

MMS/DX: 6177

CP-104 Business Environment

Time : 3 Hours]

[Maximum Marks : 70

Note: Attempt 5 questions in all. Q No.1 is compulsory. All questions carry equal marks.

Q1. Write short answers to the following:

- a) How is foreign portfolio investment different from foreign direct investment?
- b) What are repo and reverse repo rates?
- c) What are free trade areas?
- d) How are micro, small and medium enterprises defined in India?
- e) Why is government disinvesting from public sector units in India?
- f) Give three factors affecting global competitiveness of a company
- g) What is the automatic route of approval for FDI in India?

- Q2 What factors make business environment dynamic? How do business managers identify and assess risk in business environment?
- Q3 What are the indicators of political risk? How do business managers deal with political risk?
- Q4 Comment upon the current state of business environment in India. Do you think the present inflation will slow down growth of the economy in near future?
- Q5 What constitutes competitive environment? Appraise the current state of competitive environment of India's telecommunication industry.
- Q6 Is India's current balance of payments position favourable? What can possibly be done to improve the country's current account balance?
- Q7 What factors affect global competitiveness of India's corporate sector? To what extent can competitiveness be enhanced through foreign direct investment?
- Q8 Assess the impact of the various provisions of WTO agreement on India's foreign trade environment.