

BBA Sem II

Total number of printed pages-5

47(2) INES 2-2

2010

INDIAN ECONOMIC SCENARIO

Paper : 2-2

Full Marks : 80

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. Choose the correct answer : $5 \times 1 = 5$

(a) Globalisation means free flow of
between countries of the world.

(i) Trade

(ii) Capital

(iii) Labour and technology

(iv) All of the above.

Contd.

- (b) The Bretton Woods Conference of 1944 was responsible for the birth of the following organisations
- (i) IMF
 - (ii) World Bank
 - (iii) WTO
 - (iv) Only (i) and (ii).
- (c) The component of micro environment, 'Public', comprises of
- (i) Environmentalists
 - (ii) Media group
 - (iii) Citizens Forum
 - (iv) All of the above.
- (d) In times of depression or recession in an economy, the amount of deficit-financing by the govt. should be
- (i) increased
 - (ii) decreased
 - (iii) remain the same
 - (iv) both (ii) and (iii).

- (e) The "visible" items in a balance of payments are a part of
- (i) Balance of trade
 - (ii) Balance on Capital account
 - (iii) Balance on current account
 - (iv) All of the above.

Answer in brief :

- (a) What do you mean by a "dis-equilibrium" in a country's balance of payments ?
- (b) Define a government budget.
- (c) Mention two methods of deficit financing.
- (d) Mention the two fundamental principles of WTO.
- (e) What do you mean by the CRR (cash reserve ratio) ?

$$5\frac{1}{2} \times 2 = 11$$

3. Answer the following :
- (a) What are MNCs (multinational corporations) ? Write a brief note on the importance and role of MNCs for developing economies like India.

$$4 \times 6 = 24$$

- (b) What do you mean by economic-integration? What are the different forms of economic-integration?
- (c) What are the non-economic factors determining the business environment of a country?
- (d) Distinguish between a revenue and a Capital budget.
4. Answer *any five* from the following : $5 \times 8 = 40$
- (a) What do you mean by FDI (foreign direct investment)? Explain the importance of FDI for an economy like India.
- (b) What do you mean by monetary policy? Explain the role of monetary policy to promote savings and investment in an economy.
- (c) The Policy of Privatisation was adopted as a part of the Economic Reforms of 1991. Analyse the sectors / areas in which it has been able to make an impact.
- (d) Put forward arguments to support globalisation for the Indian economy. Are the arguments against it justifiable?

- (e) What are the problems of challenges facing the small-scale industries? Analyse with particular reference to the post-globalisation period.
- (f) Highlight the important feature of the Industrial Policy of 1991. How is it different from the previous policies?
- (g) What has been the long-term objectives of India's five year plans? Analyse the changing priorities of the current plans.
- (h) What do you mean by Business environment? Discuss the need and importance of studying the business environment by economic enterprises.