIP



Total No. of Questions : 08]

SEAT No. :

P1538

[Total No. of Pages : 1

[5369] - 25

M.M.S. / M.B.S. (Semester - II)

202 D : OPERATIONS STRATEGY

(2008 Pattern)

Time : 3 Hours]

[Max. Marks :70

Instructions to the candidates:

- 1) *Attempt any five questions.*
- 2) *All questions carry equal marks.*

Q1) Define Operations Strategy. Make a list of various “Operations Competitive Dimensions” and explain it in detail.

Q2) Explain Value Chain Concept with suitable diagram.

Q3) Write down difference in between Order Winners and Order qualifiers. Explain both terms in detail with suitable example.

Q4) Explain the various issues involved in new product development process.

Q5) Explain the term product profiling. Why product Profiling is necessary in today’s fast changing market?

Q6) Explain

- a) JIT
- b) Lean Manufacturing.

Q7) Explain the importance of Manufacturing infrastructure development and explain key performance indicators like PQCDSM wrt manufacturing industry.

Q8) Explain the use and role of IT in Operations strategy.



Total No. of Questions : 06]

SEAT No. :

P1539

[Total No. of Pages : 1

[5369] - 26

M.M.S. / M.B.S. (Semester - II)
202 E : HRM SPECIALISATION
Training & Development
(2008 Pattern)

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) *Q.No. 1 is compulsory.*
- 2) *Attempt any three questions from the remaining.*
- 3) *Figures to the right indicates full marks.*

- Q1) a) Distinguish between training and development. [10]**
b) Explain different methods of training. [15]

Q2) What is the importance of management development programmes? Describe some important methods for this purpose. [15]

Q3) Explain the need & importance of training function for effective implementation of business strategies. [15]

Q4) What is the purpose of evaluation of training? Explain the techniques to evaluate training. [15]

Q5) Design a training programme for a newly joined IT engineer in IT company. [15]

- Q6) Write short notes on (any two) : [15]**
- a) Budgeting of training.
 - b) Concept of skill inventory.
 - c) Sensitivity training.
 - d) Resistance to training.



Total No. of Questions : 09]

SEAT No. :

P1540

[Total No. of Pages : 2

[5369] - 27

M.M.S. / M.B.S. (Semester - II)

MARKETING MANAGEMENT SPECIALISATION

203 A : Marketing Strategy and Relationship Marketing

(2008 Pattern)

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) Attempt any three questions from Section - A & any two questions from Section - B.*
- 2) Answers to both sections should be written in same answer book.*
- 3) All questions carry equal marks.*

SECTION - A

Q1) Discuss formulation of 'marketing strategy' across various stages of 'product life cycle' (PLC).

Q2) Explain the necessity and advantage of offering superior service to your customers. Also explain the '3S' of customer service.

Q3) Discuss the process of segmentation - Targeting - positioning (STP).

Q4) Explain significance of marketing strategy for mobile handset manufacturers. Discuss their strategies in Indian markets.

Q5) Write short notes (any Two) :

- a) Planned Innovation.
- b) Market Nicher strategies.
- c) Learning organisations.
- d) Life time customer value.

P.T.O.

SECTION - B

- Q6)** Discuss the paradigm shift from 'Transactional Marketing' approach to 'Relationship Marketing'.
- Q7)** Discuss the role of Information Technology (IT) in CRM with supporting examples.
- Q8)** "Value Profit Chain is based on value equations for customers, employees, partners and investors". Discuss the statement.
- Q9)** Write short notes (any Two) :
- a) Database marketing.
 - b) Customer loyalty programme.
 - c) Customer - product profitability analysis.
 - d) Data mining.



Total No. of Questions : 07]

SEAT No. :

P1541

[Total No. of Pages : 1

[5369] - 28

M.B.S. / M.M.S.

