(DBUS40)

ASSIGNMENT - 1

M.B.A. DEGREE EXAMINATION, MARCH 2023

Third Year

INTERNATIONAL BUSINESS

MAXIMUM : 30 MARKS

ANSWER ALL QUESTIONS

1. (a) Importance of international business.
   (b) Strategic management
   (c) Multinational corporate culture
   (d) Logistics
   (e) Free trade are
   (f) Multilateral agreement
2. Explain comparative advantage theory in detail.
3. Explain the concept of product cycle theory.
4. Discuss the process of strategic planning in MNCs.

ASSIGNMENT - 2

M.B.A. DEGREE EXAMINATION, MARCH 2023

Third Year

INTERNATIONAL BUSINESS

MAXIMUM : 30 MARKS

ANSWER ALL QUESTIONS

1. How do you evaluate the performance of MNCs?
2. Discuss the practices of negotiations in international business.
3. Write about international business LDCs.
4. As it entered the twenty-first century Gillette faced a difficult choice. Should it continue targeting emerging markets or not? Its strategy to move aggressively into markets in the developing world and the former Soviet bloc had been hailed as a success only a few years before. Recent poor earnings, however had management considering whether this choice had been a wise one.

   The Boston-based firm was founded in 1895 and is still best known for its original products, razors and razor blades. By the end of the twentieth century. Gillette had grown into a global corporation that marketed, its products in 200 countries and employed 44,000 people worldwide, About 1.2 billion people use Gillette products every day. Its sales are about equally distributed among the United States (30 per cent). Western Europe (35 per cent), and the rest of the world (35 per cent).

   As markets matured in developing countries, Gillette sought growth through product diversification, moving into lines such as home permanents disposable lighters, ballpoint pens, and batteries. In the mid-1990s Gillette targeted several key emerging markets for growth. Among them were Russia, China, India and Poland.

   Russia was already a success story. Gillette had formed a Russian joint venture in St.Petersburg and within 3 years Russia had become Giltettes third-largest blade market.

   Gillette's move into the Czech Republic had prospered as well and in 1995 Gillette bought Astra, a 10cal; privately-owned razor blade company. Astra gave Gillette expanded brand presence in the Czech market. Astra's relatively strong position in export markets in East Europe. Africa and Southeast Asia proved a boon to Gillette in those markets as well. Just as in other markets in the developing world. In more developed markets, consumers appreciated product innovation and the shaving market had moved to more high-tech systems such as Gillette Sensor.

   Then disaster struck. A financial crisis that began in Thailand quickly spread across Asia. Many wary investors responded by pulling money out of other emerging markets as well as depressing economies across the globe, Bad economies meant slower sales for Gillette, especially in Asia, Russia and Latin America. In Russia Wholesalers could not afford to buy Gillette products. Consequently these products disappeared from retail stores and Gillette's Russian sales plummeted 80 per cent in a single month.

   Gillette found it could not meet its projected annual profit growth of 15-20 per cent. The price of Gillette shares tumbled 36 per cent in 6 months. To save money Gillette planned to close 14 factories and layoff 10 per cent of its workforce.

   Despite its recent bad experience in developing countries and in the former Soviet bloc Gillette was still moving ahead with plant expansion plans in Russia and Argentina that would total $64 million. Some even suggested that this was a good time to expand in the emerging markets by buying up smaller competitors that had been hurt even worse by the crises. Meanwhile back in the developed world, another large global consumer products firm, Unilever, announced that it would be entering the razor market.

Discussion Questions

(a) Why do companies such as Gillette target emerging markets? Do you agree with this strategy?

(b) What are the dangers to Gillette of targeting emerging markets?

(c) Why would local, privately-owned companies like Astra want to sell out to companies like Gillette. Why are such companies attractive acquisitions to multinational firms?

(d) What global strategy would you suggest for a company such as Gillette? Explain your choice.

(DBUS41)

ASSIGNMENT - 1

M.B.A. DEGREE EXAMINATION, MARCH 2023

Third Year

INTERNATIONAL FINANCIAL MANAGEMENT

MAXIMUM : 30 MARKS

ANSWER ALL QUESTIONS

1. (a) International financial management Vs. Financial management

   (b) Brettonwoods system

   (c) Forward rate determination

   (d) Transaction exposure

   (e) International cash management

   (f) International financing decision

2. What is balance of payment? Discuss the BOP status of India.

3. What is accounting exposure? Explain its management.

4. Define forex market. Discuss its characteristics.

(DBUS41)

ASSIGNMENT - 2

M.B.A. DEGREE EXAMINATION, MARCH 2023

Third Year

INTERNATIONAL FINANCIAL MANAGEMENT

MAXIMUM : 30 MARKS

ANSWER ALL QUESTIONS

1. Explain about international receivables management.

2. Discuss various techniques of international capital budgeting.

3. Explain forex regulations in India.

4. Firm A needs fixed-rate funds which are available to it at the rate of 10.50% to be computed half - yearly, but it has access to cheaper floating-rate funds available to it at LIBOR + 3%. Firm B needs floating rate funds available to it at 6-month LIBOR flat, but has access to cheaper fixed rate funds available to it at the rate of 9.50% to be computed half-yearly. Both the principals are identical in size and maturity and are in the same currency. The LIBOR of firm A is 9.75% and that of firm B is 9.65%. Explain how interest rate swap takes place. Calculate the cost of borrowing of firm A and firm B and the gain to swap dealer.

(DBUS42)

ASSIGNMENT - 1

M.B.A. DEGREE EXAMINATION, MARCH 2023

Third Year

INTERNATIONAL MARKETING

MAXIMUM : 30 MARKS

ANSWER ALL QUESTIONS

1. (a) Institutional framework of international marketing

   (b) Economic environment

   (c) FTZs

   (d) Advertising

   (e) International market

   (f) Letter of credit

2. Explain nature and scope of international marketing.

3. Discuss the impact of socio-cultural environment on international marketing.

4. Discuss export-import policy of India.

(DBUS42)

ASSIGNMENT - 2

M.B.A. DEGREE EXAMINATION, MARCH 2023

Third Year

INTERNATIONAL MARKETING

MAXIMUM : 30 MARKS

ANSWER ALL QUESTIONS

1. Explain the elements of distribution and sales policy of India.

2. Define market segmentation. Discuss its significance in international marketing.

3. Explain the influence of political environment on international marketing.

4. KFC, a fast - food operator, faced immense resistance from some politically active consumer groups when it opened its operations in India. One group proclaimed that opening KFC outlets in the country would propagate a “junk-food” culture. Others proclaimed that this way “the return of imperialistic powers” and was an attempt to “Westernize the eating habits” of Indians Overzealous local authorities in the city of Bangalore used a city law restricting the use of MSG (a food addictive used in he chicken served by KFC) over a certain amount as a pretext for temporarily closing down the outlet, despite the fact that the authorities did not even have the equipment to measure the MSG content in the proportions stated in law. In the capacity city of New Delhi a KEG outlet was temporarily closed down because the food inspector found a “house-fly” in the restaurant. Both of these issues got resolved through hectic consultations with these consumer groups and through legal orders issued protecting the interests of the outlets.

   (a) In view of the above situation, critically examine he impact of social and political environment on a firm’s operation in international markers.

   (b) After completion of your MBA from IGNOU, suppose you have been appointed Country Manager (Indian Operations) in KFC, what steps would you take to cope up with the situation?