

2025

## 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 8, 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. Classification of goods depend on the 1
  - (A) consumption of goods
  - (B) production of goods
  - (C) first use of goods
  - (D) end use of goods
  
2. Which of the following is irrelevant in the estimation of compensation of employees? 1
  - (A) wages and salaries in cash
  - (B) free accommodation provided to the employees
  - (C) free education of children of the employees
  - (D) old age pensions

P.T.O.

3. Which of the following forms a part of tax revenue? 1
- (A) Interest Receipts
  - (B) Dividend and Profits
  - (C) External Grants
  - (D) Customs Duties
4. The difference between fiscal deficit and interest payment is called 1
- (A) budget deficit
  - (B) capital deficit
  - (C) primary deficit
  - (D) revenue deficit
5. "Agriculture sector experienced some growth during the British colonial rule". Which of the following justifies the above statement? 1
- (A) Expansion of the aggregate area under cultivation.
  - (B) Introduction of various systems of land settlement.
  - (C) Introduction of new technology in agriculture.
  - (D) Investment in terracing, flood control, drainage and desalinization of soil.
6. Government of India has made attempts to improve efficiency of PSUs- 1
- (A) By giving them autonomy in taking managerial decisions.
  - (B) By attracting FDI.
  - (C) By improving financial discipline and facilitate modernization.
  - (D) By withdrawing the government from ownership and management of some public sector companies.

7. In which of the following year did China introduce structural reforms? 1
- (A) 1951
- (B) 1958
- (C) 1978
- (D) 1991
8. The real purpose of "Go to Village" or "Go to Hill" be realized - 1
- (A) in presence of link groups with commitment in domestic institutions.
- (B) in empowering weaker section of the society.
- (C) in explaining government programmes and benefits to the people.
- (D) in redressing people's problem and queries in citizen freindly manner.

*Answer Questions Nos. 9 to 16 in a few words or a sentence each.*

9. Name the economist who advocated for the active intervention by the government through the adoption of proper fiscal policy to stabilize the economy. 1
10. How would huge and widespread unemployment problem be solved according to A.C. Pigou during the Great Depression? 1
11. Why is the value of the service of housewife not included in the calculation of national income? 1
12. Why is the saving gap at full employment level of income crucially important? 1
13. Bring out one way to attract foreign investment. 1
14. Suggest one measure to attain economic growth and equity simultaneously. 1
15. How would you justify the giving of subsidies in agriculture? 1
16. Why was a large proportion of the population engaged in agriculture although agricultural output could have grown with much less people working in the sector? 1

*Answer Question Nos. 17 to 26 in about 40 words each.*

17. What did classical economists believe in Say's Law of Market? 2
18. How does the circular flow of income take place in a simple economy? 2
19. Whenever there is rise in income, 60% of the rise income is spent on consumption. Now, suppose in the same economy investment rises by ₹. 600 crores, Find out the change in income. 2
20. Why is over issue of money supply dangerous? Give two points. 2
21. How is government borrowing preferable to deficit financing in terms of raising resources for economic development? 2
22. What was the primary motive of the colonial government behind the policy of systematically deindustrialising India? Give two Points. 2
23. How was India affected by the introduction of railways in India in 1850? 2
24. "Self Help Groups have emerged to fill the gap in the formal credit system". Justify the statement. 2
25. Suggest two measures to get the multiplier effect of the border trade in Manipur. 2
26. "With the implementation of NITI Aayog, Manipur has transformed from backward economy to a vibrant hub of enterprise". Justify. 2

*Answer Questions Nos. 27 to 34 in about 60 words each.*

27. Point out four causes of unemployment in developing countries. 1x4=4

Or

What are the leakages in the multiplier process of income generation? 1x4=4

28. Explain the possible outcomes of investment multiplier in two situations- 2x2=4

(i)  $MPC = 1$

(ii)  $MPC = 0$

Or



Distinguish between Inflationary Gap and Deflationary Gap. 4

29. Give a diagrammatic representation of the summation of various components to get Aggregate Demand. 4

30. Analyse two negative consequences of fiscal deficit in India. 2x2=4

31. Explain by giving four points, the measures initiated to improve agricultural marketing system in India. 1x4=4

Or

Explain disguised unemployment and seasonal unemployment. 2x4=4

32. What were the measures taken up by the government of India to increase agricultural productivity? Give two points. 2x2=4

Or

State four goals of India's Five-Year Plans. 1x4=4

33. Analyse the progress of Indian economy during the first seven plans of Indian Planning. Give four points. 1x4=4

34. What were the development strategies taken up by the People's Republic of China in 1958? 4

*Answer Question Nos. 35 to 38 in about 300 words each.*

35. Analyse four items to be excluded while calculating national income by income method as precautionary measures. 2x4=8

Or

Calculate - (a) Gross Domestic Product at market price and 4x2=8  
(b) Net National Product at factor cost

from the following data:

Items

₹. in crores

(i)	Consumption of fix capital	50
(ii)	Gross do mestic capital formation	150
(iii)	Government final consumption expenditure	100
(iv)	Net exports	(-) 10
(v)	Net factor income from abroad	(-) 5
(vi)	Net indirect tax	45
(vii)	Private final consumption expenditure	250

36. Explain four main difficulties which were found in the barter system. 2x4=8

Or

Explain four methods of credit control prusued by central bank of a country. 2x4=8

37. Explain trade and investment policy reforms under the economic liberalization of 1991 in India. 8

Or

Explain the fate of Indian industry in globalized world. 8

38. Explain four sources of human capital. 2x4=8

Or

Explain the growth and changing structure of employment since inception of planning in India. 8

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