

Series HMJ/3

SET-1

कोड नं. 58/3/1
Code No.

ल नं.
Roll No.

परीक्षार्थी कोड को उत्तर-पुस्तिका के मुख-पृष्ठ पर अवश्य लिखें।

Candidates must write the Code on the title page of the answer-book.

नोट	NOTE
(I) कृपया जाँच कर लें कि इस प्रश्न-पत्र में मुद्रित पृष्ठ 15 हैं।	(I) Please check that this question paper contains 15 printed pages.
(II) प्रश्न-पत्र में दाहिने हाथ की ओर दिए गए कोड नम्बर को छात्र उत्तर-पुस्तिका के मुख-पृष्ठ पर लिखें।	(II) Code number given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
(III) कृपया जाँच कर लें कि इस प्रश्न-पत्र में 34 प्रश्न हैं।	(III) Please check that this question paper contains 34 questions.
(IV) कृपया प्रश्न का उत्तर लिखना शुरू करने से पहले, उत्तर-पुस्तिका में प्रश्न का क्रमांक अवश्य लिखें।	(IV) Please write down the Serial Number of the question in the answer-book before attempting it.
(V) इस प्रश्न-पत्र को पढ़ने के लिए 15 मिनट का समय दिया गया है। प्रश्न-पत्र का वितरण पूर्वाह्न में 10.15 बजे किया जाएगा। 10.15 बजे से 10.30 बजे तक छात्र केवल प्रश्न-पत्र को पढ़ेंगे और इस अवधि के दौरान वे उत्तर-पुस्तिका पर कोई उत्तर नहीं लिखेंगे।	(V) 15 minute time has been allotted to read this question paper. The question paper will be distributed at 10.15 a.m. From 10.15 a.m. to 10.30 a.m., the students will read the question paper only and will not write any answer on the answer-book during this period.

अर्थशास्त्र (सैद्धान्तिक)

ECONOMICS (Theory)

निर्धारित समय : 3 घण्टे

Time allowed : 3 hours

अधिकतम अंक : 80

Maximum Marks : 80

P.T.O

General Instructions :

Read the following instructions very carefully and strictly follow them :

- (i) This question paper comprises two sections – A and B. All questions are **compulsory**.
- (ii) Question numbers 1 – 10 and 18 – 27 are very short-answer questions carrying 1 mark each. They are required to be answered in **one word or one sentence** each.
- (iii) Question numbers 11 – 12 and 28 – 29 are short-answer questions carrying 3 marks each. Answers to them should not normally exceed **60 – 80 words** each.
- (iv) Question numbers 13 – 15 and 30 – 32 are also short-answer questions carrying 4 marks each. Answers to them should not normally exceed **80 – 100 words** each.
- (v) Question numbers 16 – 17 and 33 – 34 are long answer questions carrying 6 marks each. Answers to them should not normally exceed **100 – 150 words** each.
- (vi) Answers should be brief and to the point. Also the above word limit be adhered to as far as possible.
- (vii) There is no overall choice. However, an internal choice has been provided in 2 questions of one mark, 2 questions of three marks, 2 questions of four marks and 2 questions of six marks. Only one of the choices in such questions have to be attempted.
- (viii) In addition to this, separate instructions are given with each section and question, wherever necessary.

SECTION A (Macro Economics)

1. Which of the following is **not** a non-tax revenue receipt ?
(Choose the correct alternative) 1
(A) Goods and Services tax
(B) External grants
(C) Dividends and profits
(D) Disinvestment
2. Deflationary gap indicates _____ (excess/deficient) demand in an economy.
(Fill in the blank with correct answer) 1
3. State, whether the following statement is true or false :
"Government budget is an annual statement showing actual receipts and actual payments of the government for the last fiscal year." 1

4. Name the components of money supply. 1

5. If the exchange rate of the home currency rises, the value of exports of the economy is likely to _____.
(Fill in the blank with correct answer) 1

6. State the meaning of Involuntary Unemployment. 1

OR

Average Propensity to Save (APS) is the ratio of _____ and _____.
(Fill in the blanks with correct answer) 1

