

Roll No.

Question Booklet Number

O. M. R. Serial No.

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B. Com. (Honors) (Second Semester)

EXAMINATION, July, 2022

INDIAN ECONOMY & PUBLIC FINANCE

Paper Code

BCOMH	2	0	0	5
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Questions Booklet
Series

B

Time : 1:30 Hours]

[Maximum Marks : 100

Instructions to the Examinee :

1. Do not open the booklet unless you are asked to do so.
2. The booklet contains 100 questions. Examinee is required to answer any 75 questions in the OMR Answer-Sheet provided and not in the question booklet. If more than 75 questions are attempted by student, then the first attempted 75 questions will be considered for evaluation. All questions carry equal marks.
3. Examine the Booklet and the OMR Answer-Sheet very carefully before you proceed. Faulty question booklet due to missing or duplicate pages/questions or having any other discrepancy should be got immediately replaced.

परीक्षार्थियों के लिए निर्देश :

1. प्रश्न-पुस्तिका को तब तक न खोलें जब तक आपसे कहा न जाए।
2. प्रश्न-पुस्तिका में 100 प्रश्न हैं। परीक्षार्थी को किन्हीं 75 प्रश्नों को केवल दी गई OMR आन्सर-शीट पर ही हल करना है, प्रश्न-पुस्तिका पर नहीं। यदि छात्र द्वारा 75 से अधिक प्रश्नों को हल किया जाता है तो प्रारम्भिक हल किये हुए 75 उत्तरों को ही मूल्यांकन हेतु सम्मिलित किया जाएगा। सभी प्रश्नों के अंक समान हैं।
3. प्रश्नों के उत्तर अंकित करने से पूर्व प्रश्न-पुस्तिका तथा OMR आन्सर-शीट को सावधानीपूर्वक देख लें। दोषपूर्ण प्रश्न-पुस्तिका जिसमें कुछ भाग छपने से छूट गए हों या प्रश्न एक से अधिक बार छप गए हों या उसमें किसी अन्य प्रकार की कमी हो, तो उसे तुरन्त बदल लें।

(Remaining instructions on the last page)

(शेष निर्देश अन्तिम पृष्ठ पर)

(Only for Rough Work)

1. The greater the elasticity of supply, the greater is :
 - (A) Incidence of tax on buyers
 - (B) Incidence of tax on sellers
 - (C) Impact of tax on sellers
 - (D) Impact of tax on buyers
2. A forward-shifted tax will affect :
 - (A) buyers more than sellers
 - (B) sellers more than buyers
 - (C) buyers and sellers equally
 - (D) government revenues negatively
3. The merit of Zero-Based Budgeting is that :
 - (A) Tax liability is reduced.
 - (B) Profits go up.
 - (C) Deficit financing becomes zero.
 - (D) Expenditure is rationalized.
4. Repayment of public debt refers to :
 - (A) Discharging duties
 - (B) Redemption of public debt
 - (C) Repayment
 - (D) Recovery
5. and are main principles of taxation.
 - (A) Equality, Certainty
 - (B) Certainty, Morality
 - (C) Flexibility, Durability
 - (D) Durability, Rigidity
6. If a tax payer can shift the burden of tax to someone else, then tax is called :
 - (A) Movable tax
 - (B) Indirect tax
 - (C) Transfer tax
 - (D) Undesirable tax
7. Which of the following canons of taxation is given by Adam Smith ?
 - (A) Canon of diversity
 - (B) Canon of simplicity
 - (C) Canon of economy
 - (D) Canon of productivity
8. Tax is a payment.
 - (A) Compulsory
 - (B) Voluntary
 - (C) Unnecessary
 - (D) Temporary

9. Which of the following taxes is/are withdrawn or abolished ?
- (A) Interest tax
 - (B) Estate duty
 - (C) Gift tax
 - (D) All of the above
10. To bring equitable distribution of income in the country taxes should be :
- (A) Direct
 - (B) Indirect
 - (C) Proportional
 - (D) Progressive
11. Government prepares its budget :
- (A) weekly
 - (B) monthly
 - (C) quarterly
 - (D) annually
12. The difference between revenue expenditure and revenue receipts is :
- (A) Revenue deficit
 - (B) Fiscal deficit
 - (C) Budgetary deficit
 - (D) Primary deficit
13. One of the following is not a feature of private finance :
- (A) Balancing of income and expenditure
 - (B) Secrecy
 - (C) Saving some part of income
 - (D) Publicity
14. Taxes are levied to :
- (A) penalise people
 - (B) provide direct benefits to tax payers
 - (C) provide general benefits for the people
 - (D) accumulate funds
15. Consider the following statements and identify the correct ones :
- (i) Wealth tax is collected from productive as well as unproductive assets.
 - (ii) Estate duty was a type of inheritance tax on large estates.
- Codes :**
- (A) (i) only
 - (B) (ii) only
 - (C) Both (i) and (ii)
 - (D) None of the above

