

Model Question Paper

2023-24

Economics (Humanities/Commerce)

Time 3Hrs

MM:80

General Instructions:

1. There is total 5 questions in this question paper.
2. All questions are compulsory.
3. Sample calculator can be used.

Q.1. There are 20 sub parts of this question. Attempt all questions. Each question will carry one mark. 20*1=20

i. Which branch of economics deals with the working of whole of the economy?

- (a) Micro economics (b) Macro-Economics
(c) Economic Science (d) Economics of Money and Banking

ii. In the production of sugar, which type of product sugarcane is:

- (a) Final good (b) Capital good
(c) Intermediate good (d) Consumer Good

iii. Read the following statement -Assertion (A) and Reason (R). Choose one of the correct alternatives below:

Assertion (A): Ex-post Investments represent planned Investments; whereas ex-ante Investments represent actual level of investments.

Reason (R): At equilibrium level, Ex-ante Savings and Ex-ante Investments are always equal.

Alternatives:

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
(b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).
(c) Assertion (A) is true but Reason (R) is false.
(d) Assertion (A) is false but Reason (R) is true. (iv)

iv. If we are in a system, where we do not have money with ourself and we want to exchange our goods with the goods possessed by others, then we have to take the help of:

- (a) Monetary system (b) Banking system
(c) Barter system (d) Transfer system

v. is an institution that accept deposits for lending purposes. (Reserve Bank of India/Commercial Banks)

vi. If a person is ready to work, but he does not get work then this situation is called:

- (a) Frictional unemployment
- (b) Structural unemployment
- (c) Involuntary unemployment
- (d) None of these

vii. Which of the following is not a fiscal measure to correct the problems of deficient demand and excess demand?

- (a) Government Expenditure
- (b) Government Revenue
- (c) Foreign policy
- (d) Deficit financing

viii. Read the following statements carefully:

Statement 1: Export of financial services by India will be recorded on credit side of current account.

Statement 2: Foreign Direct Investments in India will be recorded on credit side of capital account.

In the light of the given statements, choose the correct alternative:

- (a) Statement 1 is true and statement 2 is false
- (b) Statement 1 is false and statement 2 is true
- (c) Both statements 1 and 2 are true
- (d) Both statements 1 and 2 are false

ix. The difference in the value of imports and exports of material goods is called balance of trade. (True/False)

x. Which of the following features were not present in the Indian economy when India attained independence?

- (a) Underdeveloped Economy
- (b) Stagnant Economy
- (c) Feudal Economy
- (d) Depreciated Economy

xi. NITI Aayog followed Top to Bottom Approach. (True/False)

xii. Match the correct with the following statements.

Concepts	Year
(a) Green Revolution	(i) 1948
(b) New Agricultural Policy	(ii) 1956
(c) First Industrial Policy	(iii) 1966
(d) Second Industrial Policy	(iv) 2000

- | | | | | |
|-----|-----|-----|-----|-----|
| | (a) | (b) | (c) | (d) |
| (a) | i | ii | iv | iii |
| (b) | ii | i | iv | iii |

- | | | | | |
|-----|-----|-----|----|----|
| (c) | iii | iv | i | ii |
| (d) | ii | iii | iv | i |

xiii. In the new economic policy of 1991, which of the following measure was not adopted by the Government of India?

- (a) Reduction in government control over the economy
- (b) Reduction in number of licenses taken by the private entrepreneurs
- (c) Reduction in foreign direct investment limit in the economy
- (d) Reduction in the number of enterprises under the government sector

xiv. Who among the following are included in rural poor?

- (a) Landless and marginal farmers
- (b) Agricultural Labourers
- (c) Rural artisans
- (d) All of these

xv. is an institutional source of credit. (Regional Rural Banks/Money Lenders)

xvi. Read the following statements carefully.

Statement 1: On-the-job trainings help to bridge a gap between theoretical concepts and practical experiences.

Statement 2: On-the-job trainings update the employees, with the latest changes in their work field.

In the light of the given statements, choose the correct alternative:

- (a) Statement 1 is true and statement 2 is false
- (b) Statement 1 is false and statement 2 is true
- (c) Both statements 1 and 2 are true
- (d) Both statements 1 and 2 are false

xvii. Read the following statement -Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion (A): Unemployment and poverty are inseparable twins.

Reason(R): Unemployment is the root cause of all socio-economic evils.

Alternatives:

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- (b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).
- (c) Assertion (A) is true but Reason (R) is false.
- (d) Assertion (A) is false but Reason (R) is true.

xviii. Which of the following is an important conventional source of energy in India?

- (a) Petroleum (b) Coal
 (c) Natural gas (d) All of these

xix. Match the correct with the following statements.

Type of correlation	Explanation of correlation
(a) Positive correlation	(i) Change in two variables in opposite direction
(b) Negative correlation	(ii) when ratio between the variables is constant
(c) Simple correlation	(iii) Change in two variables in the same direction
(d) Linear correlation	(iv) Analysis of correlation between two variables

- | | (a) | (b) | (c) | (d) |
|----|-----|-----|-----|-----|
| a) | i | ii | iii | iv |
| b) | iv | iii | ii | i |
| c) | iii | i | iv | ii |
| d) | iv | i | iii | ii |

xx. Out of the following which is not a type of index number?

