

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

POST GRADUATE DIPLOMA IN MANAGEMENT (2024-26)
MID TERM EXAMINATION (TERM -IV)

Subject Name: Business news Analysis
Sub. Code: PG43

Time: **01.00 hrs**
Max Marks: **20**

CO	CO Description	Bloom's Taxonomy
CO1	Students will demonstrate a comprehensive understanding of economic trends, market dynamics, and analyze their impacts on different industries through presentation and News Analysis	L4
CO2	Students will be able to discuss and articulate business news and current affairs in groups	L4

All questions are compulsory. Choose the best answer.
= 20)

(40 x 0.5

Question 1. According to the August 2025 HSBC/S&P Global PMI data, India's private sector activity rose to a record high. Which two sectors primarily drove this expansion?

- A. Manufacturing & Agriculture
- B. Services & Exports
- C. Real Estate & Mining
- D. Banking & Construction

Question 2. What was India's flash composite PMI reading in August 2025?

- A. ~61.1
- B. ~65.2
- C. ~59.0
- D. ~62.5

Question 3. What key change did the Indian government propose for GST rates by October 2025?

- A. Add more slabs for luxury goods
- B. Move to a single rate for all items
- C. Reduce to a two-rate structure (5% & 18%) from four rates
- D. Increase GST on essentials

Question 4. Which item categories were affected by the proposed GST cut to 5% from 18%?

- A. Automobiles & Electronics
- B. Soaps, shampoos, toothpaste
- C. Real estate & telecom services
- D. Cigarettes & Alcohol

Question 5. On which date were the new tax rates under the GST cut expected to come into effect (for many goods)?

- A. September 1, 2025
- B. September 22, 2025
- C. October 1, 2025
- D. August 27, 2025

Question 6. What was the estimated revenue loss for central and state governments due to the GST tax cut plan?

- A. ~₹100-200 billion
- B. ~₹480 billion

C. ~₹1.5-2 trillion

D. ~₹5 trillion

Question 7. The U.S. imposed additional tariffs on Indian exports starting 27 August 2025. What was the tariff rate after the increase?

A. 25%

B. 35%

C. 50%

D. 60%

Question 8. Which reason was given for the U.S. imposing extra tariffs on India?

A. Delay in paying debts

B. India's purchase of Russian oil

C. Failure to import enough U.S. goods

D. Illegal trade practices

Question 9. Which sectors in India were expected to feel negatively impacted by the U.S. 50% tariff?

A. IT & services only

B. Home textiles and export sectors like gems & jewellery

C. Mining & petroleum

D. Agriculture only

Question 10. What did India's Chief Economic Adviser say about the possibility of U.S. easing tariffs?

A. U.S. will increase them further

B. Extra penal 25% tariff could be removed; reciprocal tariff may fall to 10-15%

C. India will impose reciprocal tariffs on U.S. goods

D. No change expected; full effect to continue

Question 11. What was India's trade deficit in merchandise for August 2025, as reported?

A. ~\$30 billion

B. ~\$26.5 billion

C. ~\$15 billion

D. ~\$5 billion

Question 12. Which major global trading partner is India seeking an FTA with, aiming to conclude by end-2025?

A. ASEAN

B. EU (European Union)

C. China

D. Russia

Question 13. Which dispute is complicating India-EU FTA negotiations?

A. Tea export quotas

B. PGI status of basmati rice

C. Use of steel subsidies

D. Vehicle emissions norms

Question 14. Under the revised strategy announced by the EU ("New Strategic Agenda") what areas are to be deepened with India besides trade?

A. Only trade

B. Defence, technology, climate, and connectivity

C. Agriculture only

D. Language & tourism

Question 15. How will new EU carbon tax rules affect India's steel exports?

A. No impact

B. They will increase demand

C. They will hit Indian steel exports to EU significantly

D. They will reduce costs for India

Question 16. What is the significance of the Income-tax Act, 2025?

A. It increases income tax rates across all slabs

- B. It simplifies direct tax laws, consolidating and amending previous law
- C. It abolishes income tax entirely
- D. It applies only to companies

Question 17. What replaced the previous Income Tax legislation with the 2025 Act?

- A. The Income-tax (No. 2) Bill, 2025
- B. Economic Survey 2025-26
- C. Finance Bill 2025 only
- D. GST law

Question 18. What new legal/regulatory framework was passed in August 2025 for the shipping sector?

- A. Merchant Shipping Act, 2025
- B. Indian Ports Act, 2025
- C. Carriage of Goods by Sea Act, 2025
- D. Maritime Safety Act, 2025

Question 19. The Indian Ports Act, 2025 replaced which older legislation?

- A. Merchant Shipping Act, 1958
- B. Indian Ports Act, 1908
- C. Goods & Services Act, 1960
- D. Import Export Act, 1947

Question 20. What did analysts predict about India's growth in face of weakening exports under U.S. tariffs?

