

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 4

PART — A

(Answer ANY TWO questions from this part.)

1. Read the following case and answer the questions given at the end :

Era Group, still managed by a family Board, is a 113-year old brand with enormous brand value. The group launched a rebranding exercise in 2008, the most visible part being a new logo, uniform across all group companies. It has well-diversified business : property – owning 3,000 acres in Mumbai, Ahmedabad, Pune and Kalyan; fast moving consumer goods and organised retail stores – grocery, domestic appliances and furniture. The group sells chemicals to tyre manufacturers, animal feed to farmers and premium wine in Mumbai and Delhi. Its customers include five-year olds (health supplements), ageing men (hair dye), housewives (soaps), IT companies (renting sprawling spaces), the Government of India (rockets for Chandrayan) and barbers (hair dye).

Era Group initiated a strategic move while sticking to emerging markets in three regions – Asia, Africa and Latin America (as their culture, tastes and even skin colour are quite similar to India), and decided to focus on three categories – personal care, hair-care and insecticides. Since 2005, the group has made seven acquisitions, including its biggest acquisition in Indonesia.

Era Group's top executives toured the length and breadth of their target customers' territory for a renewed focus on consumers. As a result, they realised that people do not need a 180-litre refrigerator due to space and cost constraints. It came out with 'Smally', a mini refrigerator priced at around ₹3,000. Launch of design studios was another initiative where customers co-design their furniture as an extension of their personality.

Questions —

- (i) Which methods can be deployed to conduct an internal analysis of Era Group ?
(4 marks)
- (ii) How can Era Group benefit from diversification and integration ? Explain with example.
(4 marks)
- (iii) What is the rationale for using merger and acquisition strategy ?
(4 marks)
- (iv) Explain the concept of architectural innovation with examples as to how Era Group made use of the same.
(8 marks)

2. (a) State, with reasons in brief, whether the following statements are true or false :
- (i) Strategic thinking is an important foundation of strategic management.
 - (ii) Human capital includes explicit knowledge while knowledge capital includes implicit knowledge.
 - (iii) Vertical integration is a situation when two or more similar firms join hands.
 - (iv) In dogs segment of BCG matrix, market growth rate is high and relative market share is also high.
 - (v) Accounting controls and financial controls are part of internal control.
- (2 marks each)
- (b) Explain briefly the following :
- (i) Artificial intelligence
 - (ii) Business process re-engineering (BPR)
 - (iii) Master budget
 - (iv) Balanced score card (BSC)
 - (v) Various forms of risk.
- (2 marks each)

: 3 :

3. (a) Management of organisational change is a complex issue and it involves formidable exercise on the part of management. Discuss.
(10 marks)
- (b) Many Indian companies have implemented enterprise resource planning (ERP) solutions. What are the managerial aspects of ERP that organisations need to consider ?
(10 marks)

PART — B

(Answer ANY ONE question from this part.)

4. (a) Why do firms pursue strategic alliance ? What are the advantages of alliances ? Give examples.
(5 marks)
- (b) An Indian company is planning to enter into strategic alliance with a foreign company. How should the Indian company select the partner and conduct partner analysis ?
(5 marks)
- (c) Keeping in view the importance of an arbitration clause, draft a specimen arbitration clause by an Indian company entering into joint venture with a foreign company.
(10 marks)
5. (a) Analyse the problems associated with technology transfer to recipient Indian companies.
(10 marks)
- (b) Describe various methods of funding for investment in overseas joint ventures and wholly owned subsidiaries.
(4 marks)
- (c) Mention the characteristics of 'equity joint venture' and 'contractual joint venture'.
(6 marks)

PART — C

(Answer ANY TWO questions from this part.)

6. (a) Explain the concept of 'mercantilism'.
(5 marks)
- (b) Outline the key features of the Association of South East Asian Nations (ASEAN) Charter.
(5 marks)
- (c) Elucidate the concept of most-favoured nation (MFN) in WTO.
(5 marks)
- (d) How can a WTO member country restrict import of a product temporarily under the Agreement on Safeguards ?
(5 marks)
7. (a) What is significance of anti-dumping measures in India in the context of lifting of quantitative restrictions ?
(10 marks)
- (b) Write a note on subsidies and countervailing duties (CVDs) under the Agreement on Subsidies and Countervailing Measures (SCM).
(5 marks)
- (c) Discuss the rule based system in WTO dispute settlement mechanism.
(5 marks)
8. (a) Describe the objectives and fundamental principles of SAARC.
(5 marks)
- (b) What are 'rules of origin' ? Why are they considered to be an essential part of trade rules ?
(5 marks)
- (c) Explain the role of the Director General of WTO in dispute settlement process.
(10 marks)