16. The tax levied by Union Government on income of individuals is known as :
- (A) Personal income tax
 - (B) Interest tax
 - (C) Wealth tax
 - (D) Corporation tax
17. Ad-Valorem duties are levied on
- (A) Length
 - (B) Weight
 - (C) Value
 - (D) Utilities
18. The Indian tax system is :
- (A) Progressive
 - (B) Regressive
 - (C) Proportional
 - (D) None of the above
19. Which is the main objective of tax ?
- (A) Increase in consumption
 - (B) Increase in production
 - (C) Raising public revenue
 - (D) Reduction in capital formation
20. The difference between total expenditure and total receipts is :
- (A) Fiscal deficit
 - (B) Budgetary deficit
 - (C) Primary deficit
 - (D) Revenue deficit
21. Consider the following statements and identify the right ones :
- (i) Central Government does not have exclusive power to impose tax.
 - (ii) The constitution also provides for transferring certain tax revenues from union list to states.
- (A) (i) only
 - (B) (ii) only
 - (C) Both (i) and (ii)
 - (D) None of the above
22. Which of the following explains the term economic growth ?
- (A) Increase in per capita production
 - (B) Increase in per capita real income
 - (C) Structural change in the economy
 - (D) All of the above

23. Economic development is characterized by :
- (A) Structural change in the economy
 - (B) Change in the occupational structure
 - (C) Both (A) and (B)
 - (D) None of the above
24. An underdeveloped economy is characterized by :
- (A) High per capita real income
 - (B) Large proportion of labour force in the tertiary sector
 - (C) State of deprivation of large proportion of population
 - (D) All of the above
25. Scarcity of capital, technological backwardness and unemployment are generally found in :
- (A) Developed countries
 - (B) Underdeveloped countries
 - (C) Both of the above
 - (D) None of the above
26. IMR stands for
- (A) International Margin Rate
 - (B) Infant Migration Rate
 - (C) Infant Mortality Rate
 - (D) International Mortality Rate
27. Which of the following is not a feature of Indian Planning ?
- (A) Physical planning
 - (B) Indicative economic planning
 - (C) Decentralized planning
 - (D) None of the above
28. Who is the father of Green Revolution in the world ?
- (A) Norman Borlaug
 - (B) M. S. Swaminathan
 - (C) Raj Krishna
 - (D) R. K. V. Rao
29. Green Revolution refers to
- (A) Use of green manure
 - (B) Grow more crops
 - (C) Use high yielding variety of seeds
 - (D) Green vegetation

30. Which of the following states was chosen as the initiation site for green revolution in India ?
- (A) Punjab
 - (B) Tamil Nadu
 - (C) Andhra Pradesh
 - (D) Bihar
31. What were the main reasons for deceleration in the growth of agriculture in post-reform period ?
- (A) Momentous deceleration in public and general investment in agriculture
 - (B) Dwindling farm size
 - (C) Failure to develop new technologies
 - (D) All of the above
32. Which of the following is not included in land reforms ?
- (A) Land consolidation
 - (B) Land ceiling
 - (C) Drip irrigation
 - (D) None of the above
33. Which of the following was not introduced in India as a part of land reforms ?
- (A) Zamindari abolition
 - (B) Land ceiling
 - (C) Rent regulation
 - (D) Rural industrialization
34. Which among the following contributes the maximum to GDP of India ?
- (A) Primary sector
 - (B) Secondary sector
 - (C) Tertiary sector
 - (D) None of the above
35. Which of the following is not a part of the service sector in India ?
- (A) Transport
 - (B) Construction
 - (C) Hotels and Restaurants
 - (D) Insurance
36. The objective of land reform in India is
- (A) Increase in agro-migration
 - (B) Social justice with farmer
 - (C) Both (A) and (B)
 - (D) None of the above