7. State, whether the following statement is true or false :
"The official reserve transactions are taken as the accommodating item in Balance of Payment (BOP)."
1

8. Under Statutory Liquidity Ratio, commercial banks are required to keep a fraction of _____ in the form of liquid assets.
(Choose the correct alternative) 1

- (A) Total deposits
- (B) Term deposits
- (C) Total demand and term deposits
- (D) Current deposits

9. Define 'Foreign Exchange Rate'. 1

10. Primary deficit can be zero if _____.
(Fill in the blank with correct alternative) 1

- (A) Fiscal deficit = Interest payments
- (B) Fiscal deficit < Interest payments
- (C) Fiscal deficit > Interest payments
- (D) Revenue deficit < Fiscal deficit

11. Distinguish between a 'Current account deficit' and a 'Trade deficit'. 3

OR

"Balance of Payment (BOP) is always balanced in the accounting sense."
Defend or refute the given statement with valid reasons. 3

P.T.O.

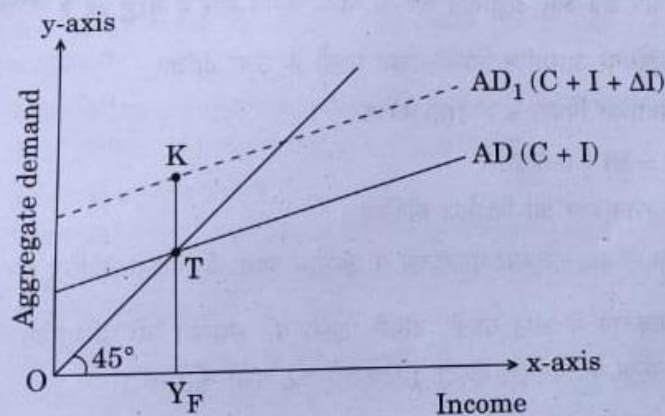
12. From the following data, calculate (a) Revenue deficit and (b) Fiscal deficit :

3

	Particulars	Amount (in ₹ crores)
(i)	Tax Revenue	1,000
(ii)	Revenue Expenditure	3,821
(iii)	Non-tax Revenue	2,000
(iv)	Recovery of Loans	135
(v)	Capital Expenditure	574
(vi)	Disinvestment	100
(vii)	Interest Payments	1,013

13. In the given figure, what does the gap 'KT' represent ? State and discuss any two fiscal measures to correct the situation.

4



For Visually Impaired Candidates :

What is meant by deflationary gap ? State and discuss any two fiscal measures to correct the situation of deflationary gap.

4

14. "To boost the falling demand in the economy, the Reserve Bank of India recently reduced Repo rate." Elaborate the rationale behind the steps taken by the Central Bank.

4

15. Calculate Gross Value Added at Market Price (GVA_{MP}) from the following data :

	Particulars	Amount (in ₹ lakhs)
(i)	Depreciation	20
(ii)	Domestic Sales	200
(iii)	Change in Stock	(-) 10
(iv)	Exports	10
(v)	Single Use Producer Goods	120
(vi)	Net Indirect Taxes	20

OR

The value of the Nominal Gross National Product (GNP) of an economy was ₹ 2,500 crores in a particular year. The value of GNP of that country during the same year, evaluated at the price of base year was ₹ 3,000 crores.

Calculate the value of GNP deflator of the year in percentage terms. Has the price level risen between the base year and the year under consideration ?

16. Answer the following questions based on the data given below :

(i) Planned investment = ₹ 100 crore

(ii) $C = 50 + 0.5 Y$

- (a) Determine the equilibrium level of income.
- (b) Calculate the saving and consumption expenditure at equilibrium level of National Income.

17. Define the problem of double counting in the estimation of National Income. Discuss two approaches to correct the problem of double counting.

