Reg. No. | | | | | | | | | |

MBAS 556

IV Semester M.B.A. Degree Examination, May/June 2019

BUSINESS ADMINISTRATION

International Marketing Management

Time : 3 Hours] [Max. Marks : 70

SECTION – A

(Compulsory)

Answer to the question should not exceed **6** pages. **(1 × 15 = 15)**

1. Discuss the factors considered for targeting international markets.

SECTION – B

Answer **any five** of the following questions. Each question carries **8** marks. Answer to each question should not exceed **5** pages.

(5 × 8 = 40)

2. Explain the trends in foreign exchange control.

3. Explain the essential documents for claiming export assistance.

4. Describe strategies of product adaption in export product planning.

5. Explain the significance of pricing policies adopted by international marketers.

6. Analyze the impact of distributive logistics in International market.

7. Explain the different forms of direct exporting.

8. Examine the role of export processing zones in export promotion.

9. Explain the role of commercial banks in export financing.

SECTION – C

(Compulsory)

Answer to the question should not exceed **6** pages. **(1 × 15 = 15)**

10. The public sector Indian Oil Corporation (IOC), the major oil refining and marketing company which was also the canalizing agency for oil imports and the only Indian company in the Fortune 500, in terms of sales, planned to make a foray into the foreign market by acquiring a substantial stake in the Balal Oil field in Iran of the Premier Oil. The project was estimated to have recoverable oil reserves of about 11 million tones and IOC was supposed to get nearly four million tones.

When IOC started talking to the Iranian company for the acquisition in October 1998, oil prices were at rock bottom ($ 11 per barrel) and most refining companies were closing shop due to falling margins. Indeed, a number of good oil properties in the Middle East were up for sale. Using this opportunity, several developing countries "made a killing by acquiring oil equities abroad".

IOC needed Government's permission to invest abroad. Application by Indian company for investing abroad is to be scrutinized by a special committee represented by the Reserve Bank of India and the finance and commerce ministries. By the time the government gave the clearance for the acquisition in December 1999 (i.e. more than a year after the application was made), the prices had bounced back to $ 24 per barrel. And the EII of France had virtually took away the deal from under IOC's nose by acquiring the Premier Oil.

The RBI, which gave IOC the approval for $ 15 million investment, took more than a year for clearing the deal because the structure for such investments were not in place, it was reported.

Questions :

(a) Discuss internal, domestic and global environments of business revealed by this case.

(b) Discuss whether it is the domestic or global environment that hinders the globalisation of Indian business.

(c) Even if Elf had not acquired Premier Oil, what would have been the impact of the delay in the clearance on IOC?

(d) What would have been the significance of the foreign acquisition to IOC?

(e) What are the lessons of this case?
