

2024

**ECONOMICS**

**Full Marks : 100**

**Pass Marks : 33**

**Time : Three hours**

*All 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. National income of a country can be defined as : 1
- (A) the total market value of all final goods and services produced in the economy in a year.
- (B) the income of only normal residence of the country.
- (C) the factor income only.
- (D) all of the above.
2. Which of the following is NOT correct? 1
- (A)  $NNP_{MP} = GNP_{MP} + \text{Depreciation}$ .
- (B)  $NDP_{MP} = NNP_{MP} - \text{Net Factor Income from Abroad}$ .
- (C)  $NDP_{FC} = NDP_{MP} - \text{Indirect Taxes} + \text{Subsidies}$ .
- (D)  $GDP_{FC} = NDP_{FC} + \text{Depreciation}$ .

**P.T.O.**

3. Suppose in an economy when income rises from Rs.1000 crores to Rs.1100 crores. As a result the consumption increases from Rs. 950crores to Rs.1040 crores, then the value of marginal propensity to consume is : 1
- (A) 0.6  
(B) 0.9  
(C) 0.7  
(D) 0.5
4. The most important objective of Government Budget is: 1
- (A) to achieve rapid economic growth.  
(B) to eliminate the mass poverty and unemployment.  
(C) to control inflation.  
(D) all of the above.
5. Which was the most important infrastructural development during the British Colonial Rule? 1
- (A) Railways.  
(B) Air Transport.  
(C) Water transport.  
(D) Roadways.
6. What was he efforts made in evolving technologies which are eco-friendly for sustainable development ? 1
- (A) Agro-forestry.  
(B) Shifting cultivation.  
(C) Silviculture.  
(D) Organic farming.
7. Liberty Indicator relates to : 1
- (A) political freedom.  
(B) freedom to gain education.

- (C) freedom to occur health services.  
(D) none of the above.
8. Which of the following countries initiated its process of economic growth reforms in the year 1991? 1
- (A) Pakistan.  
(B) India.  
(C) Russian.  
(D) China.

*Answer to Question Nos. 9 to 16 should be limited to a few words or a sentence each.*

9. Explain how Keynes brought about a revolution in economic theory. 1
10. Justify what will happen when there is over-issue of money compared to the available supply of money. 1
11. If the cash reservation is 20%, what will be the deposits multiplier? 1
12. What is the difference between revenue receipts and capital receipts of a Government? 1
13. Give a reason for the rapid growth of Indian Government's defence expenditure? 1
14. Suppose the fiscal deficits of a country is Rs. 11,600 crores and internal payments by the Government is Rs. 1,600 crores. What is the estimated value of primary deficit? 1
15. "China is moving ahead of India on many human development indicators". Analyse the above statement. 1
16. Depict one measure to promote economic activities in Manipur State through sustainable use of forest resources. 1

*Answer to Question Nos. 17 to 26 should be limited to about 40 words each.*

17. "Transfer payments made by Government are not included while calculating National income of the country". Defute or refute the given statement with valid reasons. 2
18. What is Marginal Efficiency of Investment? 2
19. Explain the concept of stabilization measures of New Economic Policy, 1991. 2
20. "India is a favourite outsourcing destination". Comment on the above statement. 2
21. Analyze by giving two points the purpose of foreign exchange reforms as the policy of economic liberalization. 2
22. Explain the importance of Human Capital Formation in the economic development of a country. Give two points. 2
23. Give two reasons for agricultural diversification into productive activities. 2
24. Analyze the problems faced by Great Leap Forward Campaign of China initiated in 1958. Give two points. 2
25. "Subsidies are given by the Government of India to poor farmers although they are a heavy burden on Government finance". Evaluate the above statement by giving two points. 2
26. Review the changes which are brought about by the implementation of the NITI Aayog for achieving inclusive economic growth in Manipur. 2

*Answer to Question Nos. 27 to 34 should be limited to about 60 words each.*

27. What are the differences between Microeconomics and Macroeconomics. Give four points. 4
28. Derive the relationship between Private income, Personal income and Personal Disposable Income. 4

OR

Distinguish between final goods and intermediate goods. 4

29. Calculate the Operating Surplus from the following data : 4

	Rs. in crores
(i) Value of Output at Market Prices	– 12,000
(ii) Indirect Taxes	– 200
(iii) Economic subsidies	– 150
(iv) Compensation of Employees	– 5,000
(v) Consumption of Fixed Capital	– 250
(vi) Intermediate consumption	– 3,500

OR

Suggest two ways which can avoid the problem of double counting while estimating national income. 4

30. Illustrate AD – AS Approach and Saving Investment Approach to determination of income and employment in a single diagram. 4

31. Explain any two objectives of Government Budget. 4

32. Justify the adverse consequences of restrictive trade policy pursued by the Colonial British Government. Give two points. 4

OR

Underscore some of India's most crucial economic challenges at the time of independence. 4

33. Analyze the responsible factors for privatization of the Public Sector Units in India. 4

OR

Analyze the performance of Indian economy during economic reforms with respect to Gross Domestic product and Foreign Exchange Reserves. 4

34. Explain the status of Good Governance Index in Manipur. 4

*Answer to Question Nos. 35 to 38 should be limited to about 300 words each.*

35. Explain four components of Aggregate demand. 2x4=8

**OR**

Explain briefly the nature of frictional and structural unemployment. 8

36. "Money is a matter of function four,  
A medium, a measure, a standard, a store".  
Critically analyse the above couplet. 2x4=8

**OR**

Analyse how does a Central Bank of a country control credit in the economy by using  
Bank Rate Policy and Open Market Operation. 4x2=8

37. What is Organic Farming ? How does it promote Sustainable Development ? Write  
three points. 2+6=8

**OR**

Outline any four steps involved in attaining sustainable development in India. 2x4=8

38. Explain any four common goals of economic planning in India. 2x4=8

**OR**

Explain why public Sector given a leading role in industrial development during the  
planning period. Give any two points. 4x2=8

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