- A. Increase by 2%
- B. No effect
- C. Possible loss of 0.6-0.8 percentage point in GDP growth
- D. Growth doubling

Question 21. What was India's GDP growth in FY2024-25 (as per Deloitte)?

- A. ~5.0%
- B. ~6.5%
- C. ~7.0%
- D. ~4.5%

Question 22. What factor(s) helped offset slower growth in parts of FY2024-25?

- A. Election-led policy caution and uneven rainfall
- B. Strong exports alone
- C. Large fiscal deficit only
- D. Military spending

Question 23. What was the lowest current account deficit for India since which period (excluding COVID years) as mentioned in the outlook?

- A. FY2016-17
- B. FY2018-19
- C. FY2010-11
- D. FY2020-21

Question 24. In the PMI report of August 2025, which sector showed the 'sharpest uptick in total new orders' in nearly 18 years?

- A. Manufacturing exports
- B. Services sector
- C. Rural agriculture demand
- D. Construction sector

Question 25. When was the Merchant Shipping Bill, 2025 passed in the Lok Sabha?

- A. 6 August 2025
- B. 1 September 2025
- C. 15 August 2025
- D. 22 August 2025

Question 26. According to reports, what action did Mercedes-Benz take in response to the upcoming India-EU FTA?

- A. Withdrawing investment
- B. Calling India a priority market and continuing investment
- C. Moving production out of India
- D. Exiting the EV market

Question 27. Which day did U.S. tariffs of 50% on Indian exports come into effect?

- A. August 1, 2025
- B. August 27, 2025
- C. September 3, 2025
- D. September 22, 2025

Question 28. What did the GST cuts aim to achieve in the broader economy?

- A. Increase revenue generation
- B. Curb inflation by increasing taxes
- C. Spur domestic demand amid external headwinds
- D. Harmonize tax with China's rates

Question 29. About the EU-India trade agreement negotiations, which upcoming round was scheduled for early October?

- A. 12th round
- B. 14th round
- C. 10th round
- D. 18th round

Question 30. What criticism did EU officials mention regarding India as part of the strategic roadmap?

- A. India's tariffs on U.S. goods
- B. India's purchase of Russian oil & participation in Russian military exercises
- C. India's withdrawal from WTO
- D. India's climate policy ambiguity

Question 31. Which items were exempted from GST under the tax cuts announced?

- A. Health insurance & individual life insurance policies
- B. Small cars only
- C. Soaps & shampoos only
- D. Luxury goods only

Question 32. What "super-luxury" rate was proposed under the new GST structure for sin/luxury items?

- A. 28%
- B. 18%
- C. 40%
- D. 50%

Question 33. Which Indian state officials raised concerns about revenue loss under the tax cut proposals?

- A. All states unanimously
- B. Only states ruled by NDA
- C. States ruled by opposition parties such as Tamil Nadu, West Bengal, Kerala etc.
- D. Only union territories

Question 34. Which event/festival did India align the implementation of the GST cuts with?

- A. Diwali
- B. Navratri
- C. Eid
- D. Christmas

Question 35. Which of the following is TRUE about India's tax changes as of early September 2025?

- A. Increase in GST rates for most consumer goods
- B. Simplification of GST slab structure
- C. Removal of GST from petrol & diesel
- D. Introduction of single-rate tax of 12% on all items

Question 36. What was the reaction of Indian exporters to U.S. tariffs in terms of market strategy?

- A. All exports to the U.S. ceased
- B. Diversifying exports to the Middle East and Africa
- C. Lowering quality to reduce costs
- D. Focusing only on services exports

Question 37. How did the PMI inflation data impact expectations for the Reserve Bank of India (RBI)?

- A. RBI would cut interest rates immediately
- B. RBI might keep policy restrictive longer due to inflation rise
- C. RBI to loosen policy for the rest of the year
- D. RBI would ignore the data

Question 38. What was one item category moved from 28% to 18% under the GST cut proposal?

- A. Luxury cars only
- B. Small cars, air conditioners, televisions
- C. Milk & vegetables
- D. Alcohol

Question 39. What is one potential downside of sweeping tax cuts cited by states?

- A. Increased inflation
- B. Substantial loss in revenue affecting state budgets & welfare expenditure
- C. Rise in imports only
- D. Decreased foreign investment

Question 40. Under the Merchant Shipping Act, 2025, which international agreements/conventions are better aligned/implemented?

- A. SOLAS, MARPOL, Ballast Water Management
- B. Kyoto Protocol
- C. Paris Agreement only
- D. NAFTA

Kindly fill the total marks allocated to each CO's in the table below:

COs	Marks Allocated
CO1	10 Marks
CO2	10 Marks

Blooms Taxonomy Levels given below for your ready reference:

- L1= Remembering**
- L2= Understanding**
- L3= Apply**
- L4= Analyze**
- L5= Evaluate**
- L6= Create**