

(DBUS26)

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M.B.A. DEGREE EXAMINATION, MAY – 2018**Second Year****BUSINESS POLICY AND STRATEGIC MANAGEMENT****Time : 3 Hours****Maximum Marks :70****SECTION - A****Answer any three questions.****(3 × 5 = 15)**

- Q1)** a) SWOT
b) S.A.C.
c) Synergistic effects
d) Mergers
e) Mission
f) Vision

SECTION - B**Answer any three questions.****(3 × 15 = 45)**

- Q2)** Write a note on 7-S framework.
- Q3)** What are the functions of top management?
- Q4)** Discuss in detail about internal corporate analysis.
- Q5)** Explain the significance of operating and financial analysis.
- Q6)** Discuss in detail the concept of diversification.
- Q7)** What are the characteristics of an effective strategic evaluation system?

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SECTION - C
(Compulsory)**(10)****Q8) Case Study**

Bharti Airtel Limited being in the forefront in offering 2G and 3G telecom services in India and by enhancing its market share across the country, became the largest mobile phone operator in India by 2009-10. However, with intensifying competition and the resulting decline in Average Revenue Per User (ARPU), the company was looking for opportunities to further consolidate its leadership position. In 2010, Airtel won spectrum for Broadband Wireless Access (BWA) through an auction for four telecom circles, but it could not win in two important circles of Mumbai and Delhi. In 2012, it bought a 49% stake in Wireless Business Services Pvt. Ltd. to gain access to wireless broadband spectrum in the two crucial circles in Delhi and Mumbai.

Reliance Industries Limited (RIL), the largest private company in India, had forayed into the Indian telecom industry in 2010. In the division of family businesses in 2005, RIL signed a non-compete agreement with ADAG. As per the pact, RIL could not enter telecommunications. The two parties scrapped the agreement in 2010, paving way for RIL to enter into the telecommunications industry. RIL bought a 95% stake in Infotel Broadband Services (Infotel), which won spectrum in all the circles. RIL renamed Infotel as Reliance JioInfocomm in January 2013 and in July started work on rolling out 4G services telecom services in eight states of Northeast India by April 2014.

Subsequent to its acquisitions, Airtel became the first company to launch 4G services in India in late 2012 and early 2013. RIL's Reliance JioInfocomm followed hard on the heels of Airtel spicing up the competition between two giants.

Questions:

- i) Discuss the relevant strategies to be followed by the leader, Airtel and the challenger, RIL.
- j) Debate if RIL is in a position to negate the first mover's advantage of Airtel in offering 4G services.
- k) Deliberate the entry strategies of RIL.

