[This question paper contains 4 printed pages.]

Your Roll No...............

Sr. No. of Question Paper : 6862 **L**

Unique Paper Code : 2923100024

Name of the Paper : Strategic Management

Name of the Course : **B.A. (H) Business Economics (2026)**

Semester : VIII

Duration : 3 Hours Maximum Marks : 90

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Question **1** is compulsory. Attempt any **four** questions from the rest.
3. **All** questions carry equal marks.
4. Sub-part marks have been indicated along with the question, wherever applicable.

Q1. CASE STUDY **(Compulsory)**

Amita Electronics Ltd., an Indian-based consumer electronics company, has built a strong reputation in the domestic market over the past two decades. Known for its affordable yet reliable smartphones, smart televisions, and home appliances, the company has successfully captured a significant share of India's price-sensitive consumer segment. Its competitive advantage has largely been driven by cost leadership, efficient supply chain management, and strong distribution networks in tier-2 and tier-3 cities.

In recent years, however, the Indian consumer electronics market has become increasingly saturated and intensely competitive. Global giants such as Samsung and Xiaomi, along with emerging domestic startups, have eroded Amita's market share. Margins have been shrinking due to price wars, rising input costs, and rapidly changing technology. Recognizing the need for long-term growth, Amita's top management began exploring international expansion opportunities.

After extensive market research, Amita identified Southeast Asia and Eastern Europe as potential growth regions. These markets showed rising demand for affordable electronics, similar to India. The company believed that its cost-efficient manufacturing and experience in serving price-conscious customers could be leveraged to gain a foothold in these regions.

To accelerate its entry, Amita considered acquiring **ElectraTech**, a mid-sized electronics firm based in Poland. ElectraTech had a well-established distribution network across Eastern Europe and a loyal customer base for its mid-range appliances. However, it lacked strong manufacturing capabilities and had been facing declining profitability due to inefficiencies and outdated technology.

Initially, Amita approached ElectraTech with a proposal for a strategic alliance, aiming to combine Amita's manufacturing strengths with ElectraTech's market presence. However, negotiations broke down due to disagreements over valuation and control. ElectraTech's promoters were reluctant to dilute their ownership and feared losing decision-making authority.

In response, Amita shifted its approach and began acquiring shares of ElectraTech from the open market. Within a few months, it managed to accumulate a 42% stake, making it the largest shareholder. This move signaled Amita's intent to pursue a hostile takeover. While some institutional investors welcomed Amita's involvement, expecting improved operational efficiency and profitability, ElectraTech's management strongly opposed the move.

To defend itself, ElectraTech initiated several counter-strategies. It announced a restructuring plan, sought support from local investors, and explored the possibility of a "white knight" – another company that could acquire a controlling stake and prevent Amita's takeover. The company also launched an aggressive marketing campaign emphasizing its European identity, hoping to build public and stakeholder resistance against foreign control.

Meanwhile, Amita faced its own set of challenges. Entering a foreign market through acquisition required navigating complex regulatory frameworks, cultural differences, and political sensitivities. There were also concerns about integrating two organizations with different management styles, corporate cultures, and operational systems. Some members of Amita's board questioned whether the hostile takeover approach might damage the company's reputation and lead to long-term integration issues.

At the strategic level, Amita's leadership was divided. One group strongly supported the acquisition, arguing that it would provide immediate access to new markets, reduce dependency on the Indian market, and create synergies in production and distribution. They believed that without bold moves, the company risked stagnation and eventual decline.

Another group, however, advocated a more cautious approach. They suggested focusing on innovation, strengthening the domestic market, and pursuing collaborative entry modes such as joint ventures instead of hostile acquisitions. They warned that overexpansion and misaligned strategies could strain the company's financial and managerial resources.

As the situation unfolded, Amita Electronics stood at a critical crossroads. The decision it made would not only determine its future growth trajectory but also define its identity as a global player in the highly competitive electronics industry.

Read the case carefully and answer the following:

(i) Identify the strategic alternative being pursued by Amita Electronics Ltd.Evaluate its suitability in the given situation. (4 marks)

(ii) Analyze the conflicting viewpoints within Amita's top management. Which approach would you recommend and why? (4 marks)

(iii) What synergies can Amita Electronics expect from acquiring ElectraTech? Explain in terms of operations, market access, and competitive advantage. (4 marks)

(iv) Discuss the challenges Amita may face in post-acquisition integration, particularly in an International context. (6 marks)

Q2. "Organizations that lack a clear sense of direction often struggle despite having abundant resources." Discuss how strategic intent, vision, and mission can address this issue. What are the limitations of strategic management? (18 marks)

Q3. "Industry structure determines profitability more than firm-level decisions." Critically analyze this claim using Porter's Five Forces Model. (18 marks)

Q4. "While external opportunities may create growth, internal strengths determine sustainability." Discuss how core competencies contribute to competitive advantage, and examine their link with value chain activities and long-term strategic flexibility.

(18 marks)

Q5. "Firms in weak positions must pursue aggressive strategies to survive." Evaluate with reference to the Grand Strategy Matrix. (18 marks)

P.T.O.

Q6. Write short notes on any **three** of the following:

a. BCG Matrix

b. PESTLE Analysis as a scanning tool

c. Balanced Scorecard

d. SWOT analysis

e. Relationship between Organisational Culture and strategy implementation

(6,6,6 Marks)