OR

Define the following :

- (a) Capital Goods
- (b) Gross Domestic Product
- (c) Flow Variables
- (d) Income from property and entrepreneurship



SECTION B
(Indian Economic Development)

18. _____ is one of the taxes eliminated after implementation of Goods and Services Tax (GST).
(Fill in the blank with correct answer) 1
19. _____ and _____ currency notes of old Mahatma Gandhi series were banned as legal tender money on 8th November, 2016.
(Choose the correct alternative) 1
- (A) ₹ 50 and ₹ 100
(B) ₹ 500 and ₹ 1000
(C) ₹ 500 and ₹ 2000
(D) ₹ 500 and ₹ 200
20. Fixing of maximum land holding (ownership) for an individual is known as _____.
(Fill in the blank with correct answer) 1
21. Central Pollution Control Board (CPCB) has identified _____ categories of large and medium industries as polluting industries.
(Choose the correct alternative) 1
- (A) 15
(B) 17
(C) 19
(D) 13
22. "Google in India has hired 4000 graduate students."
The given statement deals with formal sector/informal sector employment.
(Pick the correct type of employment). 1
23. The first Industrial Policy Resolution in Independent India was introduced in the year _____.
(Choose the correct alternative) 1
- (A) 1948
(B) 1950
(C) 1954
(D) 1956
24. State the meaning of Cooperative Marketing. 1

P.T.O.

25. Define 'Human Capital Formation'.

1

OR

Identify the correct sequence of alternatives given in *Column II* by matching them with their respective years in *Column I* :

1

Column I		Column II	
a.	Jan Dhan Yojana	(i)	2005
b.	Task Force on projections of the Minimum Needs and Effective Consumption Demand	(ii)	1962
c.	Mahatma Gandhi National Rural Employment Guarantee Act	(iii)	1979
d.	Study Group formed by the Planning Commission for Poverty	(iv)	2014

Choose the correct alternative from following :

- (A) a-(iv), b-(i), c-(ii), d-(iii)
(B) a-(iv), b-(ii), c-(i), d-(iii)
(C) a-(iv), b-(iii), c-(i), d-(ii)
(D) a-(iv), b-(ii), c-(iii), d-(i)

26. State the meaning of 'Commune'.

1

27. Arrange the following events in chronological order and choose the correct alternative :

1

- (i) Establishment of People's Republic of China
(ii) Creation of Pakistan
(iii) First Five-Year Plan of India
(iv) First Five-Year Plan of China

Alternatives :

- (A) (i), (iv), (ii), (iii)
(B) (iii), (ii), (i), (iv)
(C) (ii), (i), (iii), (iv)
(D) (iv), (iii), (ii), (i)

28. "It is necessary to create employment in the formal sector rather than in the informal sector." Defend or refute the given statement with valid arguments.

3

OR

State and discuss any two challenges in the Power sector of India.

3

P.T.O.

29. "Rapid increase in economic growth surely trickles down to the people under the absolutely poor category." Defend or refute the given statement with valid arguments. 3

30. "Agriculture sector appears to be adversely affected by the economic reform process." Explain the given statement. 4

OR

India is often called the 'Outsourcing Destination' of the world. Discuss the prime reasons for this name given to India. 4

31. "India, China and Pakistan have travelled more than seven decades of developmental path with varied results." Explain the given statement with valid arguments. 4

32. Discuss briefly the rationale behind choosing 'Self-reliance' as a planning objective for the Indian economy. 4

33. (a) State the meaning of 'Poverty Line'.

(b) Define the following :

(i) Carrying capacity of environment

(ii) Absorptive capacity of environment 2+4

34. (a) "Ujjwala Yojana has been a game changer for rural India." State any three conventional fuels being targeted under the LPG cylinder distribution scheme (Ujjwala Yojana).

(b) "The Indian Health System needs a stronger dose of public expenditure to cure itself." Justify the given statement with valid arguments. 3+3

OR

(a) Why are less women found in regular salaried employment? 3

(b) Analyse the recent trends in sectoral distribution of workforce in India : 3

Trends in Employment Pattern (Sectorwise), 1993 - 2012 (in %)

Sector	1993 - 94	1999 - 2000	2011 - 12
Primary	64	60.4	48.9
Secondary	16	15.8	24.3
Services	20	23.8	26.8