**203 B : Legal Procedural Aspects of Finance
(2008 Pattern)**

Time : 3 Hours]

[Max. Marks :70

Instructions to the candidates:

- 1) *Answer any 5 questions.*
- 2) *All questions carry 14 marks.*

Q1) Explain the provisions of companies Act regarding

- a) Acceptance of inter corporate deposits.
- b) Provisions regarding Inter Corporate loans.

Q2) Discuss the provisions regarding responsibilities of the Director under companies Act 1956.

Q3) What is 'Wage' under Payment of Wages Act? What are the deductions allowed from wages?

Q4) Discuss various provisions relating to employee benefits under the Payment of Gratuity Act?

Q5) What is Minimum & Maximum Bonus under the "Payment of Bonus Act".

Q6) Define Mergers & Acquisitions. Discuss the various provisions for Mergers & Acquisition under Companies Act, 1956.

Q7) Write Short Notes on (Any 2) :

- a) Available surplus under Payment of Bonus Act.
- b) Corporate Governance Statement.
- c) Powers & Duties of Directors.
- d) Objectives of Foreign.



Total No. of Questions : 08]

SEAT No. :

P1542

[Total No. of Pages : 2

[5369] - 29

M.B.S. / M.M.S. (Semester - II)

COMPUTER SPECIALIZATION

203 - C : OOD Concepts and Basic Java

(2008 Pattern)

Time : 3 Hours]

[Max. Marks :70

Instructions to the candidates:

- 1) *Question 1 and 8 are compulsory.*
- 2) *Figures to right indicate marks.*

Q1) Answer in short : **[10]**

- a) What is overloading.
- b) Explain multithreading.
- c) What are anonymous classes.
- d) What is abstract class in JAVA.
- e) What are types of exceptions.

Q2) Differentiate between abstract class and inter faces in JAVA with suitable example. **[10]**

Q3) Explain different layouts with suitable examples. **[10]**

Q4) Write a JAVA program to check number of occurences of given word in the file. **[10]**

Q5) Explain thread life cycle with suitable example. **[10]**

Q6) Explain string class in JAVA. **[10]**

Q7) Explain try, catch, finally with suitable example. **[10]**

P.T.O.

Q8) Write short notes on any two :

[10]

- a) Thread priority
- b) Border layout
- c) Map
- d) Serialization



Total No. of Questions : 08]

SEAT No. :

P1543

[Total No. of Pages : 3

[5369] - 30

M.M.S. / M.B.S. (Semester - II)

**203 D : Modeling Techniques and IT For Operations Management
(2008 Pattern)**

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) Attempt any five questions.*
- 2) All questions carry equal marks.*

Q1) What do you understand by the term “Business Modelling”? With suitable example explain Business Modelling process in detail.

Q2) A kitchen manager at Pune Government Hospital has to decide the food mix for the patients. Dietary instructions are that each patient must get at least:

- a) 1 gm. of protein
- b) 1 gm. of fat
- c) 3 gm. of carbohydrate

Additional instructions are that in no case the carbohydrate should exceed 6 gms. Per patient.

The availability of protein, fat and carbohydrate in gms. per kg. of Pulse, Rice and Bread is given as follows :

	Protein	Fat	Carbohydrate	Price/Kg.
Pulse	10	2	0	30
Rice	2	1	15	5
Bread	2	0	10	4

Formulate suitable the linear programming model for above diet mix assuming 100 patients on that day.

P.T.O.

Q3) A company is making a large boiler installation. A certain automatic monitoring unit is critical for the operation of the whole system. At the time of original order, the spares for this unit can be purchased for rupees 2,000 per unit . The probability distribution for the failure of this unit during the life time of installation is given as

Failure	Probability
0	0.35
1	0.25
2	0.20
3	0.15
4	0.05

If a spare is needed and is not available , the total cost of idle time and replacement cost will be rupees 15,000. Unused spares have no salvage value. Determine the optimal number of spares to be ordered.

