

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 4

P A R T – A

(Answer ANY TWO questions from this part)

1. (a) "Organisations are becoming more responsive, flexible and adaptable to changing business situation." Comment with example.
(5 marks)
- (b) IOC Ltd. has changed its vision statement to capture the collective aspirations of its stakeholders to create a 'shared vision' rather than 'vision shared'. Comment.
(5 marks)
- (c) Discuss Porter's Five Forces Model of industry analysis.
(5 marks)
- (d) Describe the main approaches to evaluation of strategic alternatives.
(5 marks)

2. Read the following extract from the annual report of Sterlite Industries (India) Ltd. and answer the questions given at the end :

"Our business and operations are subject to a variety of risks and uncertainties which are no different from any other company in general and our competitors in particular. Risks are identified through a formal risk management programme with the active involvement of business managers and senior management personnel at both the subsidiary level as well as the corporate level. Each significant risk has an 'owner' within the group at a senior level, and the impact to the group, if a risk materialises and its likelihood of crystallization is regularly reviewed. A risk register and matrix is maintained, which is regularly updated in consultation with business managers. The risk management process is coordinated by our management assurance function and is regularly reviewed by our Audit Committee. Key business decisions are discussed at the monthly meetings of the Executive Committee and senior managers address risk management issues when presenting initiatives to the Executive Committee. The overall internal control environment and risk management programme is reviewed by our Audit Committee on behalf of the Board of directors.

The areas identified for risk management by the company include - Treasury Management; Commodity Risks; Political, Legal, Economic and Regulatory Risks; Ore Reserves and Resources; Delivery of expansion projects on time and within budget; ASSET use and Insurance; Safety, Health and Environment Risks; Operational Risks; Financial Risks; Liquidity; Foreign Currency; Interest Risks; Counterparty Risks; and Employees.

During the year 2008-09, the world witnessed several mine closures, production cutbacks and deferral of projects. Despite such negative market sentiments and a depressed outlook for demand, we remain focused on our basic objectives of achieving a least-cost position and developing low capital cost projects on or ahead of schedule and within budgets. Thus the year 2009-10 augurs well."

Questions –

- (i) What is risk management ?
 - (ii) What are the major steps in risk management process ?
 - (iii) Who is responsible for putting in place risk management process ?
 - (iv) What is the risk management style in the company ?
 - (v) What could be the possible reasons to have negligible provision for bad and doubtful debts ?
(4 marks each)
3. (a) Critically examine the major characteristics of Information Systems (IS).
(8 marks)
- (b) In the context of Management Information Systems (MIS), state, with reasons in brief, whether the following statements are correct or incorrect :
- (i) Study of MIS is about the use of computers.
 - (ii) More data in reports means more information for managers.
 - (iii) Accuracy in reporting is of vital importance.
 - (iv) Strategic information meets information requirements of the top management.
(2 marks each)
- (c) "Internal control can provide only reasonable, but not absolute assurance that the objectives are achieved." Critically examine the statement with four inherent limitations of internal control systems.
(4 marks)

P A R T – B

(Answer ANY ONE question from this part.)

4. (a) Explain whether every technical collaboration is a strategic alliance.
(5 marks)
- (b) Explain briefly the various types of strategic alliances.
(5 marks)
- (c) What are the advantages of a technical collaboration ?
(5 marks)
- (d) What are the important factors for the success of a technical collaboration ?
(5 marks)

5. Modern Pharmaceuticals Ltd., India (hereinafter called the First Party), is entering into a joint-venture agreement with Afro-Drugs, Nigeria (hereinafter called the Second Party) to incorporate a new company in India for setting-up a pharmaceutical manufacturing project. In this context, answer the following :
- (a) What is the nature of the joint-venture project ?
(5 marks)
- (b) Draft the following clauses to be included in the joint-venture agreement/articles of association of the new company :
- (i) Allotment of shares to the First Party and Second Party with lock-in-period.
 - (ii) Suitable restrictions on the transfer of shares during the lock-in-period.
 - (iii) Exit route.
 - (iv) Right to first refusal in case any party decides to exit.
 - (v) Arbitration under the London Court of International Arbitration.
- (3 marks each)

P A R T – C

(Answer ANY TWO questions from this part.)

6. Write notes on **any four** of the following :
- (i) Controversy on Regional Free Trade Agreements.
 - (ii) Advantages of India joining the Association of South-East Asian Nations (ASEAN).
 - (iii) Main objectives of the World Trade Organisation (WTO).
 - (iv) Rules of origin.
 - (v) Dispute Settlement System - rules-based or justice-based.
- (5 marks each)
7. (a) Prepare an executive note for the Director (R&D) explaining the roles and functions of the Trade-Related Aspects of Intellectual Property Rights (TRIPS), World Intellectual Property Organisation (WIPO) and Patent Cooperation Treaty (PCT).
(10 marks)
- (b) Briefly explain the dispute settlement procedure of the WTO with particular reference to dispute settlement body and provision for appeal and decision-making process.
(10 marks)
8. Attempt **any five** of the following :
- (i) Explain 'domestic industry' in the context of dumped goods.
(4 marks)
 - (ii) Explain the 'principle of distortion'.
(4 marks)

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- (iii) "Presently Indian exporters are facing non-tariff barriers and quantitative restrictions from the European Union facing economic slowdown." In this context, distinguish between the 'non-tariff barriers' and 'quantitative restrictions'.
- (4 marks)*
- (iv) The Indian manufacturers of industrial goods and chemicals have complained to the Director General of Safeguard, Ministry of Finance, about heavy losses suffered by them due to cheap import of industrial goods and chemicals from China. State whether the Director General of Safeguard should exercise total control over import of industrial goods and chemicals or impose import duties on the imported industrial goods and chemicals.
- (4 marks)*
- (v) The European Union has registered complaint with the WTO that India is restricting import of foreign liquor by imposing very high duties. Comment on the Indian plea that sale of liquor in India is a State subject.
- (4 marks)*
- (vi) US has imposed a 98.4% anti-dumping duty against the Chinese imports of steel pipes, besides additional countervailing duties to off-set the subsidies given by China on steel pipes. What remedy is available to China ?
- (4 marks)*

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