

IB

MMS - III (University Exam)

International Business (Common Paper for All)

QP Code : 26155

19-11-2015

(3 Hours)

[Total Marks : 60

Note:

Question No 1 is compulsory and carries 20 marks

Answer any four out of the rest 6 each carrying 10 marks

Question 1 CASE Read the following case and answer the questions

(20 marks)

In May 2006, Nestle INDIA Ltd. (NIL), a major FMCG company in the country and a subsidiary of the Switzerland based Nestle Group. NIL launched several products in India the most favored product being the 2 Minute Noodles. It was a product designed for children in the age group of 4 to 9 but the popularity of the product rose to Maggi 2 minute noodles becoming the favorite food of hostilities and bachelors. The product is had the highest market share in the country.

Maggi was the perfect quick snack between meals and so easy to make. Even kids could make it .

At the end of May 2015, India 's Food safety administratin (FDA) ordered NIL to recall its popular 2 -minute Maggi noodles after tests showed that the product contained high levels of lead and MSG. The scare gripped the increasingly health conscious consumers. The customers were very upset with NIL for keeping lower standards for Inida.

Nestle Group challenged the test findings and stressed that the sanck was safe. They even insisted that the samples got contaminated at the lab because they were kept open for two long, although they could give no evidence on the case.

Nestle Group never apologized for the product standard failure and continued to insist that all was well. Their advertisement insisted that

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the quality was right. The people felt very let down and felt that MNC's do not care for quality and health of people from developing and under developed countries and are ready to push a sub standard product to them.

Questions

- a. Do you feel the MNC's have different quality standards for developed and underdeveloped countries
- b. Was Maggi right in insisting that they were not wrong
- c. Should the Government of India take legal stands against Nestle for violating health standards

Question No 2 (10 marks)

What is the basic objective of WTO? Do FTA's undermine WTO? Discuss with suitable illustrations

Question No : 3 (10 marks)

Based on your understanding of global supply chains, explain whether "Make in India" is a realistic objective. In which industries will there be an opportunity for India?

Question No : 4 (10 marks)

Discuss the issues relating to transfer pricing in international business with suitable examples

Question No : 5 (10 marks)

What is the role of expatriates in a MNE? How will you plan for repatriation of expats to leverage their tacit knowledge? Illustrate with suitable examples

Question No : 6 (10 marks)

Discuss the role of strategic alliances as a preferred mode of entry in international markets with suitable examples

Question No : 7 (10 marks)

Short Notes (Answer any 2)

- a. PPP
- b. TRIPS
- c. NAFTA
- d. International Logistics