37. Which of the following is not related to tenancy reforms ?
- (A) Consolidation of holding
 - (B) Regulation of rent
 - (C) Security of tenants
 - (D) Confirmment of ownership rights on tenant
38. What were the reasons for introducing the economic reforms in 1991 ?
- (A) The Gulf war
 - (B) Negative balance of payment
 - (C) Increase in fiscal deficit
 - (D) All of the above
39. is the policy that helps integrate a domestic economy with the world economy.
- (A) Liberalization
 - (B) Globalization
 - (C) Privatization
 - (D) None of the above
40. Which of the following is the outcome of the globalization of a country's economy ?
- (A) Outsourcing
 - (B) Privatization
 - (C) Liberalization
 - (D) None of the above
41. Which of the following arguments are made in famous of privatization of a country's economy ?
- (A) It helps to revive sick public sector units.
 - (B) It creates a competitive environment for businesses.
 - (C) It helps to protect the sovereignty of a consumer.
 - (D) All of the above
42. Which of the following industries were reserved exclusively for the public sector after the economic reforms of 1991 ?
- (A) Railways
 - (B) Metro transport
 - (C) Communication
 - (D) None of the above
43. Who was the Finance Minister of India when the economic reforms took place under the New Economic Policy (NEP) in 1991 ?
- (A) P. Chidambaram
 - (B) Pranav Mukherjee
 - (C) Dr. Man Mohan Singh
 - (D) Atal Bihari Vajpayee

44. At the time of financial crisis in the 1990's India approved for assistance to
- (A) IMF
(B) WTO
(C) World Bank
(D) RBI
45. Economic reforms were finally introduced in India in
- (A) July 1991
(B) August 1947
(C) January 1980
(D) March 1990
46. What was the duration of the 2nd Five Year Plan ?
- (A) 1957-1962
(B) 1958-1963
(C) 1955-1960
(D) 1956-1961
47. What was the top priority of the First Five Year Plan ?
- (A) Agriculture
(B) Steel plants
(C) Ports
(D) Industries
48. Which Five Year Plan had the primary goal to establish India as a self-reliant and self-generating economy ?
- (A) 1st Five Year Plan
(B) 2nd Five Year Plan
(C) 3rd Five Year Plan
(D) 4th Five Year Plan
49. Planning Commission was scrapped in
- (A) 2015
(B) 2014
(C) 2018
(D) 2012
50. The First Five Year Plan started in
- (A) 1950
(B) 1951
(C) 1952
(D) 1955

51. Who appoints the vice-chairperson of NITI Aayog ?
- (A) President
 - (B) Prime Minister
 - (C) RBI Governor
 - (D) Finance Minister
52. Engagement of local people in development project refers to
- (A) Economic development
 - (B) Social development
 - (C) Participatory development
 - (D) Sustainable development
53. What does Infant Mortality Rate mean ?
- (A) The number of deaths per 1,000 live births of children under 1 year of age
 - (B) Death of children under the age of 5 years
 - (C) Death of children before the age of 6 months
 - (D) Death of children under the age of 3 years
54. Which of the following is an important determinant of population change ?
- (A) Migration
 - (B) Human development report
 - (C) Net attendance ratio
 - (D) Life expectancy
55. are the poor who move in and out of poverty on a regular basis.
- (A) Occasionally poor
 - (B) Chronic poor
 - (C) Churning poor
 - (D) None of the above
56. Which of the following is a characteristic of people below the poverty line ?
- (A) Debt burden
 - (B) Gender inequality
 - (C) Poor health
 - (D) All of the above
57. Which of the following is the main reason behind the poor people in India getting limited economic opportunities ?
- (A) Lack of skills and basic literacy
 - (B) Scarcity of resources
 - (C) Most of them live in rural areas
 - (D) None of the above
58. SHG stands for :
- (A) Self Hand Group
 - (B) Self Help Group
 - (C) Silent Hand Group
 - (D) Social Help Group

59. There are three types of ration cards in India. Which among the following ration cards in for the poorest of the poor people ?
- (A) Suraksha Card
 - (B) BPL Card
 - (C) BBPL Card
 - (D) Antyodaya Card
60. Which of the following is a cause for migration of unskilled workers ?
- (A) Population
 - (B) Poverty
 - (C) Pollution
 - (D) Ambience
61. High inflation level is result of in economy.
- (A) Increase in money supply
 - (B) Decrease in money supply
 - (C) No change in money supply
 - (D) None of the above
62. Which of the following concepts is the opposite of inflation ?
- (A) Deflation
 - (B) Stagflation
 - (C) Inflation
 - (D) None of the above
63. If too much money is chasing too few goods, the resulting inflation is known as
- (A) Stagflation
 - (B) Cost-push inflation
 - (C) Demand-pull inflation
 - (D) None of the above
64. Inflation is measured by
- (A) Consumer Price Index
 - (B) Wholesale Price Index
 - (C) Both (A) and (B)
 - (D) None of the above
65. The RBI can take the measure of to control inflation within the county.
- (A) Rationing of credit
 - (B) Introducing progressive tax system
 - (C) Improving profit of public sector
 - (D) Controlling public expenditure
66. What type of unemployment is found in India ?
- (A) Structural
 - (B) Seasonal
 - (C) Disguised
 - (D) All of the above

