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UG/5th Sem/Eco(H)/T/19

2019

B.Sc. (Honours)

5th Semester Examination

**ECONOMICS**

**Paper - DSE-2T**

Full Marks : 60

Time : 3 Hours

*The figures in the margin indicate full marks.  
Candidates are required to give their answers  
in their own words as far as practicable.*

**[Political Economy - I]**

**Group - A**

Answer any *ten* questions from the following.

10×2=20

1. (a) Which period can be considered as golden age of capitalism ?
  
- (b) What is Fordism ?

*[ Turn Over ]*

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- (c) Define 'Commodity production'.
- (d) What is surplus value ?
- (e) What is Capital Accumulation ?
- (f) How would you define Globalisation ?
- (g) What is 'numerical control' technology ?
- (h) What is 'Feminization of Survival' ?
- (i) Define Political Economy in line of Engels.
- (j) What are the important aspects of production relations ?
- (k) Name different ownership patterns of the means of production.
- (l) What are the basic differences between the 'proletariat' and 'bourgeoisie' ?
- (m) Why is political economy a science of class struggle ? Briefly explain.

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- (n) Define Marginal Productivity of Labour.
- (o) What is meant by exploitation of labour ?

**Group - B**

Answer any *four* questions from the following.

4×5=20

2. (a) Mention some attributes of Post-Fordism. Very briefly explain 'Flexible Specialisation'. 2+3=5
- (b) Discuss the nature of job security and labour rights in the post 1970 world.
- (c) Distinguish between industrial capitalism and financial capitalism.
- (d) Describe how the emergence of private property led to the collapse of the Primitive commune.
- (e) Describe how the bourgeois revolution declared the collapse of feudalism.
- (f) How did private ownership, classes and the state arise ?

[ Turn Over ]

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**Group - C**

Answer any *two* questions from the following.

2×10=20

3. (a) How did Marx explain the crisis of capitalism.  
How do you explain the crisis of 2008. 5+5
- (b) Write your view on the relation between divergence and trade integration. Is there any relation between structural change and divergence? Justify your answer. 5+5
- (c) How did the contradictions between production relation and productive forces in the slave society and the feudal society manifest themselves in class struggle? Explain.
- (d) Chronologically describe capitalist developments from pre-world war II to the golden age.
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**[Money and Financial Markets]**

**Group - A**

Answer any *ten* questions from the following.

10×2=20

1. (a) Define high powered money.
- (b) Define rate of interest.
- (c) What is term structure of interest rate ?
- (d) What is call money rate ?
- (e) What are the main determinants of money supply ?
- (f) Define money multiplier.
- (g) Differentiate between money and capital market.
- (h) What do you mean by non-banking financial institution ?

*[ Turn Over ]*

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- (i) What is open market operation ?
- (j) What is NPA ?
- (k) In which year Indian banks were nationalised ?  
How money banks were nationalised ?
- (l) What is SLR ?
- (m) What do you mean by priority-sector lending ?
- (n) What do you mean by 'inflation targeting' regime of monetary policy ?
- (o) What is CRR ?

**Group - B**

Answer any *four* questions from the following.

4×5=20

21. (a) State and explain the central bank's balance sheet in a simple possible way for an open economy.

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- (b) Differentiate between RBI's objectives in the pre and post liberalisation period.
- (c) (i) Define  $M_1$  and  $M_3$ .
- (ii) Explain the functions of money.
- (d) Explain how does the problem of asymmetric information arise in the financial market ?
- (e) What were the major recommendations of the Narasimham Committee ?
- (f) Explain the monetary policy transmission mechanism.

**Group - C**

Answer any *two* questions from the following.

2×10=20

- 3. (a) Explain the money multiplier process.
- (b) Discuss the role of banking sector in the development process of India.

[ Turn Over ]

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- (c) Critically discuss the impact of economic reform measures in the Financial sector of the India.
- (d) Differentiate the following three regimes of monetary policy : monetary targeting; multiple indicator approach; inflation targeting.
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[Financial Economics]

Group - A

Answer any *ten* questions from the following.

10×2=20

1. (a) What is net present value ?
- (b) Define internal rate of return.
- (c) What is diversification ?
- (d) What is ROA ?
- (e) What is portfolio management ?
- (f) What do you mean by effective rate of return ?
- (g) What is debt management ratio ?
- (h) What do you mean by liquidity ratios ?
- (i) What are asset management ratios ?

[ Turn Over ]

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- (j) Write any two uses of CAPM model.
- (k) What is Capital market line ?
- (l) What is hedging ?
- (m) Distinguish between strips and straps ?
- (n) What are strangles ?
- (o) What are option markets ?

**Group - B**

Answer any *four* questions from the following.

4×5=20

- 2. (a) Distinguish between spot rates and forward rates.
- (b) Discuss the principle of arbitrage.
- (c) What do you mean by security market line ?
- (d) What are the factors affecting option prices ?

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- (e) What do you mean by Corporate debt and dividend policy ?
- (f) State the Modigliani–Miller theorem.

### Group - C

Answer any *two* questions from the following.

2×10=20

- 3. (a) What is CAPM ? Discuss its various assumptions.
  - (b) What are the different phases of Portfolio management ? Discuss each of them briefly.
  - (c) What do you mean by Portfolio mean and variance ? How can you determine the feasible combinations of mean and variance ?
  - (d) Write the components of balance sheet of a company. Discuss each of the components briefly.
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