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47 (2) INES 2-2

2015

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. 1×6=6

(a) The IBRD is also known by the name of —

- (i) World Bank
- (ii) Asian Development Bank
- (iii) IMF
- (iv) None of the above.

Contd.

(b) The WTO is based on the principles of —

- (i) Free trade
- (ii) Non-discrimination
- (iii) Multi-lateral trading
- (iv) All of the above.

(c) Fiscal policy of the govt. is a part of —

- (i) Macro-environment
- (ii) Micro-environment
- (iii) Internal environment
- (iv) None of the above

(d) The _____ credit control instruments affect all sectors of the economy.

- (i) Quantitative
- (ii) Selective
- (iii) Margin Requirements
- (iv) All of the above.

(e) Government spending on the police force is a part of

- (i) Revenue budget
- (ii) Capital budget
- (iii) Balance of Payments
- (iv) None of the above.

(f) In order to encourage investment in the country, the RBI may —

- (i) Reduce CRR
- (ii) Increase CRR
- (iii) Increase the Bank rate
- (iv) Sell securities in the open market.

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

(a) What do you mean by de-centralized planning ?

(b) Mention *two* advantages of Privatisation.

(c) What is a free trade area ?

(d) What are NBFC's ? Give *two* examples of NBFC's.

(e) Define Liberalization.

3. Answer "**any four**" from the following :

6×4=24

- (a) Write a short note on the present international environment.
- (b) What do you mean by a budget deficit ? What are the different types of budget deficit ? Explain the implications of a budget deficit.
- (c) What do you mean by economic integration ? What are the different forms of economic integration ?
- (d) What is WTO ? What are the functions of WTO ?
- (e) Briefly explain the problems of small and medium scale industries in India, particularly in the post 1991 period.

4. Answer **any 'five'** from the following :

8×5=40

- (a) India's balance of payments has always shown a deficit in the current account. Suggest some measures that can be taken to improve the situation.
- (b) What do you mean by a Monetary Policy ? What are the objectives of monetary policy in India ?

(c) What are MNC's ? How have they been beneficial for the Indian economy ?

(d) What do you mean by foreign aid and foreign capital ? What has been the impact of foreign aid and on India's economic development ?

(e) What do you mean by globalization ? Has India benefited from globalisation ? If so how and why ?

(f) What do the mean by Business Environment ? How has India's business environment changed, after 1991.

(g) List the measures or steps taken in the Industrial Policy Resolution of 1991 to start the process of liberalization of the Indian economy.

(h) Indian Economic Planning was started in 1951 to achieve certain objectives. What are they ? What has been the achievements and failures of India's plans.