

2019

ECONOMICS

Full Marks : 100

Pass Marks : 33

Time : Three hours

All the questions are compulsory.

The figures in the right margin indicate full marks for the questions.

In each of the Question Nos. 1 to 6 there are four answers marked A, B, C and D. Only one of them is correct or the best. Choose the correct or the best answer by writing the corresponding letter with the serial number of the question.

1. Which one of the following is not a variable of macro-economics? 1
- (A) Unemployment
- (B) Inflation
- (C) General price level
- (D) Individual income.
2. Find out the bank which issues currency notes in India. 1
- (A) State Bank of India.
- (B) Reserve Bank of India.
- (C) United Bank of India.
- (D) Central Bank of India.

3. Which one of the following is not a direct tax? 1
- (A) Income tax
(B) Corporation tax
(C) Sales tax
(D) Wealth tax.
4. During the British rule, India was an exporter of 1
- (A) primary products
(B) secondary products
(C) finished products
(D) tertiary services.
5. Who is regarded as the architect of Indian Planning ? 1
- (A) Jawaharlal Nehru
(B) Mahatma Gandhi
(C) P.C. Mahalanobis
(D) V.K.R.V. Rao.
6. One child norm introduced in China in the late 1970s would cause 1
- (A) balance growth of population
(B) more females than males
(C) more elderly people in proportion to young people
(D) more middle aged people than young people.

Answers to Question Nos. 7 to 12 should be limited to a few words or a sentence each.

7. Who are called involuntarily unemployed people? 1
8. What is a Central Bank? 1
9. How does a bank create deposits? 1

10. Identify one basic infrastructure which was considered as one of the most important contributions of the British rule in India? 1
11. Why was the Land ceiling Act initiated in India? 1
12. State one point in favour of subsidies in agriculture. 1

Answers to Question Nos. 13 to 20 should be limited to about 50 words each.

13. Draw a diagram showing circular flow of income and expenditure with government. 4
14. Draw a diagram showing equilibrium between Aggregate Demand and Aggregate supply. 4
15. Explain four agency functions performed by commercial banks. $1 \times 4=4$
16. Explain briefly the importance of increasing government expenditure in the developing countries like India. Give four points. $1 \times 4=4$
17. Why is out sourcing considered as one of the important outcomes of globalisation? $1 \times 4=4$
18. Explain two sources of human capital. $2 \times 2=4$
19. What are the four goals of Five Year Plans of India? $1 \times 4=4$
20. Analyse the great Leap Forward Campaign in China and the problem faced in its campaign. Give two points. $2+2=4$

Answers to Question Nos. 21 to 28 should be limited to about 40 words each.

21. Explain the importance of macroeconomics in economic studies. 3
22. "Structural unemployment tends to last much longer than frictional unemployment."
Examine the statement. Give three points. $1+2=3$
23. Write the function of Central Bank as banker to the government. Give three points. $1 \times 3=3$

24. Examine the main objectives of Government Budget in three objectives. 1 × 3 = 3
25. Identify the adverse effects of foreign trade policy pursued during the British rule in India. Give three points. 1 × 3 = 3
26. How does the need for diversification from agriculture to allied activities arise? Give Three points. 1 × 3 = 3
27. How did India opt for planning? Give three points. 1 × 3 = 3
28. Give statement of three sectoral shares in the Gross Domestic Product of India and China as available in the text book. 3

Answers to Question Nos. 29 to 32 should be limited to about 300 words each.

29. What are the steps to be taken in measuring national income through income method? Give four points? 2 × 4 = 8
30. Explain four components of aggregate demand. 2 × 4 = 8
31. Give four reasons for introduction of economic reforms in India in 1991-92. 2 × 4 = 8
32. Explain strategies for sustainable development by giving four strategies. 2 × 4 = 8
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