Instructions for the Candidates

1. Write your roll number in the space provided on the top of this page.
2. Answer to short answer/essay type questions are to be given in the space provided below each question or after the questions in the Test Booklet itself.

No Additional Sheets are to be used.

3. At the commencement of examination, the question booklet will be given to you. In the first 5 minutes, you are requested to open the booklet and compulsorily examine it as below:
   (i) To have access to the Question Booklet, tear off the paper seal on the edge of this cover page. Do not accept a booklet without sticker-seal and do not accept an open booklet.
   (ii) Tally the number of pages and number of questions in the booklet with the information printed on the cover page. Faulty booklets due to pages/questions missing or duplicate or not in serial order or any other discrepancy should be got replaced immediately by a correct booklet from the invigilator within the period of 5 minutes. Afterwards, neither the Question Booklet will be replaced nor any extra time will be given.
4. Read instructions given inside carefully.
5. One page is attached for Rough Work at the end of the booklet before the Evaluation Sheet.
6. If you write your name or put any mark on any part of the Answer Sheet, except for the space allotted for the relevant entries, which may disclose your identity, you will render yourself liable to disqualification.
7. You have to return the test booklet to the invigilators at the end of the examination compulsorily and must not carry it with you outside the Examination Hall.
8. Use only Blue/Black Ball point pen.
9. Use of any calculator or log table etc., is prohibited.

J-0110

PAPER-III [Maximum Marks : 200]
ECONOMICS

Number of Pages in this Booklet : 24

Number of Questions in this Booklet : 26

Test Booklet No.
Note: This paper is of two hundred (200) marks, containing four (4) sections. Candidates are required to attempt the questions contained in the section.

नोट: यह प्रश्नपत्र दो सौ (200) अंकों का है एवं इसमें चार (4) खंड हैं। अभ्यासियों को इनमें समाहित प्रश्नों के उत्तर अलग दिये गये विस्तृत निर्देशों के अनुसार देना है।
SECTION – I
खण्ड – I

Note: This section consists of two essay type of questions of twenty (20) marks each, to be answered in about five hundred (500) words each. (2 × 20 = 40 marks)

नोट: इस खण्ड में बीस-बीस अंकों के दो निर्धारित प्रश्न हैं। प्रश्नों का उत्तर लगभग पाँच सौ (500) शब्दों में अपेक्षित है। (2 × 20 = 40 अंक)

1. What are the causes of recent global financial crisis? What has been its impact on growth, employment and money markets in India? Describe the measures adopted in India to combat it?

OR /

Describe the major new economic reforms introduced in India since 1991. Also examine their effects on the performance of different sectors of the Indian economy.

1. रेसेंट ग्रीनल फाइनेंशल क्रिशि के कारण क्या हैं? इसका प्रभाव भारत की विकास, नौकरियों और मoney बाज़ार पर क्या हो गया है? भारत में आहत की नाकल स्थापित की गई कौन सी मापदंड?

OR / अथवा

1991 से हुई नए धार्मिक समाधानों किसी भी क्षेत्र के भारतीय अर्थव्यवस्था के प्रदर्शन के प्रभाव की अध्ययन करें।
2. Differentiate between foreign direct investment and portfolio investment by foreign institutional investors. Discuss the factors that determine foreign direct investment inflows in a developing country, like India.

Explain the growth and productivity trends in Indian agriculture since 1991. Also suggest measures to improve productivity of agriculture in India.

OR / अथवा

 Bharat में कृषि को उत्पादकता में सुधार लाने के उपाय भी सुझायें।
SECTION – II
खण्ड – II

Note: This section contains three (3) questions. From each of the elective/specialization, the candidate has to choose only one elective/specialization and answer all the three questions from it. Each question carries fifteen (15) marks and is to be answered in about three hundred (300) words.

Elective – I
विकल्प – I

3. What is meant by multicollinearity? How does it affect the OLS estimation process? Discuss the two methods of detect it and suggest the remedial measures.

बहुसंभिकता का क्या अर्थ है? यह ऑ.एल.जी. आकलन प्रक्रिया को किस प्रकार प्रभावित करता है? उसको पहचान करने के लिए दो विधियों की विवेचना कीजिए और उपचारी उपाय बताएँ।
4. (i) Explain the effects of applying the single equation estimation method to an equation belonging to a system of simultaneous equations model. Also discuss how the quality of parameter estimators is improved through the application of an alternative method of estimation.

(ii) Consider the following model, given in deviation form:

\[ y_1 = b_1 y_2 + u \quad \ldots \ldots \quad (i) \]

\[ y_2 = c_1 y_1 + c_2 x_1 + c_3 x_2 + v \quad \ldots \ldots \quad (ii) \]

Use data, given in deviation form, below, and apply the two stage least square method to estimate the first equation:

\[ y_1: \begin{bmatrix} -5 & 0 & 3 & 2 \end{bmatrix} \]
\[ y_2: \begin{bmatrix} 2 & 3 & 1 & -6 \end{bmatrix} \]
\[ x_1: \begin{bmatrix} -2 & -1 & 0 & 3 \end{bmatrix} \]
\[ x_2: \begin{bmatrix} -2 & 3 & -2 & 1 \end{bmatrix} \]

5. (i) What is a dummy variable? Explain its use in capturing a change in a slope co-efficient in a regression model. Use an illustrative example.

(ii) What do you understand by unit roots? Discuss their uses in time series analysis.

Elective – II

3. What do you understand by decomposition of price effect into substitution effect and income effect? Show diagrammatically, how it can be applied to compare cash relief with the subsidy involving equivalent cost.

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4. Explain how does Samuelson’s accelerator-multiplier interaction generate trade cycle.

