

MBIB 3001

M.B.A. DEGREE EXAMINATION, JANUARY 2022.

Third Semester

International Business

INTERNATIONAL BUSINESS ENVIRONMENT

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE out of Eight questions.

1. What do you mean by Business Environment? Explain the significance of International Business environment.
2. Discuss how political and legal environment influence International Business.
3. What are the objectives and functions of IMF?
4. How will you see India's International business opportunities in developed countries? Explain.
5. Discuss the role of MNCs in technology transfer.
6. Why do some countries impose controls over MNCs?

7. Elucidate the importance of ecological environment for an international business.
8. Explain in detail the significance of foreign collaboration.

PART B — (5 × 10 = 50 marks)

Answer any FIVE out of Eight questions.

9. What is environmental scanning? How is it carried out by international corporations?
10. What are the role and functions of WTO?
11. Explain the industrial and trade policy of India for encouraging foreign direct investment.
12. Discuss the role of regional economic agreements in international business.
13. How is economic environment important for business? Explain.
14. Discuss the concept of globalisation. What is the impact of globalisation on Indian economy?
15. Explain the merits and demerits of free trade and protectionism.
16. Present the theories of international business with respect to investment across nations.

PART C — (1 × 20 = 20 marks)

Case study — Compulsory Question

17. One of the latest additions to Mc. Donalds' list of countries entered by the famous golden arches had been India, where Mc. Donald's started to establish restaurants in the late 1990s. Although India is a poor nation, the large and relatively prosperous middle class attracted Mc. Donald's. India, however, offered Mc. Donald's unique challenges. For thousands of years, India's Hindu culture has revered the cow. The cow represents the Divine Mother that sustains all human beings. Hindus do not eat the meat of the sacred cow. Mc. Donald's is the world's largest user of beef. How can a company whose fortunes are built upon beef enter a country where the consumption of beef is a grave sin? Use pork instead? But there are Muslims in India who do not eat pork. This leaves chicken and mutton. Mc. Donalds responded to this cultural food dilemma by creating an Indian version of its Big Mac- the 'Maharaja Mac'- which is made from mutton. Other additions to the menu conform to local sensibilities such as the 'McAlooTikki Burger', which is made from chicken. All foods are strictly segregated into vegetarian and nonvegetarian lines to conform to preferences in a country where many Hindus are vegetarian.

Questions:

- (a) Comment on the nature of the business strategy of Mc. Donald's. Highlight the strategy adopted by it to strengthen its position in India.
 - (b) Discuss the impact of cultural environment on the international business house like Mc. Donald's.
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MBIB 3002

M.B.A. DEGREE EXAMINATION, JANUARY 2022.

Third Semester

International Business

MANAGEMENT OF MULTINATIONAL CORPORATION

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. Explain the role of MNCs in India.
2. Explain the factors behind the growth of MNCs.
3. Discuss the different types of International Business.
4. State and explain the process involved in strategy creation.
5. Distinguish between International mergers and acquisition.
6. Explain the need and importance of Foreign Direct Investment.

7. Explain the factors to be considered while entering International joint venture.
8. Explain the importance of International Strategic Alliances.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. Describe the special problems encountered by MNCs.
10. Explain about the management styles and practices in different countries.
11. Explain in detail the different methods of comparative management.
12. Examine the strategies adopted by MNCs while entering and for expansion of business.
13. Elaborate the various approaches for formulating and implementing strategy in International business.
14. Discuss the organizational design and structures of International Corporations.
15. Explain the corporate social responsibility and its significance of MNCs.
16. Describe the India's current policy towards FDI and FIIs.

PART C — (1 × 20 = 20 marks)

Compulsory

17. In September 2000, Warner Hindustan was merged with Parke Davis-both offshoots of the same parent, Warner Lamber Company of the US. Parke Davis had a single location at Mumbai, and Warner Hindustan was multi locational. The vagaries of the oppressive Drug Price Control Order (DPCO), the fact that both the companies belonged to the pharmaceutical industry and the potential of realizing synergies had tied to the merger. The objectives to forge an alliance were: creating a scope for growth, building complementary in product portfolio, and leveraging their brand power.

The two companies had very contrasting cultures. Parke Davis was a people- driven company which practiced participative and democratic values. It was basically a positively-oriented conservative company. Here employees had interpersonal relationship based on trust and respect for each other. On the other hand, Warner Hindustan had a task-oriented culture. There was a high level of cost-and profit-consciousness, and a controlled, formal, and documented work culture. Risk-taking by managers was encouraged. After the merger, the management focused on the rationalizing of facilities / resources, structuring departments, and allocating designations. However, no attention was

paid to the two different sets of operating rules being followed in one post-merger company.

