

## CA INTERMEDIATE

## **SUBJECT-** Strategic Management

Test Code – CIM 8439 (Date :)

(Marks -50)

**TOPICS**: Corporate Level Strategies, Business Level Strategies, Functional Level Strategies.

QUES	TION 1 MULTIPLE CHOICE C	QUESTIONS (1 r	mark ea	ch) (10 MARKS)	
1.	Which strategy is focused on opera  (a) Growth	· -	i+.,		
	<ul><li>(a) Growth</li><li>(c) Retrenchment</li></ul>	(b) (d)	Stabili Liquid	•	
2.	high efficiency, low overhead, I screening of budget requests, w	limited perks, intolerance of waste, intensive wide spans of control, rewards linked to cost participation in cost control efforts.  (b) Differentiation  (d) None of the above			
3.	Training is the Example of:- (a) Pre-Selection (c) Post Selection	(b) (d)	Select Owne		
	( )	,			
4.	When two firms are merged in such a way that is unrelated to each other, is called:-				
	(a) Vertical Merger		(b)	Horizontal Merger	
	(c) Co-Generic Merger		(d)	Conglomerate Merger	
5.	not a basis of differentiat	ion.			
	(a) Product (b) Pricing (c) Organisation (d)		on (d) Rivalry		
6.	Just in time is a Feature of :-				
	(a) Logistics Management		(b)	Sales Management	
	(c) Supply Chain Management		(d)	Stock Management	
7.	"A dead business is worth more than alive," this statement is known for:-				
	(a) Turnaround		(b)	Divestment	
	(c) Liquidation		(d)	None	
8.	strategy involves providing customer more value for the money by emphasizing low cost and better quality difference.  (a) Best – cost provider strategy (b) Cost leadership (c) Focused cost leadership (d) Focused differentiation				
9.	If the technological change is slow but market is growing quickly, than which one is preferable.				
	(a) No Change in Technology		(b)	Exclusive Outsourcing	
	(c) Acquisition of R & D Firm		(d)	In house R & D.	
10.	Market Penetration is about:- (a) Existing Product, Existing Market (b) New Product, New Market (c) New Product, Existing Market (d) Existing Product, New Market	et			

QUESTION 2(A) (5 MARKS)

Ronit Roy has started a new business of manufacturing washing powder. Make a plan for him to promote his product.

QUESTION 2(B) (4 MARKS)

Vastralok Ltd., was started as a textile company to manufacture cloth. Currently, they are in the manufacturing of silk cloth. The top management desires to expand the business in the cloth manufacturing. To expand they decided to purchase more machines to manufacture cotton cloth.

Identify and explain the strategy opted by the top management of Vastralok Ltd.

QUESTION 2(C) (5 MARKS)

What do you understand by cost leadership? How is itachieved?

QUESTION 3(A) (6 MARKS)

Implementing supply chain management in a business organization has several steps. Discuss.

QUESTION 3(B) (6 MARKS)

With the global economic recession Soft Cloth Ltd. incurred significant losses in all its previous five financial years. Currently, they are into manufacturing of cloth made of cotton, silk, polyster, rayon, lycra and blends. Competition is also intense on account of cheap imports. The company is facing cash crunch and has not been able to pay the salaries to its employees in the current month.

Suggest a grand strategy that can be opted by Soft Cloth Ltd

QUESTION 4(A) (6 MARKS)

A century-old footwear company "Mota Shoes" had an image of being the footwear choice for formal occasions. In an attempt to reinvent its brand, it tied up with a foreign footwear giant "Buffrine" to manufacture and sell its Hideseek brand in the country. Putting its best foot forward, it launched extra soft, casual and relaxed footwear for young. Aiming at a brand and image makeover the "Mota Shoes" decided to price the Hide Seek products at premium.

What kind of Michael Porter business level strategy is being used by "Mota Shoe company"? State its advantages.

QUESTION 4(B) (4 MARKS)

What are the advantages of a strategic alliance?

QUESTION 4(C) (4 MARKS)

Rohit Bhargava is the Managing Director of Smooth and Simple Pvt Ltd. The company established in 2011, with 35 employees grew very fast to become an organisation with 335 employees in the year 2016. With the increase in size Rohit started facing difficulty in managing things. Many a times he finds that personnel at the functional level are not in sync with the strategies of the top. He felt that strategies need to be segregated into viable plans and policies that are compatible with each other and communicated down the line.

Why does Rohit need to segregate the strategies into functional plans? Discuss