2020

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. Free market capitalist economics experienced severe depression during –   1

    (A) 1919 – 23

    (B) 1929 – 33

    (C) 1939 – 43

    (D) 1949 – 53

2. Which one of the following is direct tax ?   1

    (A) Sales tax

    (B) Service tax

    (C) Corporation tax

    (D) Bus fare

3. Which one of the following is considered as one of the most important contributions to the basic infrastructure of the British in India ?   1

    (A) Water transport

    (B) Ports

    (C) Post and telegraph

    (D) Railways

4. Identify the person who is regarded as the architect of Indian planning ?   1

    (A) Jawharlal Nehru

    (B) Hemmantha Rao

    (C) P.C. Mahalanabis

    (D) V.K.R.V. Rao

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

5. Define aggregate demand.   1

6. What is called bank money ?   1

7. Why is commercial banking known as fractional reserve system ?   1

8. How does the period of fiscal year is counted in India ?   1

9. What was the sole purpose of the British colonial rule in India ?   1

10. Suggest one main cause of stagnation in the agricultural sector in India during the British rule.   1

11. In spite of various poerty alleviation programmes, it has not undergone any radical transformation. Why ? Give one reason.   1

12. Why is equity considered as an important goal of Indian planning ?   1

Answers to Question Nos. 13 to 20 should be limited to about 60 words each.

13. Draw a diagram showing in consumption function.   4

14. Explain four functions of money. $1 \times 4 = 4$

OR

Explain two functions of Commercial Banks. $2 + 2 = 4$

15. What is Cash Reserve Ratio ?   4

16. Distinguish between fiscal policy and monetary policy. $2 \times 2 = 4$

17. Analyse the situation which led the Government of India for introducing economic reforms in 1991. Give four points. $1 \times 4 = 4$

18. Suggest benefits of organic farming by giving four points. $1 \times 4 = 4$

19. State growth and self-reliance as goals of five year plans in India. $2 \times 2 = 4$

20. Why did China introduce structural reforms in 1978? Give two reasons.   4

OR

Why did Mao introduce the great Proletarian Cultural Revolution in China ?   4

Answers to Question Nos. 21 to 32 should be limited to about 40 words each.

21. Analyse J.B. Say's Law of Markets by giving points. $1 \times 2 = 2$

22. Explain concept of depression in an economy. $1 \times 2 = 2$

23. What is meant by personal disposable income?   2

24. Are incomes from the sale of second hand goods counted in the national income of current year? Give two reasons. $1 \times 2 = 2$

25. "The bank should strike a balance between liquidity and profitability." Justify the statement.   2

26. Why is price stability important in an economy ? Give two reasons. $1 \times 2 = 2$

27. Analyse the consequences of restrictive trade policy of India under the British colonial rule. Give two points. $1 \times 2 = 2$

28. State two aspects of diversification of productive activities in agriculture. 2

29. Identify the benefits from green revolution in India by giving two points. $1 \times 2 = 2$

30. Examine the role of tariff and quotas in the trade policy of India. Give two points. $1 \times 2 = 2$

31. What was the aim of the great Leap Forward campaign initiated in China? 2

32. Analyse sectoral shares of G.D.P. in India and China in the year 2014-15. Show it in table. $1 \times 2 = 2$

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

33. Explain the concept of double counting and two methods of avoiding double counting in measuring national income. $2 + 3 \times 2 = 8$

34. Explain the working of investment multiplier. $2 + 6 = 8$

OR

Explain structural unemployment in an expanding economy by giving two points. $4 \times 2 = 8$

35. Identify the areas where agricultural sector has been affected by the reform process. Give four points. $4 \times 2 = 8$

36. Explain four causes of poverty in India. $4 \times 2 = 8$

OR

Explain four poverty alleviation programmes in India. $4 \times 2 = 8$