

**2017
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.**

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|---|---|
| 1. Define macroeconomics. | 1 |
| 2. Define depreciation. | 1 |
| 3. Who are the factor owners? | 1 |
| 4. What is a bank? | 1 |
| 5. What is fiscal policy? | 1 |
| 6. Give any one objective of government budget. | 1 |
| 7. What is the popular name given to the 'New Agricultural Strategy'? | 1 |
| 8. What is meant by self-reliance? | 1 |
| 9. Give the meaning of the rate of growth. | 1 |
| 10. What does quality of life refer to? | 1 |
| 11. Define transfer payment. Give one example. | 2 |
| 12. Distinguish between positive and negative externality. | 2 |

13. Differentiate between frictional and structural unemployment. 2
14. How is unemployment a burden on the society? 2
15. Name any two steps taken to discourage imports in India before 1991. 2
16. Explain the four phases of the business cycle. 4
17. Explain the difference between gross national disposable income (GNDI) and net national disposable income (NNDI). 4
18. Define aggregate demand. Explain any two components of it. 1+1½+1½= 4
19. Explain the steps taken towards liberalisation in India after 1991. 4
20. Explain any two major features of Indian economy today. 4
21. Define the term rural. Name the milestones in the field of rural credit in India. 1+3=4

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

22. Explain the steps taken in the estimation of national income by final expenditure method.
23. Explain three precautions required to be taken in estimating national income by production method.
24. Explain any three functions of money.
25. Explain any three contractionary monetary policy tools.
26. Explain the three different types of deficits in the government of India's budget.

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

27. Explain any three drawbacks of planning in India.
28. Compare foreign direct investment (FDI) in India and China.

29. Make a comparative study of GDP per capita in India and China.
30. **a.** Explain ‘AD=AS’ approach of the modern theory of income determination with the help of a diagram. **8**
- Or**
- b.** Explain consumption function. Show graphically its derivation from saving function. (4+4=8)
31. **a.** Explain the role of human capital in economic development. **8**
- Or**
- b.** Explain the problems faced by informal sector workers in India. Also, explain any two steps taken by the government to improve the economic conditions of these workers. (4+4=8)
