

BBA

Total number of printed pages—4

47 (2) INES 2·2

2014

## 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 :  $1 \times 6 = 6$
- (a) Globalisation results in increased —
- (i) Market access
  - (ii) Employment level
  - (iii) Utilisation of resources
  - (iv) All of the above.
- (b) Taxes are a part of —
- (i) Revenue budget
  - (ii) Capital budget
  - (iii) Balance of payments
  - (iv) None of the above.

Contd.

- (c) Protectionist trade measures are —
- (i) Tariffs
  - (ii) Quotas
  - (iii) Non-tariff barriers
  - (iv) All of the above.
- (d) Economic Planning in India tries to achieve —
- (i) Balance Regional Development
  - (ii) Faster economic growth
  - (iii) Economic self-reliance
  - (iv) All of the above.
- (e) The process of liberalisation started with the Industrial Policy of —
- (i) 1991
  - (ii) 1956
  - (iii) 2002
  - (iv) None of the above.
- (f) In order to control inflation in the economy, the RBI should —
- (i) Reduce the Bank rate
  - (ii) Increase the CRR
  - (iii) Sell securities in the open market
  - (iv) Both (ii) and (iii).

Answer in brief :  $2 \times 5 = 10$

- (a) What do you mean by FDI ?
- (b) What are the *two* principles of WTO ?
- (c) Give *two* examples of micro-environment.
- (d) Define Liberalisation.
- (e) Give *two* arguments in favour of Privatization.

3. Answer *any four* from the following :  $6 \times 4 = 24$

- (a) What are the different functions of the World Bank ?
- (b) Explain briefly the different forms of economic integration with the help of examples.
- (c) Write a short note on the present problems of small and medium-scale industries.
- (d) What are SEZ's ? Explain their importance for earning foreign exchange for the economy.
- (e) Define Balance of Payments of a country. What are the different items listed in India's balance of payments in the current account ?
- (f) What are NBFC's ? Give examples of them. Why are they important for the Indian economy ?

4. Answer *any five* from the following :  $8 \times 5 = 40$

- (a) What do you mean by globalization? List the measures adopted to promote globalization for the Indian economy.
- (b) What do you mean by Deficit financing? What are the different methods of deficit financing? Explain why deficit financing lead to a rise in prices.
- (c) Monetary Policy is an instrument for economic growth. Explain how monetary policy can promote economic growth.
- (d) Briefly explain in general, what has been India's trade policy to improve her balance of payments position.
- (e) What are MNC's? Explain their importance and contribution for the Indian economy.
- (f) Economic reforms were initiated in 1991 to change India's business environment. Has it improved? If so, why and how?
- (g) India has been a founder member of the WTO. What has been the impact of WTO on India's industrial and business sector?
- (h) What are the important features of the present industrial policy of 1991? Explain how this policy is different from the previous policies of India.