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MIBH 453

**II Semester M.B.A. (IB) Degree Examination, September/October 2022
(Regular and Repeaters)
INTERNATIONAL BUSINESS
Indian Business Environment**

Time : 3 Hours

Max. Marks : 70

**SECTION – A
(Compulsory)**

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

1. What are the different kinds of economic environment ? Discuss in detailed.

SECTION – B

Answer **any five** questions. **Each** question carries **8** marks. Answer to the question should **not** exceed **5** pages. **(5×8=40)**

2. Examine the impact of technological changes in business.
3. What is law of patent ? Discuss the salient features of patent law of India.
4. When is a sale or purchase of goods said to take place in the course of import or export.
5. Give a brief account of developing operations strategy.
6. What is business Insurance ? Describe its importance.
7. Why industry best practices are important ? Discuss.
8. What is cultural environment ? Discuss its Importance.

**SECTION – C
(Compulsory)**

Answer to this question should **not** exceed **6** pages : **(1×15=15)**

9. Case Study :

The public sector Indian Oil Corporation (IOC), the major oil refining and marketing company which was also the canalising agency for oil imports and

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the only Indian company in the Fortune 500, in terms of sales, planned to make a foray in to the foreign market by acquiring a substantial stake in the Bafal Oil field in Iran of the Premier Oil. The project was estimated to have recoverable oil reserves of about 11 million tonnes and IOC was supposed to get nearly four million tonnes.

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 Governments permission to invest abroad. Application by Indian company for investing abroad is to be scrutinised 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 Elf 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) What are the lessons of this case ?
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