


Name: Enrolment No:			
UNIVERSITY OF PETROLEUM AND ENERGY STUDIES End Semester Examination, December 2022			
Course: Business Economics II Program: BA-LLB-H-III Course Code: ECON2021		Semester: III Time: 03 hrs. Max. Marks: 100	
Instructions:			
SECTION A (5Qx2M=10Marks)			
S. No.		Marks	CO
Q 1	Which of the following is not a method to calculate Gross Domestic Product? a. Diminishing cost method b. Expenditure method c. Product method d. None of the above	2	CO1
Q 2	Which organization calculates the Gross Domestic Product for India? a. Central Statistics Office (CSO) b. Department of Economic Affairs (DEA) c. National Sample Survey Office (NSSO) d. None of the above	2	CO1
Q 3	Which of the following is a part of the Gross National Product (GNP)? e. Exports f. Money earned by a resident abroad g. Imports h. All of the above	2	CO1
Q 4	Macro Economics Studies: a. Employment opportunities in the economy b. Theory of supply of Commodities c. Elasticity of demand for Scooter d. Price of wheat in the market	2	CO1
Q 5	Which is the equilibrium condition of circular flow in the four-sector model?	2	CO1

	<p>a. C + I b. C + I + G c. C + I + G + (X-M) d. None of these</p>		
SECTION B (4Qx5M= 20 Marks)			
Q 6	<p>Explain different methods to measure national income. OR Explain the concept “Real Investment”. Discuss different types of investment.</p>	5	CO2
Q 7	Explain the GDP deflator with the equation.	5	CO2
Q 8	Explain national income with equation.	5	CO2
Q 9	<p>Define linear consumption function. OR Explain the concept “Money” and its importance.</p>	5	CO2
SECTION-C (2Qx10M=20 Marks)			
Q 10	<p>Interpret types of inflation in terms of its speed. OR Explain functions of money. Discuss different types of money.</p>	10	CO3
Q 11	Illustrate unemployment and the difference between frictional & structural unemployment.	10	CO3
SECTION-D (2Qx25M=50 Marks)			
Q 12	<p>Illustrate concept of inflation, cost-push inflation and demand-pull inflation with a graph. OR (a) Discuss the economic principles with examples that discusses “how economy as a whole works”. (b) In each of the following cases, determine how much GDP and each of its components will be affected: (i) John spends Rs. 10000 to buy her husband dinner at the finest restaurant in Dehradun. (ii) Xara spends Rs. 5000 to purchase a Japanese laptop for her business purpose. (iii) Soham spends Rs. 60000 on a computer to use in her editing business. She got last year’s model on sale for a great price from a local manufacturer.</p>	25	CO4

	(iv) Mahindra builds \$2000 million worth of cars but only able to sell \$1800 million.		
Q 13	<p>Derive four sector circular flow diagram of GDP with figured and equations.</p> <p style="text-align: center;">OR</p> <p>(a) Explain how to calculate CPI? (b) Discuss the problems associated with CPI? (c) In each scenario, determine the effects on the CPI and GDP deflator:</p> <p>(i) CCD raises the price of Cappuccinos (ii) Mahindra raises the price of tractors it manufactures. (iii) Nikon rises the price of Japanese cameras it sells in India.</p>	25	CO4