**GUIDELINES**

(By Subrata Sir & group of ICSE and CBSE school teachers)

# ECONOMIC APPLICAITON SECTION – A

**( Attempt all questions from this Section )**

# Question – 1

**Choose the correct answer and write the correct options.**

1. Demand is a concept as it is always expressed with Reference to a Particular period.
   1. Flow, Time b) Stak, Time

c) Vanable, Time d) None of these

1. When the price of a substitute of a commodity x falls, the demand for x
   1. Rises b) falls.

c) Remains unchanged d) Partially Rises.

1. What will the following cause :

Tree (z) Quantity supplied ( Kg ) 10 15

20 40

1. An extension of supply curve
2. A contraction of supply curve.
3. A downward shift of supply curve.
4. An upward shift of supply curve.
5. A straight line supply curve cuts the y-axis. What will be the Elasticity ?
   1. es>1 b) es<1

c) es = D d) none of the above.

1. The following Table indicates

Tax pase ( Rs. ) Rase of Tax in % 10000 8

20000 8

30000 8

1. ……….. progressive Taxation
2. Proportioned Taxation.
3. Regressive Taxation.
4. Digressive Taxation.
5. The Type of inflation required for the healthy functioning of the Economy.
   1. Walking Inflation b) Running Inflation

c) moderate Inflation d) Hyper Inflation.

1. Selling cost is required in what kind of market.
   1. Pure competition b) Perfect competition

c) Monopoly d) monopolistic competition.

1. When the price falls by 50% and demand increases by 20%, the price elasticity of demand will be,

a) ….. ed > 1 b) ……. ed = 1

c) ed = 0. D) ed = D

1. The Type of Tax which fosters the …………. Civic and social consciousness

|  |  |  |  |
| --- | --- | --- | --- |
| of the | Tax payers. |  | |
| a) | Entertainment Tax | b) | Goods and Service Tax |
| c) | Direct Tax | d) | Import Duty |

1. Process Based Division of Labour is what kind of Division of Labour
   1. Simple division b) Vertical division

c) Complex division d) ……. Horizontal division

1. Name one active factors of Production, which is a perishable factor also,
2. Which factor of production is Passive and Indestructible ?
   1. Labour b) Land

c) Copihe d) Both b and c 13] The motive of public sector enterprises is

1. Balanced Regional Growth
2. Growth of monopolistic powers.
3. Profit motive
4. Both a & b.
5. Y y
   1. b)

D

O Output X

D

X

c) Y

D

O X

Identify the correct series from the following :-

1. Perfect competition, Imperfect competition and monopoly
2. Monopoly, perfect competition and Imperfect competition.
3. Imperfect competition, Monopoly, Perfect compensation
4. None of the above.
5. Capital is used once in production where as capital can be used of long time.

a) Circulating, Fixed b) Fixed, Working

c) Sunk, floating d) Real, Debit.

1. The main problems faced by the public sector Enterprises are :

|  |  |  |
| --- | --- | --- |
| a) Lack of incentives. | b) | Wasteful expenditure |
| c) Corruption | d) | All of Above. |

1. Example of Horizontal division of Labour is

a) Automobile Industries b) Textile Industries.

c) Carpenters d) Teachers in School.

1. Which of the following is known as Terms / Time deposits ?
2. Fixed deposits and Current accounts
3. Current deposits and Savings accounts
4. Recurring deposits and fixed deposits.
5. Recurring deposits and Savings deposits.
6. Which of these points formulates the Credit Control Tools ?

a) Canara Bank b) State Bank of India.

c) Reserve Bank of India d) Punjab National Bank

1. Choose the odd one :-
2. Bank Rate, Cash Reserve and Open Market Operation Ratio
3. Cash Reserve Ratio, Moral Scansion and Rank rate
4. Margin Requirement, Bank Rate and Credit Rationing
5. Open market operation, Discount rate and publicity.

# Question – 2 :

|  |  |  |
| --- | --- | --- |
| Q1] | Draw a neat diagram to show Extension of Demand. | (2) |
| Q2] | Give one differences between Tax and Subsidy | (2) |
| Q3] | Draw a neat diagram to show Progressive Taxation. | (2) |
| Q4] | What do you mean by Cash Reserve Ratio ? | (2) |
| Q5] | Mention two adverse effect of mining on the environment. | (2) |

**Question – 3** :

Q1] “Land is heterogeneous in Nature” Explain (2)

Q2] State one similarity between monopoly and monopolistic competition. (2) Q3] What do you mean by Product differentiation ? (2)

Q4] State the market form of the following commodities :

* 1. Railway, b) Automobiles

c) Shampoos, d) Fighter Aircrafts

Q5] State two reasons for Privatization. (2)

# Section – B ( Answer any four question from this Section ) Question – 4 :

1. Define money. How does money performs its role as : (7)
   1. medium of Exchange.
   2. ……. of value.
   3. Transfer of value.
2. a) Define Elasticity of supply (2)
3. With the help of diagram explain the following :-
   1. Relatively Elastic demand (2)
   2. Unitary Elastic demand (2)
   3. Perfectly Elastic demand (2)

# Question – 5 :

1] Define Central Bank. Explain the following functions of Central Bank : (7)

1. Lender’s last Resort
2. Banker’s Bank
3. Fiscal agent to the Government.

2]a) State the law of supply, list two assumptions of this law. (3)

1. “Demand curve is downward slopped always” (5) TRUE OR FALSE. Explain with two reason to support your answer.

# Question – 6 ]

1] a) What is a Tax ? (7)

* 1. State objectives of Taxation ? ( 2 objective )
  2. Explain two ways in which direct tax is better than indirect tax. 2] Explain 4 important function of Entrepreneur. (8)

# Question – 7 :

1. a) State two difference between change in quantity demanded and change in Demand (2)
   * 1. State difference between Stock and supply (2)
     2. “Producers in a monopoly market are price marks” Explain Briefly give example of monopoly (3)
2. Explain four factor affecting the Elastically of demand (8)

# Question – 8 :

1]a) What is efficiency of labour ? Explain three reasons for low effiency of labour in India

2]a) Define capital formation ? Explain these factors affects capital formation (6)

b) What do you mean by Dis-investment ? (2)

# Question – 9 :

1. Read the Extract given below and answer the question given below : Economic Times, 6th June, 2022.

Rising Vegetables Prices and the impact of a weak rupee pushed inflation to a five month high of 5.79 per cent, in July 2022 posing yet another challenge for Aisa’s third larger economy battling to defend the rupee and boost growth.

The whole sale price Index jumped to 5.79% in July from previous month 4.86%.

* 1. What is meant by running inflation . (2)
  2. STATE two Fiscal measures to central Inflation. (1)
  3. Briefly explain the effect of high level of inflation on the following :

1. fixcal income groups (2)
2. Producers. (2)
3. Creditors and Debtors (2)
   1. Explain three selective methods of credit control instruments (6)