


Name: Enrolment No:			
UNIVERSITY OF PETROLEUM AND ENERGY STUDIES End Semester Examination, May 2024 Course: International Strategy Semester: IV Program: MBA S&C Time: 03 hrs Course Code: STGM8024 Max Marks: 100			
SECTION A 10Qx2M=20Marks			
S. No.	Selection right option with explanation	Marks	CO
1	1. NAFTA is an example of (a) Common Market (b) Customers Union (c) Economic Community (d) Free Trade Area 2. Which one is not an international organization (a) SAARC (b) ASEM (c) ASEAN (d) CBDT 3. Which of the following is not an International Financial Institution (a) ICICI (b) IMF (c) IDA (d) World Bank 4. What one of the following is not the advantage of MNCs to the host country (a) Increase in social activities	[2X10=20]	CO1

(b) increase in economic activities

(c) Utilisation of natural resource

(d) R&D efforts enhanced.

5. In terms of the PESTLE analysis, the liberalizing of international trade and tariff regimes could go in which section or sections?

(a) Political

(b) Legal

(c) Political and economic and legal

(d) Political and environmental

6. An 'industry recipe' can be defined as:

(a) An accepted pattern of operating and competing

(b) A tactic for anticipating a competitor's next move

(c) The hidden competences that are difficult to imitate

(d) A strategic group

7. Typically, profits are highest in which stage of the industry life-cycle?

(a) Introduction

(b) Growth

(c) Maturity

(d) Decline

8. The corporate culture of a firm is more effectively carried to the managers who are

(a) Host country nationals

(b) Home country nationals

	<p>(c) Third country nationals</p> <p>9. Posting of home country nationals for all key management positions throughout the globe is supported by:</p> <p>(a) Geocentric staffing model.</p> <p>(b) Polycentric staffing model.</p> <p>(c) Ethnocentric staffing model.</p> <p>10. Which of the following is NOT a business opportunity generated by globalization?</p> <p>(a) Access to low cost labour.</p> <p>(b) Cheap International transport.</p> <p>(c) Currency crises.</p> <p>(d) Less stringent regulation of the business environment.</p>		
<p>SECTION B 4Qx5M= 20 Marks</p>			
Q11	Company is caught between Internalisation vs. Externalisation. As strategist, argue for pros and cons of both with suitable examples	[5]	CO2
Q12	What do you understand by contractual mode of international operations. Explain with suitable examples	[5]	CO2
Q13	Explain BSCI, SA 8000, AA 1000. Also describe in which context and how they are applicable	[5]	CO2
Q14	Imagine that the import tariff and ban of imports may lead to a compartmentalization of the Russian economy, even though Russia is a member of the World Trade Organization. What consequences may be seen in the relationship between Russia and the other countries of the WTO?	[5]	CO2
<p>SECTION-C 3Qx10M=30 Marks</p>			
Q15	Elucidate different level of cultures. How they are different from industry culture. Explain with suitable examples	[10]	CO2
Q16	With the help of Diamond model and Ricardo principle of Comparative advantage, throw light on China manufacturing sector growth saga	[10]	CO3
Q17	Describe various sourcing strategies for the company venturing into liquor industry	[10]	CO3
<p>SECTION-D 2Qx15M= 30 Marks Case study</p>			
	Coffee Inc. is a large multinational woman's clothing retailer with worldwide revenues of over \$3 Billion in calendar year (CY) 2011. They sell sports, formal and casual apparel. The company as a whole has been performing strongly and has		

	<p>emerged out of the financial crisis with strong sales growth and many investment opportunities. Despite the company’s strong performance overall, its American operation has an under-performing brand that they have put up for review and have also closed some of the brand’s associated stores.</p> <p>The American operation has two major umbrella brands: a formal wear brand bearing the same name as the company, “Coffee”, and a casual wear brand named “Tea”. The brands are sold through the following channels:</p> <ul style="list-style-type: none"> * Coffee branded retail stores: \$200M in annual revenues * Tea branded retail stores: \$20M in annual revenues * Coffee branded outlet stores: \$150M in annual revenues * Wholesale sales to major retail chains (e.g., Macy’s): \$600M in annual revenues <p>The Tea brand has historically been neglected because management has focused its resources on the core business — the Coffee brand. Nonetheless, the Tea brand has consistently put up a profit with minimal management attention and capital re-investment. Essentially, the management of Coffee Inc. wishes to understand whether they are better served by divesting the Tea brand and refocusing their attention on their core Coffee brand business or holding the Tea business and simply “milking the cash cow”. Your Consulting firm has been approached by the management of Coffee Inc. to assess whether Coffee should hold or sell the Tea brand.</p>		
Q18	<p>How would you value the sale scenario and hold scenario? Present your findings.3. If Coffee Inc. decides to hold the Tea brand, how long will it take for the cash flow from Tea to equal the amount of money that Coffee would have received through selling Tea? Note: Please use \$50M as the sales price.</p>	[15]	CO4
Q19	<p>Based on your analysis, what would you recommend to Coffee? Are there any other relevant issues that may affect the valuation or the divestment decision?</p>	[15]	CO4