

CS/BBA(H)/BIRM/BSCM/SEM-2/BBA-204/2012

2012

ECONOMICS – II

Time Allotted : 3 Hours

Full Marks : 70

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words

as far as practicable.

GROUP – A

(Multiple Choice Type Questions)

1. Choose the correct alternatives for the following : 10 x1 = 10

i) GDP stands for

a) Gross National Product

b) Gross National Price

c) Gross Natural Product

d) None of these.

ii) The study of inflation is a part of

a) descriptive economics

b) macroeconomics

c) microeconomics

d) welfare economics.

iii) What is the full form of GST ?

a) General Sales Tax

b) Goods and Services Tax

c) Goods and Service Transport

d) None of these.

iv) The Asian Development Bank was established in

a) 1956 b) 1958

- c) 1966 d) 1968.
- v) Inflation can be controlled by
- a) fiscal policy b) monetary policy
- c) direct measures d) all of these.
- vi) Which is not a factor of production ?
- a) Bank loan b) Labour
- c) Land d) Capital.
- vii) The GATT was transformed into the WTO in
- a) 1995 b) 1996
- c) 1998 d) 1999.
- viii) The World Bank has headquarters in
- a) Washington D.C. b) New York
- c) London d) Manila.
- x) MODVAT refers to
- a) export value of a commodity
- b) value generated by exports
- c) money generated by export and import
- d) value added to manufacturing cost.
- x) of a country is a systematic record of all its economic transactions with the rest of the world.
- a) B.O.P. b) B.O.T.
- c) Exchange rate d) None of these.

GROUP – B

(Short Answer Type Questions)

Answer any *three* of the following. $3 \times 5 = 15$

2. State the main functions of the Reserve Bank of India.
3. What is deficit financing ?
4. Write a short note on public debt.

5. What are the main sources of revenue of the Central Government ?

6. What is managed float of a currency ?

GROUP – C

(Long Answer Type Questions)

Answer any *three* of the following. $3 \times 15 = 45$

7. Explain the main functions of the WTO and the IMF. 7 + 8

8. a) What is fiscal policy ? Discuss the various instruments of fiscal policy.

b) Distinguish between monetary policy and fiscal policy.

2 + 8 + 5

9. Describe the process of credit creation by commercial banks. What are its limits ? 10 + 5

10. <i>Particulars</i>	<i>Rs. crores</i>
GNP	500
Capital consumption allowance	50
Indirect taxes	60
Subsidies	10
Corporate profits	70
Dividends	15
Government transfer payments and business transfer payments	25
Personal direct taxes	70
Personal consumption expenditure	275

Calculate the following :

a) NNP

b) National income

c) Personal income

d) Personal disposable income

e) Personal savings. 5x3

11. State the indicators of economic development. Why is
planning needed in underdeveloped economies ? 5 + 10

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