1. Read the following case study and answer the questions given at the end:

Speed Ltd. is a company engaged in the designing, manufacturing and marketing of instruments like speed meters, oil pressure gauges and so on, that are fitted in two and four wheelers. Its current investment in assets is around ₹10 crore and last year's turnover was ₹20 crore, just adequate enough to break-even. The company has been witnessing over the last couple of years, a fall in the market price of its shares as a result of customers switching over to a new range of electronic instruments from the range of mechanical instruments that have been the mainstay of Speed Ltd.

The company has received a firm offer of cooperation from a competitor who is placed in similar situation in respect of product range. The offer implies the following:

(i) Transfer of the manufacturing line from the competitor to Speed Ltd.;
(ii) Manufacture of mechanical instruments by Speed Ltd. for the competitor to the latter's specifications and brand name; and
(iii) Marketing by the competitor.

The benefits that will accrue to Speed Ltd. will be better utilisation of its installed capacity and appropriate financial compensation for the manufacturing effort.

The production manager of Speed Ltd. has welcomed the proposal and points out that it will enable the company to make profits. The sales manager is doubtful about the same since the demand for mechanical instruments is shrinking. The Chief Executive is studying and examining various aspects of the offer.

Questions —

(a) What is 'divestment strategy'? Do you see it being practised in the given case? Explain.
(b) What is 'stability strategy'? Should the company in question adopt it?
(c) What is 'diversification strategy'? What are the implications of this type of strategy for the company in case it is adopted?
(d) What recommendations will you give to the company in the case?

(5 marks each)
2. (a) Describe the ways in which a knowledge management programme can be implemented in an organisation.

(8 marks)

(b) Explain the important techniques to forecast different environmental variables for an organisation.

(8 marks)

(c) How is GE/McKinsey matrix a better and more advanced form of BCG matrix?

(4 marks)

3. Distinguish between the following:
   (i) 'Strategic thinkers' and 'planners'.
   (ii) 'Strategy formulation' and 'strategy implementation'.
   (iii) 'Human resource management' and 'union relations strategy'.
   (iv) 'Internal audit' and 'statutory audit'.

(5 marks each)

PART – B

(Answer ANY ONE question from this part.)

4. (a) What problems are faced by the recipient companies in foreign technology transfer agreements?

(5 marks)

(b) State the important clauses which should be incorporated in a foreign collaboration agreement.

(5 marks)

(c) Discuss the procedure for foreign direct investment governed by the FDI policy of Government of India.

(10 marks)
5. (a) Critically examine the role of strategic alliances. (5 marks)
(b) "Managing an alliance is an art." Comment. (5 marks)
(c) Write notes on:
   (i) Understanding the cross cultural alliances (5 marks)
   (ii) Planning the cross cultural alliances. (5 marks)

PART – C

(Answer ANY TWO questions from this part.)

6. Write notes on the following:
   (i) Association of South-East Asian Nations (ASEAN)
   (ii) Basic principles of General Agreement on Trade in Services (GATS)
   (iii) Cross border supply
   (iv) World Intellectual Property Organisation (WIPO). (5 marks each)

7. (a) Discuss the progress on negotiations on agriculture under the Hong Kong Ministerial Conference, 2005. (10 marks)
(b) Discuss the salient features of Singapore Ministerial Declaration, 1996 on trade in information technology products. (10 marks)

8. (a) Critically analyse the following:
   (i) Anti-dumping and countervailing measures.
   (ii) Non-trade concerns and multifunctionality. (5 marks each)
(b) Distinguish between 'plurilateral' and 'multilateral' agreements. (10 marks)