



Name :

Roll No. :

Invigilator's Signature :

CS/BBA(H)BIRM/BSCM/SEM-2/BBA-204/2013

2013

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 × 1 = 10

- i) If central bank increases the repo rate, then
 - a) inflation can be controlled
 - b) inflation cannot be controlled
 - c) inflation will remain unchanged
 - d) none of these.

- ii) Devaluation makes exports in foreign markets and imports in domestic market.
 - a) cheaper, dearer b) cheaper, cheaper
 - c) dearer, dearer d) dearer, cheaper.



- iii) With a regressive tax, as income
 - a) increases, tax rate remains the same
 - b) decreases, tax rate decreases
 - c) increases, tax rate increases
 - d) increases, tax rate decreases.

- iv) Suppose that a Japanese automaker produces trucks in the United States using all Japanese components and labour. The trucks produced are included in
 - a) neither U.S. GNP nor U.S. GDP
 - b) U.S. GDP but not U.S. GNP
 - c) both U.S. GNP and U.S. GDP
 - d) U.S. GNP but not U.S. GDP.

- v) If marginal propensity to consume (mpc) of a consumer is 0.8, what is the marginal propensity to save (mps) ?
 - a) 0.3
 - b) 0.2
 - c) 0.6
 - d) cannot be determined.

- vi) IBRD refers to
 - a) Indian Bank for Reconstruction and Development
 - b) International Bank of Regulation & Development
 - c) International Bank for Reconstruction and Development
 - d) None of these.

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4. Define money. State the functions of money.
5. Differentiate between Balance of Trade and Balance of Payments.
6. State the major objectives and functions of IMF.

GROUP - C

(Long Answer Type Questions)

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

7. a) How does planning in India in pre-liberalisation differ from that in post-liberalisation period ?
b) Critically evaluate the success of the Indian Five-Year Plans in attaining the basic objectives of the plans.

7 + 8
8. Distinguish between internal and external debts. Explain the burden of public debt.

7 + 8
9. Examine carefully the characteristics of the Indian tax structure. What steps have been taken to improve it and with what effect ?

8 + 7
10. Critically examine Ricardo's theory of comparative cost as an explanation of the basis of International Trade.
11. Write short notes on any *three* of the following : 3×5
 - a) Vicious Circle of Poverty
 - b) Cost Push and Demand Pull Inflation
 - c) GDP and GNP
 - d) Quantity Theory of Money.

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