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(NEP—2020)

(1st Semester Repeater)

ECONOMICS

(Multi-disciplinary Course)

(**Fundamentals of Economics**)

Full Marks : 75

Time : 3 hours

The figures in the margin indicate full marks for the questions

(**SECTION : A—OBJECTIVE**)

(*Marks : 10*)

Tick (✓) the correct answer in the brackets provided :

1×10=10

1. Wealth definition of economics is given by

- (a) Alfred Marshall ()
- (b) P. A. Samuelson ()
- (c) Adam Smith ()
- (d) Lionel Robbins ()

2. In case of normal goods, the income effect is

- (a) zero ()
- (b) positive ()
- (c) negative ()
- (d) unity ()

3. A typical demand curve shows that quantity demanded
- (a) varies proportionately with price ()
 - (b) varies inversely with price ()
 - (c) varies directly with price ()
 - (d) All of the above ()
4. A supply curve shows
- (a) a direct relationship between price and quantity supplied ()
 - (b) a direct relationship between price and income ()
 - (c) a direct relationship between income and quantity supplied ()
 - (d) None of the above ()
5. The national income estimation is the responsibility of
- (a) NSSO ()
 - (b) CSO ()
 - (c) Finance Ministry ()
 - (d) National Income Committee ()
6. A method of budgeting which requires expenditure items to be justified for each new period is
- (a) incremental budgeting ()
 - (b) activity-based budgeting ()
 - (c) zero-based budgeting ()
 - (d) rolling budgeting ()
7. When the rate of taxation increases with every increase in income, it is called
- (a) proportional tax ()
 - (b) regressive tax ()
 - (c) degressive tax ()
 - (d) progressive tax ()
8. Mixed economy is an economy where
- (a) both agriculture and industry are equally promoted by the State ()
 - (b) there is coexistence of public sector along with private sector ()
 - (c) there is importance of small-scale industries along with heavy industries ()
 - (d) the economy is controlled by military as well as civilian rulers ()

9. Sex ratio in India according to 2011 Census is

(a) 944 ()

(b) 983 ()

(c) 943 ()

(d) 921 ()

10. What is India's rank in the world in terms of land area?

(a) First place ()

(b) Fifth place ()

(c) Second place ()

(d) Seventh place ()

(SECTION : B—SHORT ANSWERS)

(Marks : 25)

Write short notes on *five* of the following, taking at least *one* from each Unit :

5×5=25

UNIT—I

1. Wealth definition of economics
2. Problem of choice
3. Exceptions to the law of demand

UNIT—II

4. Gross Domestic Product
5. Revenue and capital budgets
6. Public expenditure

UNIT—III

7. Underdeveloped economy
8. Problems of overpopulation
9. Economic growth

(SECTION : C—DESCRIPTIVE)

(Marks : 40)

Answer *four* of the following questions, taking at least *one* from each Unit : 10×4=40

UNIT—I

1. Critically examine scarcity definition of economics. 10
2. Discuss the basic economic problems. 10
3. What do you understand by the term 'demand' in economics? State and explain the various determinants of demand. 3+7=10

UNIT—II

4. Explain the concept and components of national income. 10
5. Describe the various kinds of budget in India. 10
6. Distinguish between revenue and capital expenditures. Explain the different sources of public revenue. 3+7=10

UNIT—III

7. Explain the important characteristics of Indian economy. 10
8. Distinguish between 'economic growth' and 'economic development'. Briefly explain the major indices of economic development. 4+6=10
9. Discuss the major features of New Economic Policy, 1991. 10