- (a) Cost of living index (b) Retail price index
 (c) Wholesale price index (d) Normal index number

Q. 2. Very short answer type questions. Answer any 10 questions. Answer to each question should be given in 25-30 words.

- i.** Describe the difference between the capital goods and producer goods.
- ii.** Why consumption expenditure is not zero, when the level of income is zero?
- iii.** Find the value of primary deficit from the following data:

Item	Amount (in crore Rs)
(a) Revenue Deficit	500
(b) Fiscal Deficit	800
(c) Interest Payments	80

- iv.** Why surplus on capital account of balance of payment is not a good sign for an economy?
- v.** NITI Aayog has many objectives to fulfill. Write any two objectives of it.
- vi.** What is the difference between liberalization and lassiez faire policy?
- vii.** Write any two characteristics of the policy of MANREGA of the Government of India.
- viii.** How human capital formation is the key factor for the development of the economy?

- ix. Write any two properties of Karl Pearson's coefficient of correlation.
- x. Write any two difficulties in the construction of index numbers.
- xi. Write down various degrees of coefficient of correlation.
- xii. If the value of $N= 10$ and the value of Σd^2 is 20, then find out the value of coefficient of correlation with the help of spearman's method.

Q. 3 (i) Source Based Question. Read the following Paragraph and answer the questions given below; **6*1=6**

Education is the qualitative process of imparting knowledge, enhancing skills and cultivating values in human beings. Against the common belief, it is much more than the ability to read, write or understand. It is an instrument of initiating a paradigm transformation in the life of human beings. Since independence, there has been appreciable improvement in the spread of education in India. This can be analysed on the basis of literacy rate in the country. In 1951, the literacy rate in India was just 18.3% which, as per Census 2011, improved to 74.04% in 2011. In 2011, male literacy rate was 82.14% and female literacy rate was 65.46%. Among the states, the highest literacy rate in 2011 was for Kerala at 93.9%, whereas it was the lowest for Bihar at 63.8%. As per Census 2011, literacy rate in Punjab in 2011 was 76.7%. Male literacy rate and female literacy rate for the state were respectively at 81.5% and 71.3%.

- (i) What is education?
- (ii) What is meant by literacy rate?
- (iii) What was the literacy rate in 1951 in India?
- (iv) Which state have the highest literacy rate in 2011 in India?
- (v) What was the literacy rate in Punjab in 2011?
- (vi) What was the percentage increase in literacy rate of India between 1951 to 2011?

Q. 3 (ii) Source Based Question. Read the following Paragraph and answer the questions given below; **6*1 = 6**

An important lesson that the COVID-19 pandemic has taught the policymakers in India is to provide greater impetus to sectors that make better allocation of resources and reduce income inequalities. COVID-19 has also taught a lesson that in crisis the population returns to rely on the farm sector. India has a large arable land, but the farm sector has its own structural problems. However, directly or indirectly, 50 percent of the households still depend on the farm sector. Greater support to MSMEs, higher public expenditure on health and education and making the labour force a formal employee in the economy are some of the milestones that the nation has to achieve. One of the imminent reforms to be done in the country is labour reforms. Labour laws are outmoded in India, and some of these dates back to the last

century. India's complex labour laws have been blamed for keeping manufacturing businesses small and hindering job creation. Industry hires labour informally because of complex laws and that is responsible for low wages.

1. What COVID-19 has taught to us?
2. Which types of structural problems are faced by the agricultural sector?
3. "It is necessary to create employment in the formal sector rather than in the informal sector." Defend or refute the given statement with valid argument.
4. Hired labour comes in (Informal organisation / formal organisation)
5. Why labour reforms are necessary in India?
6. What do you mean by MSMEs?

Q4. Short Answer Type questions. Attempt 5 questions. Answer to questions can be in 60-70 words. 4*4=16

- (i) Describe the circular flow of income in two sector model.

or

In an economy national income is Rs 40000 crores and marginal propensity to consume is 0.50. If an investment worth of Rs 1200 crores is made, how much will the total national income be?

- (ii) Explain any four functions of central bank.

or

Explain the situation of deficient demand in an economy with the help of a diagram.

- (iii) How can you say that Indian economy was a stagnant economy in 1947?

or

Write four main features of industrial policy, 1991.

- (iv) Suggest any four remedies to solve the problems of rural credit in India.

Or

What do you mean by pollution? which are various types of it?

Q5. Long Answer Type questions. Attempt 2 questions. Answer to questions can be in 100-150 words. 2*6=12

- (i) From the following data, find out national income and net domestic income

(Items)	Rupees (in crore)
(i) Wages	65200
(ii) Profit	45000
(iii) Rent	30500
(iv) Interest	40000

(v) mixed income	30000
(vi) Net factor income from abroad	18300

or

What is meant by Flexible Exchange Rate? discuss its merits and demerits in detail.

(ii) Discuss any six problems of Indian agriculture.

Or

Describe any six causes of unemployment in India.

