

Code: 17BA3T1

**II MBA - I Semester – Regular / Supplementary Examinations
FEBRUARY 2022**

STRATEGIC MANAGEMENT

Duration: 3 hours

Max. Marks: 60

SECTION - A

1. Answer the following:

5 x 2 = 10 M

- a) Define Vision and Mission.
- b) What is balanced score card?
- c) Define Turnaround strategy.
- d) Explain significance of resource allocation.
- e) What is strategic audit?

SECTION – B

Answer the following:

5 x 8 = 40 M

2. a) What are the steps involved in Strategic Management Process?
Explain in detail.

OR

- b) Define environment scanning and explain its significance in competitive market.

3. a) Explain how strategies helps a diversified company to build a strong competitive advantage.

OR

b) What is BCG Matrix? Explain with an example.

4. a) Give detailed explanation on Porter's five force model.

OR

b) What is diversification? Explain various diversification strategies.

5. a) Define Strategy and explain its relation with organization structure.

OR

b) Explain Key strategic leadership actions during implementation of strategies.

6. a) Give detailed explanation on strategic evaluation techniques.

OR

b) What is Strategic surveillance? Also explain its role in successful strategy evaluation.

SECTION-C

7. Case Study

1x10=10 Marks

Tangy spices Ltd, the countries' biggest spices marketer has decided to launch a hostile bid for Italy's major spice marketer Chilliano. This is a rare case of an Indian company making an unsolicited hostile bid for a foreign company. The Tangy Spices

Ltd. has competencies in Indian spices. The major destination markets for the Tangy spices Ltd. exports have been the Europe and America. The competencies of Chilliano lie in Italian herbs and spices. The Indian company with the takeover wishes to synergies its operations in the world market. It also wants to take advantage of the reach enjoyed by the Italian company in several countries where its products are not being sold presently. The move of hostile takeover follows Chilliano's rejection to an agreement entered a year back. At that time Chilliano was suffering losses and it offered majority shares at a price of €2.25. A total of 20% shares were transferred at that time. In one year Chilliano was able to turnaround its operations and the company made handsome profits in the last quarter. The promoters who have residual holding of 35% in the company are reluctant to transfer the shares now. They have rejected the agreement with a plea that the earlier offer price was not sufficient. Tangy spices Ltd has revised its offer to €2.95. By this lucrative offer some of the large shareholders of Chilliano reveal their interest for selling their stakes. On the other hand, promoters maintained their position on this matter. Through the process of buying of shares in the market the Tangy spices Ltd. gradually consolidated its holding in Chilliano to 45%. Being a major shareholder they were ready for a takeover. At the same time, Tangy spices Ltd. was trying hard to improve their position so that they do not leave any space for Chilliano's promoters in future.

Questions:

1. What strategic alternative is followed by Tangy spices Ltd?
2. Is the hostile takeover by an Indian company appropriate?
3. Why the Tangy Spices Ltd. is interested in this takeover?