67. If a person is willing to work at the prevailing wage rate in the market, but he is unable to find the work, then what type of unemployment would it be called ?
- Voluntary unemployment
 - Involuntary unemployment
 - Seasonal unemployment
 - None of the above
68. Cyclical and frictional unemployment are found in
- Both less developed and developing countries
 - Developing countries
 - Developed countries
 - Less developed countries
69. Industrial sickness contributes to cost economy.
- high
 - medium
 - average
 - low
70. Industrial sickness concerns
- Government
 - Employees
 - Bankers
 - All of the above
71. An industrial unit is considered sick when its financial position is :
- Good
 - Satisfactory
 - Non-satisfactory
 - None of the above
72. Which of the following is not an immediate indicator of industrial sickness ?
- Drop in profitability
 - Labour unrest
 - Shrinking of market credit
 - Decline in market share
73. Agriculture, dairy, fishing and forestry are examples of
- Tertiary sector
 - Secondary sector
 - Primary sector
 - None of the above
74. Which of the following comes under the tertiary sector ?
- Transport
 - Communication
 - Both (A) and (B)
 - None of the above
75. Green revolution spread to parts of India.
- Southern
 - North-Western
 - Sub-continental
 - Central

76. type of unemployment is most common in agriculture.
- (A) Frictional
 - (B) Disguised
 - (C) Cyclical
 - (D) None of the above
77. Planning Commission was formed in the year
- (A) 1951
 - (B) 1950
 - (C) 1952
 - (D) 1953
78. Presently agriculture stands at %.
- (A) 70
 - (B) 65
 - (C) 16
 - (D) None of the above
79. NEP were implemented in the year
- (A) 1990
 - (B) 1991
 - (C) 1992
 - (D) 1993
80. NITI Aayog is headed by
- (A) Governor of state
 - (B) RBI Governor
 - (C) President
 - (D) Prime Minister
81. 'P' in the LPG model stands for :
- (A) Privatization
 - (B) Publicization
 - (C) Penalization
 - (D) None of the above
82. HYV seeds are related to
- (A) White Revolution
 - (B) Green Revolution
 - (C) Blue Revolution
 - (D) All of the above
83. First Industrial Policy was adopted in the year
- (A) 1947
 - (B) 1948
 - (C) 1949
 - (D) 1950

84. Public finance is in nature.
- (A) Micro
 - (B) Macro
 - (C) None of the above
 - (D) Both of the above
85. Main components of public finance include :
- (A) Revenue
 - (B) Expenditure
 - (C) Debt
 - (D) All of the above
86. Marginal social sacrifice arises due to
- (A) Tax
 - (B) Expenditure
 - (C) Debt payment
 - (D) All of the above
87. Principle of maximum social advantage was given by and
- (A) Ricardo, Pigou
 - (B) Pigou, Marshall
 - (C) Dalton and Pigou
 - (D) None of the above
88. When government takes loan from some agency situated outside the country is known as :
- (A) External debt
 - (B) Internal debt
 - (C) Federal debt
 - (D) Inter-boundary debt
89. taxation system is strictly against social welfare.
- (A) Regressive
 - (B) Proportional
 - (C) Progressive
 - (D) None of the above
90. Non-tax revenue may include :
- (A) Commercial revenue
 - (B) Fines and Penalties
 - (C) Gifts and Grants
 - (D) All of the above
91. Public debt is the debt owned by
- (A) Industry
 - (B) Individual
 - (C) Central Government
 - (D) Bank