After the merger there was a continuous clash in the culture and working system for a long time, as if two separate companies were working under the same roof. The average employee felt alienated and insecure. It also led to the formation of cliques. After four years, in 2005, when conflicts manifested them in the form of work-stoppage and low productivity, the top management of the company got together and created a new vision and mission statement for the company. The purpose was to create a common set of goals for the employees of both the companies. Though the efforts to resolve the problems had been taken, still, differences were evident from the departure of several top managers. The process of cultural integration had apparently not succeeded.

Questions :

- (a) Discuss the manner in which merger of the two entities took place. Analyze the case and find out the reasons as to why the process of cultural integration had not succeeded?
- (b) What strategy you would have suggested to merger of the two entities successfully?

MBIB 3003

M.B.A. DEGREE EXAMINATION, JANUARY 2022.

Third Semester

International Business

INTERNATIONAL BUSINESS LAWS

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Explain the significance of International Business Law.
2. Describe how business laws affecting International trade?
3. Explain the Basic principles and Charter of GATT.
4. What is agreement on anti-dumping? What are its salient features?
5. What are the international legal provisions relating to Telecommunications?

6. What are the factors to consider while drafting a joint venture agreement?
7. Explain the Regulatory Framework of Electronic Commerce.
8. Write a short note on recent trends in FDI in India.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. What is the Letter of Credit? Explain and its different types.
10. Enumerate the rights and duties of agents and distributors in International Business.
11. Narrate the circumstances leading to the formation of WTO and its objections.
12. Describe the Implications of TRIMS in developing countries.
13. Discuss international commercial arbitration as an important tool of dispute settlement in foreign collaborations.
14. Discuss the problems and prospects of Licensing of International business.

15. Enumerate the process involved in International Business Taxation.
16. Why is FDI important? Explain the advantages and disadvantages of FDI.

PART C — (1 × 20 = 20 marks)

17. Case Study

In Mid-February 1994, the British Paper, the Sunday Times ran an article that alleged that a 1 billion sterling sale of defence equipment by British companies to Malaysia was secured only after bribes had been paid to Malaysian Government officials and after the British overseas development administration had agreed to approve a 234 million sterling grant to the Malaysian Government for a hydroelectric dam of dubious economic value.

What happened next took everyone by surprise. The Malaysian Government promptly announced a ban on the import of all British goods and services into Malaysia and demanded an apology from the British Government.

Officially the ban applied only to Government orders. The private sector was free to buy as it chose. However, British companies with experience in the region were nervous that the private sector would follow the Government's lead in shunning British products. At stake was as much as 4 billion sterling in British exports and construction activities in Malaysia and a presence

in one of the world's fastest growing developing economies. In announcing the ban, Malaysian Prime Minister noted that the British Media Portrays Malaysians as corrupt because they are not British and not White"... and 'we believe the foreign media must learn the fact that developing countries including a country led by a brown mortem, have the ability to manage their own affairs successfully".

The British Government responded by stating, it could not tell the British press what and that not to publish. To which the Malaysian Prime Minister replied there would be "no contracts for British press freedom to lies". At the sometime, the British Government came under attack from members of parliament in Britian, who suspected the Government acted unethically and approved the ODA hydroelectric grant to help British companies win orders in Malaysia.

Answer the following:

- (a) What does this case teach us about the relationship between politics and international trade?
- (b) How do you think the British Government should respond to the Malaysian action?
- (c) You are the CEO of a British Company that now faces the loss of a lucrative contact because of this dispute. What action should you take?

MBIB 3004

M.B.A. DEGREE EXAMINATION,
JANUARY 2022.

Third Semester

International Business

GLOBAL MARKETING MANAGEMENT

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. Discuss the significance of International Marketing.
2. Illustrate the EPRG Framework.
3. Explain the role of market entry strategy in International Marketing.
4. Discuss the different types of International Marketing environment
5. Describe the complexities and issues in promotion decision
6. Difference between Product adaptation and standardization.

7. Discuss the importance and benefits of new product development.
8. Explain the Social and Legal International marketing environment.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions

9. Enumerate the transition from Domestic to International Marketing.
10. Explain the different constituents of International marketing environment.
11. Discuss about the various strategies of product planning for global market.
12. Describe the role of Global brand management in international marketing.
13. What do you understand by the Pricing Decisions? Discuss the Environmental influences on pricing decisions.
14. Describe the role and significance of logistics in International Marketing.
15. Explain the strategies of entry in international markets with its advantages and disadvantages.
16. Enumerate the importance of packaging and labeling in relation to International Marketing.

