

15  
Code—07

ECONOMICS

*Time Allowed : 3 Hours*

*Maximum Marks : 150*

**Note :** Attempt any *Five* questions. All questions carry equal marks. Q. No. **1** is compulsory. Answer *two* questions from Part I and *two* questions from Part II. The parts of the same question must be answered together and must not be interposed between answers to other questions.

1. Write critical notes on any *four* of the following : (4×7½=30)
  - (a) Marshall's and Hicks's analysis of consumer's equilibrium
  - (b) Money multiplier and growth of money supply
  - (c) Relationship between tax rate and tax revenue

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- (d) Public debt in India
- (e) Management of water resources in India
- (f) Composition of India's foreign trade of recent past.

### Part I

2. "Flexibility in wage rate is a necessary condition to full employment in classical theory of employment." Comment. (30)
3. How can monetary and fiscal policies can speed up recovery in a recessionary economy? Which one is more effective in developing economy? (30)
4. Explain the price determination under monopolistic competition market. Discuss the role of selling costs in this market. (30)

### Part II

5. What do you mean by Disinvestment of Public Sector Units? Discuss the needs and consequences of disinvestment of public sector units in India in the recent past. (30)

6. Why is globalisation of Indian Economy inevitable ? How far this has improved the Balance of Payment position of Indian Economy ? (30)
7. Give an account of the techniques of measurement of poverty in India and discuss the measures taken for the eradication of poverty in our economy. (30)