92. Wiseman-Peacock was studied in in 1890-1955.
- (A) U.S.S.R.
(B) U.S.A.
(C) U.K.
(D) None of the above
93. The tax on net income of companies is
- (A) Personal income tax
(B) Interest tax
(C) Wealth tax
(D) Corporation tax
94. A progressive income tax implies that :
- (A) amount of tax falls with a rise in income
(B) rate of tax rises with rise in income
(C) Both (A) and (B)
(D) rate of tax decreases with rise in income
95. Who propounded the principles of taxation ?
- (A) Keynes
(B) Marshall
(C) Adam Smith
(D) Al Ghazali
96. Non-rival consumption is the feature of
- (A) Public good
(B) Private good
(C) Merit good
(D) Necessary good
97. If with the increase in income, the percentage of income collected as tax remains constant, tax will be called :
- (A) Regressive
(B) Progressive
(C) Proportional
(D) Neutral
98. According to Wiseman and Peacock, public expenditure will increase in a :
- (A) Smooth manner
(B) Reverse manner
(C) Step-like manner
(D) None of the above
99. Wagner's law of increasing activities.
- (A) Central
(B) State
(C) Local
(D) None of the above
100. External debts can be raised from
- (A) Individuals
(B) RBI
(C) Commercial Banks
(D) World Bank

4. Four alternative answers are mentioned for each question as—A, B, C & D in the booklet. The candidate has to choose the most correct/appropriate answer and mark the same in the OMR Answer-Sheet as per the direction :

Example :

Question :

Q. 1 (A) ☒ (B) (C) (D)

Q. 2 (A) (B) ☒ (C) (D)

Q. 3 (A) ☒ (B) (C) (D)

Illegible answers with cutting and over-writing or half filled circle will be cancelled.

5. Each question carries equal marks. Marks will be awarded according to the number of correct answers you have.
6. All answers are to be given on OMR Answer sheet only. Answers given anywhere other than the place specified in the answer sheet will not be considered valid.
7. Before writing anything on the OMR Answer Sheet, all the instructions given in it should be read carefully.
8. After the completion of the examination candidates should leave the examination hall only after providing their OMR Answer Sheet to the invigilator. Candidate can carry their Question Booklet.
9. There will be no negative marking.
10. Rough work, if any, should be done on the blank pages provided for the purpose in the booklet.
11. To bring and use of log-book, calculator, pager and cellular phone in examination hall is prohibited.
12. In case of any difference found in English and Hindi version of the question, the English version of the question will be held authentic.

Impt. : On opening the question booklet, first check that all the pages of the question booklet are printed properly. If there is any discrepancy in the question Booklet, then after showing it to the invigilator, get another question Booklet of the same series.

4. प्रश्न-पुस्तिका में प्रत्येक प्रश्न के चार सम्भावित उत्तर—A, B, C एवं D हैं। परीक्षार्थी को उन चारों विकल्पों में से एक सबसे सही अथवा सबसे उपयुक्त उत्तर छोटना है। उत्तर को OMR आन्सर-शीट में सम्बन्धित प्रश्न संख्या में निम्न प्रकार भरना है :

उदाहरण :

प्रश्न :

प्रश्न 1 (A) ☒ (B) (C) (D)

प्रश्न 2 (A) (B) ☒ (C) (D)

प्रश्न 3 (A) ☒ (B) (C) (D)

अपठनीय उत्तर या ऐसे उत्तर जिन्हें काटा या बदला गया है, या गोले में आधा भरकर दिया गया, उन्हें निरस्त कर दिया जाएगा।

5. प्रत्येक प्रश्न के अंक समान हैं। आपके जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
6. सभी उत्तर केवल ओ. एम. आर. उत्तर-पत्रक (OMR Answer Sheet) पर ही दिये जाने हैं। उत्तर-पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
7. ओ. एम. आर. उत्तर-पत्रक (OMR Answer Sheet) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाये।
8. परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी OMR Answer Sheet उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें। परीक्षार्थी अपने साथ प्रश्न-पुस्तिका ले जा सकते हैं।
9. निगेटिव मार्किंग नहीं है।
10. कोई भी रफ कार्य, प्रश्न-पुस्तिका के अन्त में, रफ-कार्य के लिए दिए खाली पेज पर ही किया जाना चाहिए।
11. परीक्षा-कक्ष में लॉग-बुक, कैलकुलेटर, पेजर तथा सेल्युलर फोन ले जाना तथा उसका उपयोग करना वर्जित है।
12. प्रश्न के हिन्दी एवं अंग्रेजी रूपान्तरण में भिन्नता होने की दशा में प्रश्न का अंग्रेजी रूपान्तरण ही मान्य होगा।

महत्वपूर्ण : प्रश्नपुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्न-पुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्नपुस्तिका में कोई कमी हो, तो कक्षनिरीक्षक को दिखाकर उसी सिरीज की दूसरी प्रश्न-पुस्तिका प्राप्त कर लें।