PART C — (1 × 20 = 20 marks)

Compulsory question

17. IOC has formed a wholly owned subsidiary in Mauritius - Indian Oil Mauritius Ltd. (IOML) with a huge projected investment. The company is setting up a state -of-the-art bulk storage terminal at Mer Rouge to stock 24 thousand Metric tonnes of vital petroleum products, auxiliary and bunkering facility and 25 modern petrol (and Gas) stations. IOML is also in the process of building infrastructure for storage, bottling and distribution of Indane, LPG and market servo lubricants in Mauritius. Besides, IOC has also formed a wholly-owned subsidiary in Sri Lanka - known as Lanka IOC Pvt. Ltd. (LIOC). LIOC took over 100 retail outlets owned by Ceylon Petroleum Corporation in February 2003. It is the only private-owned company besides the State-owned Ceylon Petroleum Corporation (CPC) that operates retail petrol stations in Sri Lanka. Building and operating storage facilities at Trincomalee tank farm, LIOC is involved in bulk supply to industrial consumers. In order to facilitate operations of Lanka Indian Oil Corporation Pvt. Ltd. (LIOC), the Government of Sri Lanka has extended the following concessions:

A tripartite agreement signed between the Sri Lankan Government, CPC and LIOC guarantees that only three retail players (including CPC and LIOC) will operate in the Sri Lankan market for the next five years.

LIOC has also been allowed income tax exemption for 10 years from the date of commencement of operations and a concessional tax of 15% thereafter against the prevailing rate of 35%.

The Indian Oil subsidiary has also been granted customs duty exemption for import of project-related plant, machinery and equipment during project implementation period of 5 years, besides free transfer of dividend/income to India.

Questions:

- (a) Critically evaluate the Factors affecting IOC'S selection of these entry modes.
- (b) If, a single-entry strategy needs to be adopted which one would be a better strategy? Why?
- (c) In view of the emerging economic and political scenario, evaluate IOC'S entry into Sri Lanka as a Wholly Owned Subsidiary.

MBIB 3005

M.B.A. DEGREE EXAMINATION, JANUARY 2022.

Third Semester

International Business

EXIM FINANCING AND DOCUMENTATION

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE out of Eight questions.

1. What do you mean by Bill of Lading? Explain different types of Bill of Lading.
2. Evaluate the procedures for shipment of Cargo.
3. What is Small Exporters policy? How it is different from Standard policy?
4. Explain the mode of settlement of payment.
5. What are the functions of Clearing and forwarding agents?
6. What are the documents involved in the import of goods?

7. Explain (a) EPCG (b) Duty entitlement Passbook scheme.
8. Explain the Status of exporters.

PART B — (5 × 10 = 50 marks)

Answer any FIVE out of Eight questions.

9. What are the regulatory documents used at the time of export of goods?
10. Write the procedure for insuring Cargo and getting claim in marine insurance.
11. Explain the role and functions of ECGC in export credit insurance.
12. Explain the various steps for selecting overseas supplier and also explain in detail about the procedure for executing global tender.
13. Discuss in detail about the facilities for payment of duties and taxes and customs formalities for release of goods.
14. Explain in detail about various export promotion measures taken by Govt. of India.
15. Explain in detail about various incentives available to exporters in India.

16. Write short note on:
- (a) Exchange rate.
 - (b) Dumping.
 - (c) LOU.
 - (d) SEZs

PART C — (1 × 20 = 20 marks)

Case study — Compulsory Question

17. In August 2006, International Commodities Export Corporation (ICEC) entered into an agreement for the sale of 230 tons of Chinese white beans to North Pacific Lumber Company (NPL). According to the agreement, the Pricing in International Trade 177 beans were to conform to sample pc-16 and the shipment was to be made on the basis of C&F. Thirteen separate containers of beans were loaded on board two vessels at the port of Hong Kong to Portland, Oregon. An independent surveyor of quality found the bean quality to be in conformity with the description of the goods in the shipper's invoice.

The U.S. Food and Drug Administration (FDA) detained the shipment on arrival in Portland, Oregon, on the grounds that the goods contained filth and were unfit for human consumption. The beans were stored in a warehouse under federal government detention. After efforts to obtain release of the cargo, the buyer rejected the shipments for failure to conform to the contract (sample pc-16).

Questions :

- (a) Did title pass from seller to buyer? If so, when?
 - (b) Is the seller responsible for the goods under C and F when the goods are on board the vessel? How about after delivery to buyer?
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