

Total number of printed pages : 3

2019/XII/ECO

**2019
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 business cycle. | 1 |
| 2. Define factor income. | 1 |
| 3. Name the two types of money. | 1 |
| 4. Define personal income. | 1 |
| 5. What is legal reserve ratio? | 1 |
| 6. What is a deficit budget? | 1 |
| 7. Give meaning of composition of trade. | 1 |
| 8. Who prepares Human Development Index at the international level? | 1 |
| 9. What was the birth rate in India in 1951? | 1 |
| 10. What is the meaning of inclusive growth? | 1 |
| 11. Explain any one central problem of macroeconomics. | 2 |
| 12. Distinguish between consumption goods and capital goods. | 2 |

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| 13. What is easy fiscal policy and when is it adopted? | 2 |
| 14. State any two problems created by fragmentation of land holdings. | 2 |
| 15. What influences quality of life? | 2 |
| 16. Explain briefly any two objectives of government budgeting. | 4 |
| 17. Explain any two limitations of GDP as an indicator of welfare. | 4 |
| 18. Distinguish between indirect tax and subsidy. Give one example of each. | 4 |
| 19. Explain the changes initiated in foreign trade policy after 1991. | 4 |
| 20. Explain the two steps taken towards privatization in India after 1991. | 4 |
| 21. Define absolute poverty. Explain any two measures taken to reduce poverty in India. | 1+3=4 |

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

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| 22. Explain the steps taken in estimating national income by the income distribution method. | |
| 23. Explain any three precautions required to be taken in estimating national income by the final expenditure method. | |
| 24. Explain any three functions of a central bank. | |
| 25. Explain any three expansionary monetary policy tools. | |
| 26. Explain Say's Law of Markets. | |

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

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| 27. Explain any three long-term objectives of planning in India. | |
| 28. Make a comparative study of GDP in India and China. | |
| 29. Analyse the position of unemployment 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 the saving function. Show graphically its derivation from the consumption function.
31. **a.** Explain the functions and weaknesses of PACS. **8**
- Or**
- b.** Explain the steps taken to check pollution in India.
