UG Even Semester (CBCS) Exam., May—2017

LAW

(2nd Semester)

Course No. : LLB (H)–205 (C)

(Economics—II)

Full Marks : 75
Pass Marks : 30

Time : 3 hours

The figures in the margin indicate full marks for the questions

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. *(a)* Outline the Keynesian aggregate demand and aggregate supply approach to explain inflation and deflation.

(b) What are the functions of money in an economy? What type of function directly induces national income? Explain briefly. (2+6)+(3+4)=15

2. *(a)* Distinguish between GNP and NNP. Hence differentiate between NNP at market price and at factor cost.

(b) Outline the functions of RBI. Explain credit creation mechanism of RBI. (2+2)+(6+5)=15

UNIT—II

3. *(a)* What are the fundamental components of a union budget?

(b) Briefly explain *(i)* revenue deficit, *(ii)* fiscal deficit and *(iii)* conventional budgetary deficit.

(c) Briefly examine India's deficits in budgets in recent decades. 2+6+7=15

4. *(a)* Classify taxes. Hence distinguish between direct and indirect taxes.

(b) How can the government make use of taxation as a part of fiscal policy? (3+4)+8=15

UNIT—III

5. *(a)* Can free trade benefit all participating nations? Explain.

(b) Distinguish between balance of payments and balance of trade.

(c) Briefly discuss the role of World Bank in developing nations. 6+4+5=15

6. What is an exchange rate? Explain capital movements and balance of payments under fixed and flexible exchange rates. 2+13=15

UNIT—IV

7. *(a)* Briefly discuss India's macroeconomic crisis that led to the liberalization programme in 1991.

(b) Examine whether the performance of the Indian economy has been better after reforms with special reference to the neglected sectors. 6+9=15

8. *(a)* What is the role of Finance Commission in India? Does it have to function in coordination with Planning Commission?

(b) Examine in brief the scope of FEMA in India after 1991. 7+8=15

UNIT—V

9. *(a)* Distinguish between socialistic and capitalistic planning. What path did India adopt since 1951? Elaborate.

(b) Point out the areas of failure of planning in India. 10+5=15

10. Write short notes on any *two* of the following : 7½×2=15

(a) Planning Commission and its functions

(b) Development planning

(c) Indian economy during plan era

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