

Name:	 UPES UNIVERSITY WITH A PURPOSE
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
Online End Semester Examination, May 2020

Course: Business Economics -II	Semester: III
Program: BBA Aviation	Time 03 hrs.
Course Code: ECON1006	Max. Marks: 100

SECTION A

1. Each Question will carry 5 Marks
2. Instruction: Complete the statement / Select the correct answer(s)

S. No.	Question	CO
Q 1	A Typical Business cycle is generally divided into four phases. These are-----, -----, -----, -----.	CO3
Q2	The excess of private investment over saving of a country in a particular year was Rs 2,000 crores. The amount of budget deficit was (-) Rs 1,500 crores. What was the volume of trade deficit of that country? (a) Rs.1000 Crore (b) Rs. 500 Crore (c) Rs. 700 Crore (d) None of the above	CO4
Q3	In the estimation of national Income which of the following is not included? (a) Rents (b) Interest (c) Dividends (d) Job of house wife	CO3
Q4	The consumption function of an economy is: $C = 40 + 0.8 Y$ (amount in < crores). Determine that level of income where average propensity to consume will be one. (a)1000 crore (b)300 crore (c) 200 Crore (d) None of the above	CO4
Q5	Select all the correct statements Which of the following is not a component of GDP? (a) Government spending (b) Investment (c) Interest (d) Net exports	CO1
Q6	A tariff----- (a) Increases the volume of trade. (b) Reduces the volume of trade. (c)Has no effect on the volume of trade. (d) Both (a) and (c).	CO3

SECTION B

1. Each question will carry 10 marks
2. Instruction: Write short / brief notes

Q 7	Distinguish between Demand Pull and Cost Push Inflation along with suitable diagram OR	CO1
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	What do you mean by inflationary Gap? Write down briefly about the effect of Inflation.	
Q 8	Distinguish between Absolute and comparative advantage theory of International Trade OR What do you mean by Free Trade? Write down the functions of WTO	CO3
Q 9	What do you mean by Trade Cycle? Explain its different Phases. OR Critically Discuss Hawtrey's Theory of Trade Cycle	CO3
Q 10	Distinguish between----- (a) Current Account & Capital Account (b) Balance of Payment and Balance of Trade	CO3
Q 11	Distinguish between Economic Growth and Economic Development. How HDI can be measured? OR Write down the short note on LPG	CO2
Section C		
1. Each Question carries 20 Marks. 2. Instruction: Write long answer.		
Q12	Explain briefly the causes of Inflation? Describe the measures to control inflation with examples. OR Explain briefly the causes of disequilibrium in the balance of Payment. What measures should be taken to correct deficit in the balance of Payment with justification. OR Critically discuss Harrod-Domar model of Economic Growth.	CO3

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