

**2016
ECONOMICS**

Total marks : 90

Time : 3 hours

General instructions:

- i) Approximately 15 minutes is allotted to read the question paper and revise the answers.*
 - ii) The question paper consists of 31 questions.*
 - iii) Marks are indicated against each question.*
 - iv) Answers to questions carrying 1 mark should not exceed one sentence.*
 - v) Answers to questions carrying 2 marks should not exceed 50 words.*
 - vi) Answers to questions carrying 4 marks should not exceed 80 words.*
 - vii) Answers to questions carrying 6 marks should not exceed 120 words.*
 - viii) Answers to questions carrying 8 marks should not exceed 200 words.*
- N.B: Check that all pages of the question paper is complete as indicated on the top left side.**

1. What is investment? 1
2. Define economic welfare. 1
3. What is a production unit? 1
4. Define money. 1
5. Name two types of monetary policy. 1
6. What is a tax? 1
7. Define per capita real income. 1
8. Write the full form of ASEAN. 1
9. Which five year plan is in operation now? 1
10. What is meant by human resource? 1
11. Give the meanings of real and nominal GDP. 2
12. Distinguish between a resident and a citizen. 2

13. Distinguish between ex-ante and ex-post. 2
14. State any two limitations of mechanisation in Indian agriculture. 2
15. Write any two things which must be kept in mind about the rate of growth. 2
16. Explain briefly any two central problems of macroeconomics. 4
17. Explain the distinction between private income and personal disposable income. 4
18. State Say's law of market. Give the three features of classical theory of income and employment. 1=3=4
19. Explain the two steps taken towards privatisation in India after 1991. 4
20. Explain any two positive achievements of economic reforms in India. 4
21. State any four functions of marketing co-operatives. 4

Answer any **three** from questions 22 – 26. **3x6=18**

22. Explain the steps taken in estimating national income by the income distribution method.
23. Explain any three precautions to be taken in estimating national income by the expenditure method.
24. What is a commercial bank? Explain any two functions of commercial banks. (1+2 ½ +2 ½ =6)
25. Explain the distinction between expansionary and contractionary fiscal policy.
26. Explain the three classifications of capital receipts..

Answer any **two** from questions 27 – 29. **2x6=12**

27. Explain any three long-term objectives of planning in India.

28. Analyse the position of unemployment in India and China.
29. Make a comparative study of inflation in India and China.
30. **a.** Explain the S=I approach of the modern theory of income determination with diagram. **8**
- Or**
- b.** Explain the saving function. Show graphically its derivation from consumption function. (3+5=8)
31. **a.** Explain the measures taken to reduce poverty in India. **8**
- Or**
- b.** Explain the recent steps taken to improve education sector in India.
