Roll No.

Department of Management
School of Management and Business Studies
Jamia Hamdard
MBA -Semester I
Odd Semester Examination - December 2025

Subject Name: International Business Environment **Max. Marks: 60**

Subject Code: MBA-FG-104 **Time: 2.5 Hours**

Attempt any Five Questions. All questions carry equal marks. **(12 x 5 = 60)**

Q1: (a) A developing country has been reporting persistent balance of payments deficits for several consecutive years. As an economic advisor, how would you identify the underlying structural causes of this long-term deficit, and what policy interventions would you recommend to restore external stability?

(b) A country's external account shows a pattern where it records a balance of payments deficit every alternate year. If you were asked to analyse this cyclical behaviour, how would you diagnose the drivers behind such fluctuations, and what targeted measures would you design to stabilise its external sector?

Q2: (a) During an IMF voting discussion on a global financial reform proposal, it becomes evident that countries with larger quotas dominate the decision-making process. Using this situation, explain how quota size shapes voting power in the IMF and assess whether this distribution of influence is justified.

(b) Imagine you are preparing a policy brief on the evolution of the international monetary system. Explain why the IMF's central role diminished after the 1970s, citing specific global economic and institutional changes that triggered this shift.

Q3: Country **Meridia** imposes a **10% import duty** on packaged food items from all countries. However, it recently reduced the duty to **2% only for Country P**, while keeping it at 10% for all other WTO members.

Meridia also requires **only imported packaged foods** to undergo an additional **"Food Quality Screening Test"**, while domestic manufacturers producing the same items are **not required** to take this test.

Q4: An Indian company, "EcoTech," develops a new process to produce biodegradable packaging materials. At the same time, another company in a different state starts producing similar packaging using a slightly modified version of the process without EcoTech's permission.

1. Explain, with reference to TRIPS, whether EcoTech can claim patent protection for its process.
2. Discuss the legal remedies available to EcoTech if its patent rights are violated.

Q5: Country A and Country B enter into a Free Trade Agreement. Country A produces high-quality electronics and Country B produces agricultural products. After the FTA, Country B reduces tariffs on electronics imports from Country A.
a) Explain how this tariff reduction under the FTA benefits producers and consumers in both countries
b) Analyze a potential risk for local electronics producers in Country B due to the FTA
c) Suggest measures Country B can take to protect its local industry without violating the FTA.

Q6: What is SDR & Quota in IMF? How power among the IMF member is based quota?

Q7: Country X is known for producing high-quality automobiles and spare parts, while Country Y specializes in IT services. A multinational company is planning to invest in both countries to expand its business.

1. Using Porter's National Competitive Advantage (Diamond) Theory, analyze why Country X has a competitive advantage in the automobile industry.
2. Identify the factors that give Country Y an advantage in IT services according to Porter's framework.

Q8: Country A can produce 100 tons of wheat or 50 tons of rice per year using the same resources. Country B can produce 80 tons of wheat or 40 tons of rice per year. Both countries are considering trade.

1. Determine which country has the **absolute advantage** in wheat and rice. Explain your reasoning.
2. Determine which country has the **comparative advantage** in wheat and rice. Show your calculations and reasoning.
3. Suggest how both countries can benefit from trade based on their comparative advantages.