Q4) There are five jobs I, II, III, IV and V which are required to be processed on three machines (A, B and C) in the order ABC that is, first through machine A, then through machine B and lastly through machine C. The processing times of these jobs on the three machines are given in the table below:

Job	Machines		
	A	B	C
	Processing Time (Hrs.)		
I	12	11	13
II	15	12	14
III	13	9	12
IV	12	10	15
V	14	9	10

Determine the sequence for the five jobs to minimize total elapsed time.

- Q5)* What do you understand by the term “Dynamic Programming”. With suitable example explain the concept of “Dynamic Programming” in detail.
- Q6)* Explain the role of IT in Operations Management with respect to Production Planning and Logistical Operations
- Q7)* Explain the characteristics and key feature of Operations softwares used in Project Scheduling and Quality Management.
- Q8)* What is Simulation? Explain advantages and limitations of Simulation.



Total No. of Questions : 6]

SEAT No. :

P1544

[Total No. of Pages : 1

[5369] - 31

M.M.S. / M.B.S. (Semester - II)

203 E : HRM SPECIALISATION

Performance Management Systems

(2008 Pattern)

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) *Q1 is compulsory.*
- 2) *Attempt any three from the remaining.*

Q1) a) How do results of performance appraisal affect other HR activities? **[10]**

b) What is PMS? Explain its relation with career planning? **[15]**

Q2) Explain Assessment centre method of performance appraisal. **[15]**

Q3) Explain advantages and disadvantages of confidential report method of appraisal. **[15]**

Q4) How can you justify the linkage between compensation management & PMS? **[15]**

Q5) Explain the importance of linking individual goals with organisational goals with respect to performance. **[15]**

Q6) Write notes on “any two” of the following : **[15]**

- a) BARS
- b) MBO
- c) Use of technology in PMS
- d) Potential appraisal



Total No. of Questions : 05]

SEAT No. :

P1527

[Total No. of Pages : 3

[5369] - 11

M.B.S.

INTERNATIONAL BUSINESS MANAGEMENT

(2008 Pattern)

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) Section - II is compulsory.*
- 2) Attempt any three questions from Section - I.*
- 3) Each question from Section - I carries 15 marks & Section - II (case study) carries 25 marks.*

SECTION - I

Q1) Explain the Ricardo's theory of comparative cost advantage with some example. What are the assumptions made in the theory of comparative cost advantage?

Q2) Explain the concept of 'country risk analysis'. Discuss the various risks faced by a company when operating across the globe.

Q3) 'Choice of market entry strategy plays a critical role in the success of a global company'. Critically analyse the statement.

Q4) Discuss various methods of payment used in international trade.

Q5) Write short notes on (any three)

- a) Asian Development Bank
- b) GATT
- c) Global Sourcing
- d) NAFTA
- e) Dumping

P.T.O.

SECTION - II
CASE STUDY

[25]

Japan's economic Challenges

During the 1980s Japan's global trade increased sharply. In the early years of this decade the surplus was around \$20 billion annually. By the middle of the decade it has risen to almost \$60 billion a year, and by the early 1990s it was over \$120 billion. By the end of the decade, however, this surplus had begun to shrink, and by 2000 it was just under \$100 billion.

At the same time, however, some things had not changed very much during the decade. One of these was the large trade surplus that Japan continued to run with the US and the EU. In 2000 the US imported over \$147 billion of goods and services from Japan while selling approximately \$65 billion of goods and services to them. This deficit of \$82 billion continued to rankle many members of the US Congress who argued that Japan had to open its door wider to American products. Many politicians in the EU felt the same way. In 2000 Japan had a trade surplus of almost \$28 billion with the EU. These two triad groups were not alone

Many nations have had an ongoing trade deficit with Japan. In 1999 China Hong Kong's trade deficit with Japan was over \$20 billion, Taiwan's was more than \$16 billion, Korea's was almost \$7 billion, and the Philippines' was over \$3 billion. At the same time however, some countries have been consistently running a trade surplus with Japan. China P.R., for example, had a surplus of \$22 billion in 2000 and in 1999 the Middle East countries, on a collective basis, also had a surplus of \$20 billion.