5. Explain the Harrod Domar conditions for warranted rate of growth.

Elective – III

3. Discuss the collapse of Brettonwoods system in 1971.

4. Discuss emergence of world trading system and the main reasons for its distortions.

5. What were the characteristics of globalization in the first phase ? Explain their impact on export sector of the developing countries.

Elective – IV

3. What is agricultural price policy ? How is it useful to control the market prices in India ?

4. How does WTO help sustainable agricultural development in India ?

5. Briefly explain the role of agrarian reforms in agricultural development in India.

Elective – V

3. ‘Economic planning in India has failed to achieve its major objectives.’ Discuss.

4. Critically examine the salient features of strategy of poverty alleviation adopted in India, since independence.

5. Describe the main financial sector reforms undertaken by the Government of India since 1991. Examine their impact on the development of the banking sector and capital markets in the country.
SECTION – III

Note : This section contains nine (9) questions of ten (10) marks, each to be answered in about fifty (50) words. (9 \times 10 = 90 marks)

\begin{itemize}
\item 6. What are the main points of Baumol’s Sales maximization model of the firm ?
\end{itemize}
7. Why does the IS curve slope down?
निवेश-चक्र (IS) वक्र का ढाल नीचे की ओर क्यों होती है?

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8. Define and distinguish between inclusive economic growth and the economic development.
अन्तर्वेश आधिक संबंध और आधिक विकास के बीच अन्तर कोंजेक्ट ओर उसकी व्याख्या कोंजेक्ट।

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9. State the main recommendations of the Twelfth Finance Commission of India.
भारत के 12वें वित्त आयोग की संस्थापित का वर्णन कोंजेक्ट।

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10. How is monetary approach to Balance of Payments different from traditional approach?

भूगतान संबंधित उपाधि से मौलिक उपाधि किस प्रकार भिन्न है?


औद्योगिक अवस्थाओं को सार्जेंट फ्लोरेंस थ्योरी की मुख्य विषयवस्तु बताइए।

12. Explain environment as a public good.

सार्वजनिक वस्तु के रूप में पर्यावरण की व्याख्या कीजिए।
13. What are the problems of agricultural labour in India?

भारत में कृषि श्रम की समस्याएं क्या हैं?

14. The lines of regression of a bi-variate model are:

\[ 8x - 10y + 66 = 0 \] (y on x)
\[ 40x - 18y = 214 \] (x on y)

The variance of \( x = 9 \). Find

(a) Mean values of \( x \) and \( y \)
(b) Correlation coefficient between \( x \) and \( y \)
(c) Standard deviation of \( y \)

द्विविभाजी मॉडल की रेखाएँ हैं:
\[ 8x - 10y + 66 = 0 \] (\( x \) पर \( y \))
\[ 40x - 18y = 214 \] (\( y \) पर \( x \))
\( x \) का प्रसरण = 9

ज्ञात करें:

(a) \( x \) और \( y \) के माध्यम मूल्य
(b) \( x \) और \( y \) के बीच सहसम्बन्ध गुणक
(c) \( y \) का मानक विचलन
SECTION – IV
खण्ड – IV

Note: This section contains five (5) questions of five (5) marks each based on the following passage. Each question should be answered in about thirty (30) words.

(5 × 5 = 25 marks)

Economics is a study of men as they live and move and think in the ordinary business of life. But it concerns itself chiefly with those motives which affect, most powerfully and most steadily, man’s conduct in the business part of his life. Everyone who is worth anything carries his higher nature with him into business; and there as elsewhere, he is influenced by his personal affections, by his conceptions of duty and his reverence for high ideals. And it is true that the best energies of the ablest inventors and organizers of improved methods and appliances are stimulated by a noble emulation more than by any love of wealth for its own sake. But, for all that, the steadiest motive to ordinary business work is the desire for the pay which is the material reward of work. The pay may be on its way to be spent selfishly or unselfishly, for noble or base ends; and here the variety of human nature comes into play. But the motive is supplied by a definite amount of money: and it is this definite and exact money measurement of the steadiest motives in business life, which has enabled economics far to outrun every other branch of the study of man. Just as the chemist’s fine balance has made chemistry more exact than most other physical sciences; so this economist’s balance, rough and imperfect as it is, has made economics more exact than any other branch of social science. But of course economics cannot be compared with the exact physical sciences: for it deals with the ever changing and subtle forces of human nature.
15. What motives of men’s ordinary business of life constitute the subject matter of study in economics?

Vyaktitva ke samayaran jeevan vyavswaay ke koen se prerak uddeesh vyayash ke vyayam ke vyavharam varstu h?

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16. Do you agree that personal affections, conceptions of duty and reverence for high ideals are stronger stimulants than love of wealth for its own sake in the life of every man?

kya aap sahbata hain ki keval dhan ke priti moh ko aaya nijjii pasand, apnii karunvyayata bhav tahap aapne uchch aadhar ke priti samayan, pratyek vyakti ke jeevan me aadik prabal prerak hain?

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17. What is the steadiest motive to ordinary business work in the life of human being?
मानव के साधारण जीवन व्यवसाय के कार्यों का सर्वोच्च स्मृति/निर्गमित प्रयास क्या है?

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18. What has made economics more important than other branches of study of men?
मानव के अध्ययन को अन्य शाखाओं की तुलना में अर्थशास्त्र को किस बात ने ज्यादा महत्वपूर्ण बना दिया है?

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19. Why economics can not be compared with the exact physical sciences?
अर्थशास्त्र की तुलना में अन्य सटीक भौतिक विज्ञानों के साथ क्यों नहीं कि जा सकती है?

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