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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. (a) In the context of strategic management, discuss, with reasons in brief, **any five** of the following statements :
 - (i) Napoleon used to say, “It is all in the execution”.
 - (ii) There is often a fight to finish in the modern business world. Individual units and companies either die (fold up) or get ‘eaten up’ (acquired, *etc.*); while in animal world, once a contestant accepts defeat, he is left to lick his wounds alone.
 - (iii) Strategic management is a term broader than strategy itself.
 - (iv) There are no foreign lands. It is the traveller only who is foreign.
 - (v) A company faced with decline in fortunes has only one option of adopting liquidation strategy.
 - (vi) Benchmarking is the break-in-process of measuring products, services and practices against the competitors and companies recognised as industry leaders.

(2 marks each)
- (b) Write notes on the following :
 - (i) Stability strategies
 - (ii) Decision support system (DSS).

(5 marks each)
2. (a) Discuss the constraints that exist in operating a ‘management information system’ (MIS).

(8 marks)
- (b) “McKinsey framework shows that there is a multiplicity of factors that influence an organisation’s ability to change.” Discuss.

(8 marks)
- (c) “The function of the internal control is to enable the adopted plan to operate efficiently, profitably and economically.” Comment.

(4 marks)

3. Distinguish between **any four** of the following :

- (i) 'Corporate strategies' and 'business strategies'.
- (ii) 'Market value added concept' and 'economic value added concept'.
- (iii) 'Vision' and 'mission'.
- (iv) 'Internal audit' and 'internal check'.
- (v) 'Market risk' and 'business risk'.

(5 marks each)

PART—B

(Answer ANY ONE question from this part.)

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

Tata Tea and PepsiCo appear to have agreed in-principle to set-up a joint venture (JV) for non-carbonated, health and wellness beverages to explore the low cost, bottom-of-pyramid segment beverages. The JV is considering leveraging the Tata brand and expertise in low-cost consumer products and coupling it with PepsiCo's distribution muscle, go-to-market expertise and R&D strength in beverages. The proposed JV may consider wellness packaged water initially followed by other beverages. The JV's focus on the lower end of the market will ensure that PepsiCo's existing alliance with Hindustan Unilever to sell Lipton ice tea, which focuses on mid-to-premium segment, will not be impacted. The new tie-up will give PepsiCo the opportunity to be perceived as a wholesome beverages company making fizzy drinks. Tata Tea will get a larger foothold in the wellness beverages segment after an earlier attempt to foray in the category had to be aborted within a year. Tata Tea, through its indirect UK subsidiary, Tata Tea (GB) Investments, has picked up 30% stake in the US based maker of vitamin water 'Glaceau' in mid 2006 for \$677 million. But in 2007, Tata Tea had to sell off its 30% stake in Energy Brands Inc., which owns Glaceau—to beverage giant Coca-cola for \$1.2 billion, less than a year after it acquired the stake. Though, Tata Tea has been aggressive in acquiring companies in the beverages sector including Tetley, Eight O'clock Coffee and Good Earth, its wellness and health beverages portfolio in India so far is limited to Himalayan packaged water and Ti!ON, an energy drink made from fruit juice and tea extracts. Ti!ON is not a national brand yet. It is also important to note that PepsiCo's partnership with Hindustan Unilever for distributing Lipton iced tea in India did not take off in the way both companies expected to. Tata Tea and PepsiCo have said, "The proposed joint venture is not intended to conflict with any existing arrangements of either party." Though, Rs. 7,000 crore aerated soft drink market has been growing at a healthy 20% plus in India, PepsiCo has been expanding its portfolio in the health and wellness space aggressively globally as well as in the domestic market, in line with its ambition of being a global leader in the 'good for you' beverages segment.

PepsiCo's existing health and wellness brands include packaged water AcquaFina, Tropicana juices, Nimbooz nimbu pani and sports drink Gatorade.

Questions —

- (i) Is joint venture the only way to enter into strategic alliance ?
- (ii) Alliances are not new, but in the competitive landscape, distinguishing features are emerging. Identify these features.
- (iii) Is strategic alliance different from merger and when does an alliance become a merger ?
- (iv) What reasons can you anticipate that Tatas had to sell Glaceau to Coca-Cola within such a short time ?

(5 marks each)

5. (a) Discuss the procedure for foreign direct investment in India. *(8 marks)*
- (b) Discuss the problems associated with technology transfer agreements. *(8 marks)*
- (c) State the categories for which government approval through Foreign Investment Promotion Board (FIPB) route is necessary. *(4 marks)*

PART—C

(Answer ANY TWO questions from this part.)

6. The South Asian Association for Regional Co-operation (SAARC) comprises Bangladesh, Bhutan, India, The Maldives, Nepal, Pakistan and Sri Lanka. The main goal of the association is to accelerate the process of economic and social development in member States, through joint action in the agreed areas of co-operation. The idea of regional co-operation in South Asia was first mooted in November, 1980. After consultations, the Foreign Secretaries met in Colombo in April, 1981, which was followed by the meeting of the Committee of the Whole, which identified five broad areas for regional co-operation. The Foreign Ministers at their first meeting in New Delhi in August, 1983 formally launched the Integrated Programme of Action through the adoption of the Declaration of South Asian Regional Co-operation. At the first Summit in Dhaka on 7-8 December, 1985, the charter establishing the SAARC was adopted.

Answer the following questions :

- (i) What are the objectives of SAARC ?
- (ii) Discuss the institutional structure of SAARC.
- (iii) Explain the role of SAARC Chamber of Commerce and Industry.
- (iv) "SAARC has miserably failed to perform and fulfill its objectives, but it must succeed." Comment.

(5 marks each)

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7. (a) State, with reasons in brief, whether the following statements are true or false :
- (i) The Harmonised Code for custom classification, custom valuation and rules of origin are the three basic custom laws.
 - (ii) Safeguard measures and anti-dumping actions and countervailing duties are one and the same.
 - (iii) Regional trade agreements are entered into only between neighbouring countries.
 - (iv) Trade policy mechanism has no utility.
- (2 marks each)*
- (b) Write notes on the following :
- (i) Limitations of dispute settlement procedure mechanism under the WTO.
 - (ii) Role of Director General of the WTO.
- (6 marks each)*
8. (a) What are the different kinds of intellectual property rights protected by Trade Related Aspects of Intellectual Property Rights (TRIPS) agreement ?
- (4 marks)*
- (b) What are the remedies against prohibited subsidies ?
- (4 marks)*
- (c) “Injury analysis can be broadly classified into two categories.” Elucidate.
- (4 marks)*
- (d) Briefly discuss the duration and review of countervailing duties.
- (4 marks)*
- (e) What are anti-dumping actions ?
- (4 marks)*

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