And while Japan continues to run an overall trade surplus with the rest of the world, there are a number of recent developments that do not bode well for its economy. One is its level of exports that have now begun to decline. The main reason is that most national economies have begun to slow down. So from nearby Asian countries that used to buy large amounts of Japanese exports to the US. Which has long been a market for Japanese goods, buyers are not purchasing as much as previously. A second reason is that by 2001 the Japanese yen was around 120 to the US dollar. The Japanese government felt that the yen was too strong and wanted to see it weaken and move into the range of 135-140 yen to the dollar. However, this had not happened, effectively serving to reduce Japanese exports.

Still another reason for Japan's problems is that its economy has continued to remain weak and domestic demand has stayed low. Perhaps worst of all, and closely tied to its internal economic problems, a growing number of Japanese companies have now been transferring their production centers to China and other nearby countries where costs are lower. As a result of such outsourcing, Japan's domestic exports are now likely to decline even further while reimports from these other nations will increase. A good example is provided by automobile production. Over the last five years Japan, Europe, the US, and Taiwan have all invested in China and intend to use their factories in China to produce not only low value-added goods such as clothing and household electric appliances, but also to make high value added goods such as cars. So, in the future, many of the automobiles that used to be manufactured in Japan and exported throughout Asia will be replaced by Chinese production and Japan may even end up importing cars from China for domestic sale. Quite clearly, the recent downturn in worldwide economies (in particular, the US), coupled with the increasing presence of China in the economic arena, are presenting Japan with new economic challenges.

- a) Why is Japan's trade surplus with the US of concern to the US?
- b) Some countries believe that those with large trade surpluses should reinvest them in poorer countries in order to help these economies. Is Japan in a position to do this?
- c) If the Japanese economy were to encounter annual Inflation of 7 per cent while France's rate was 2 percent, what would happen to the value of the French franc in comparison with the Japanese yen?
- d) How could US firms located in Japan profit from an appreciation of the Japanese Yen?



Total No. of Questions : 9]

SEAT No. :

P1536

[Total No. of Pages : 2

[5369] - 23
M.B.S. (Semester - II)
(202 B) INTERNATIONAL FINANCE
Finance Specialization
(2008 Pattern)

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:

- 1) Q.1 is compulsory. From Q.2 to Q.9 attempt any two questions from Section - I and any two questions from Section - II.*
- 2) Figures to right indicate full marks.*
- 3) Use of non-programmable calculator is allowed.*

Q1) Explain in details Globalisation and its impact on International Finance.[10]

SECTION - I

Q2) Explain in detail the role of participants in Foreign Exchange market. [15]

Q3) Elucidate the trade settlement methods in international finance. [15]

Q4) Briefly explain the tools and techniques used for hedging in foreign exchange risk management. [15]

Q5) Discuss the role played by Euro currency in Forex Market. [15]

SECTION - II

Q6) a) What are the factors which determine the exchange rates. [8]

b) If direct quote is Rs. 45/US \$, how can this exchange rate be presented under indirect Quote. [7]

Q7) a) What are the merits and dimerits of foreign direct investment. [8]

b) Consider the following bid ask prices : [7]
Rs. 40 – 40.50/US \$, Find the bid-ask, spread.

P.T.O.

- Q8)** a) Elucidate the International accounting standards on foreign transactions. [8]
- b) Presently the spot rate is Rs. 44.50 / US \$. A speculator feels that after a week, US dollar should appreciate to Rs. 44.60. What should he do if he has Rs. 10,000 at his disposal. [7]

Q9) Write short notes on any three : [15]

- a) FCCB
- b) FEMA
- c) Rupee convertibility
- d) SDR
- e) Syndication

