

Reg. No. \_\_\_\_\_

Name: \_\_\_\_\_

**APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY**  
**FOURTH TRIMESTER MBA DEGREE EXAMINATION SEPT 2018**

**MBA 41 INTERNATIONAL BUSINESS**

Max. Marks: 60

Duration: 3 Hours

**Part A**

*Answer all questions. Each question carries 2 marks*

1. What is meant by Balance of trade?
2. What is direct exporting?
3. Mention three indicators of economic growth.
4. Explain third country location?
5. Differentiate between tariff and non tariff trade barriers?

(5x2 marks = 10 marks)

**Part B**

*Answer any 3 questions. Each question carries 10 marks*

6. 'International Business decision is influenced by many factors'. Analyze the statement describing the indicators of growth of International Business.
7. 'Regional Economic integration or Trade Bloc has created a new order of International Business'. Give your opinion with suitable examples of economic integration in the world since World War II.
8. Explain the market selection process and the determinants of market selection.
9. 'India's Foreign Trade Policy 2015-20 has resulted in improvement in International Business.' Do you agree? Substantiate your answer.
10. What are the host country determinants of FDI? Do you see any advantage in FDI?

(3x10 marks = 30 marks)

**Part C**

*Compulsory question, the question carries 20 marks*

11. Case Study:

Drugmaker Sun Pharmaceutical Industries Ltd has entered into a long term manufacturing agreement with Samsung Biologics for biological drug Tildrakizumab. Tildrakizumab is Sun Pharma's investigational drug being evaluated for the treatment of moderate to severe plaque psoriasis, a skin ailment. And filings for this product have been accepted for review by the US Food and Drug Administration (May 2017) and the European Medicines Agency (March 2017), Sun said. The agreement was signed at Samsung Biologics' headquarters in Incheon, South

Korea. And the approximate value of the contract will be \$55.5 million, the note said, adding that other financial details of the agreement were confidential.

Sun Pharma's wholly owned subsidiary received worldwide rights to tildrakizumab from Merck (through a Merck subsidiary), known as MSD outside the US and Canada, in 2014. Funded by a Sun Pharma subsidiary, Merck was responsible for the completion of Phase-3 or late trials in patients with mild-to-moderate plaque psoriasis. Merck was also responsible for manufacturing finished goods to support Sun Pharma's initial product launch. Post-approval in the US, Sun Pharma was to be responsible for all other regulatory activities, including subsequent submissions, pharmacovigilance, post approval studies, manufacturing and commercialisation of the approved product. Sun Pharma was also responsible for similar activities in all non-US markets. And Merck on its part was eligible to receive milestone payments and royalties on sales of tildrakizumab.

Meanwhile, Sun Pharma had closed a licensing agreement with Almirall last July involving the development and commercialisation of tildrakizumab for psoriasis in Europe. Almirall was to lead the Europe studies and participate in larger global clinical studies for psoriasis indication subject to the terms of the Sun Pharma-Merck agreements, as well as certain cost sharing agreements. Sun Pharma was eligible to receive development and regulatory milestone payments and, additionally, sales milestone payments and royalties on net sales. Sun added that it will continue to lead development of tildrakizumab for other indications, where Almirall will have a right of first negotiation for certain indications in Europe. The agreement between Sun Pharma and Almirall, however, remained subject to the exclusive licence agreement between Sun and Merck, it added.

***Tildrakizumab is Sun Pharma's investigational drug being evaluated for the treatment of moderate to severe plaque psoriasis, a skin ailment. The filings for this product have been accepted for review by the US Food and Drug Administration (May 2017) and the European Medicines Agency (March 2017)***

Questions:

- (i) Why did Sun Pharma entered in to the deal with Samsung bionics? Analyze the reasons.
- (ii) What are the benefits Sun Pharama may be able to reap?
- (iii) Comment on Sun Pharma's pact with Almirall.
- (iv) What are the other strategies for expanding the international business of Sun Pharma you may suggest if you were the consultant of the company?

(4X5 = 20 Marks)

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