2023

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 4, 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. Who brought about a revolution in our thinking about the working of a free- market economy ? 1

   (A) Ragnar Friesch

   (B) J.M. Keynes

   (C) Milton Friedman

   (D) Adam Smith

2. Selective Control Method aim at – 1

(A) Changing the volume of a specific type of credit.

(B) Changing the bank rate.

(C) Open market operation.

(D) Changing the Cash Reserve Ratio.

3. The sole purpose of the British colonial rule in India was – 1

(A) to bring industrialization.

(B) to promote exports.

(C) to remove poverty and unemployment.

(D) to reduce the country to a raw material supplier.

4. Self- reliance does not mean one of the following things. Which ? 1

(A) A long-term equilibrium in the balance of payments

(B) End of all imports

(C) Self-sufficiency in the capital goods sector

(D) Self-sufficiency in highly technical manpower

*Answer to Question Nos. **5** to **12** should be limited to a few words or a sentence each.*

5. How can you prove that the sum of Marginal Propencity to Consume (MPC) and Marginal Propensity to Save (MPS) is equal to one. 1

6. Which of the bank deposits-Demand or Time Deposits are payable on demand through cheques and without any serving notice to the banks ? 1

7. Why does demand deficiency in the economy causes a deflationary or recession emerges ? 1

8. Analyse how raising of bank rate affect availability of credit. 1

9. State one of the important sources of Human Capital formation in India. 1

10. "Between 1950 and 1990, the proportion of GDP of India contributed by agriculture declined significantly but not the population depending on it." Justify the statement. 1

11. What is the important implication of "One Child Norm" in China ? 1

12. Give a reason why there is high rate of unemployment particularly among the educated youth in Manipur ? 1

*Answer to Question Nos. **13** to **24** should be limited to about **40** words each.*

13. Giving reason, explain how should the following be treated in the estimation of National Income :

    (i) Sales and purchase of second hand goods.

    (ii) Transfer payment made by Government. 1×2=2

14. Calculate the Net Value Added at Market Price (NVA_{MP}) from the following data:

(Rs.in Lakh)

(i)	Value of output	~	90
(ii)	Subsidies	~	1
(iii)	Indirect Taxes	~	5
(iv)	Intermediate consumption	~	30
(v)	Consumption of Fixed Capital	~	15

2

15. Distinguish between Supply Shocks and Stagflation. 2

16. Explain the guiding principles of sound Central Banking. 2

17. "The bank must strike of fine balance between liquidity and profitability."

Analyse the above statement. 2

18. Justify the two ways under which fiscal deficits can be financed by the Government. 2

19. Analyse the economic reforms in India in the light of fiscal policies. 2

20. Suggest any two steps involved in attaining sustainable development in India. 2

21. What were the two major policy initiatives which helped India to become self-sufficiency in food grains production during the mid-1980s? 2

22. Amplify "Growth with Equity" as a planning objective. 2

23. State any two objectives of NITI Aayog or National Institution for Transforming India Aayog. 2

24. Explain the main focus of the introduction of Act East Policy of India to the North Eastern Region. 2

Answer to Question Nos. 25 to 32 should be limited to about 60 words each.

25. Explain how J.M. Keynes challenged the correctness of Say's Law of Market that Supply creates its own demand. 4

26. Illustrate Investment Multiplier explained with the Saving-Investment Diagram. 4

27. Predict two likely possible dangers when there is excessive increase in Money Supply in the Economy. 1×4=4

28. Suggest any four measures that can be adopted to reduce public expenditure for reducing fiscal deficit and thereby check inflation. 4

29. Indicate any two initiatives of the colonial Government of India behind their policy of systematically de-industrialization in India. 4

30. Explain any two steps taken by the Govenment of India in developing rural marketing. 4

31. Give four arguments for having Import Substituting Industrialization as a policy of protection in the developing country like India. 4

32. State any four problems faced in China in the Great Leap Forward Campaign as initiated in 1958. 1×4=4

Answer to Question Nos. 33 to 36 should be limited to about 300 words each.

33. What is the problem of double counting in estimating National Income ? What are the two methods of avoiding double counting ? 4+4=8

34. Explain the concept of Aggregate Demand and Aggregate Supply. Show how the equilibrium level of National Income and Employment is determind by the Aggregate Demand and Aggregate Supply Approach. 8

OR

Explain any two macroeconomic policies adopted to overcome the situation of recession to achieve full employment. 4×2=8

35. Critically assess the structural changes in agriculture and industry during the Economic Reforms Period. 8

OR

Explain Liberalization Policies of India with reference to financial sector reforms and tax reforms. 8

36. Explain how far the poverty alleviation programmes successfully implemented by the Government of India. 8

OR

Analyse the future prospects of gender equity and higher education in India. 8