
Attempt **all** questions from **Section A** and **any four** questions from **Section B**.
The intended marks for question or parts of questions are given in brackets [].

SECTION A

Q.1 MCQ

1. Labour earns _____ as a factor of production.
(a) interest (b) wages (c) rent (d) interest
2. When the percentage change in quantity demanded is equal to percentage change in price then it is called as _____ demand.
(a) unit elastic (b) relatively inelastic
(c) relatively elastic (d) unique elastic
3. The concentration of cotton textile industries in Maharashtra and Gujarat are due to _____ based division of labour.
(a) territorial (b) process (c) product (d) technological
4. When the government borrows money to build dams and canal for the development of the country then it is called as _____ debt.
(a) productive (b) unproductive (c) gross (d) development
5. When the rate of inflation is between 20 to 100 percent per annum then it is called as _____ inflation.
(a) running (b) walking (c) galloping (d) mild
6. GST is an example of _____ tax/
(a) goods (b) services (c) social (d) indirect
7. The sum total of all debts is called as _____ debt.
(a) net (b) gross (c) public (d) private
8. Cash deposited by customers in commercial banks are also known as _____.
(a) Saving deposit (b) Derivative deposit
(c) Secondary deposit (d) Total deposit
9. If _____ is used again and again, its value depreciates gradually.
(a) capital (b) cotton (c) raw material (d) electricity
10. _____ represents downward movement along the same supply curve.
(a) Increase in supply (b) Decrease in supply
(c) Contraction of supply (d) Extension of supply
11. License fee is an example of _____.
(a) Citizen's revenue (b) Tax revenue
(c) Administrative revenue (d) Commercial revenue.
12. _____ should have the quality of farsightedness.
(a) Labour (b) Entrepreneur (c) Landlord (d) Capitalist
13. Act of buying and selling of government securities by the central bank from and to the public is known as :

- (a) Bank rate
- (b) CRR
- (c) Minimum reserve ratio
- (d) Open market operation

14. _____ spoils the nature and quality of food items.

- (a) Illiteracy
- (b) Lack of information
- (c) Food adulteration
- (d) Artificial scarcity

15. The study of the nature and principles of government's revenue and its expenditure is known as :

- (a) Public debt
- (b) Public expenditure
- (c) Financial administration
- (d) Public finance

16. Which function of money facilitates future payments ?

- (a) Standard of deferred
- (b) Measure of value
- (c) Transfer of value
- (d) Unit of value

Q.2

1. Give one point of difference between creeping and running inflation.
2. Explain the meaning of Productivity of Land.
3. What is the meaning of consumer awareness ?
4. Define the trem capital as a factor of production.

Q.3

1. Distinguish between fixed capital and floating capital.
2. How does money act as a standard of deferred payment ?
3. What is meant by unproductive public debt ?
4. Mention one contingent function of money.

Q.4

1. How is an entrepreneur defined in economics ?
2. Differentiate between land and capital.
3. Explain any one primary functions of money.
4. Define an oligopoly market.

SECTION B (40 marks)

Q.5

1. Explain five important features of perfect competition market/
2. (a) What do you mean by law of demand ?
(b) Discuss any three exceptions to law of demand.

Q.6

1. Explain any five characteristics of labour as a factor of production.
2. (a) Lack of common measure of value.
(b) Lack of standard of deferred payments.

Q.7

1. Discuss the risk bearing and decision-making functions of an entrepreneur.
2. What is Cost push inflation ? Briefly explain three causes of cost push inflation.

Q.8

1. Mention five points of difference between direct and indirect taxes.
2. Explain any five economic causes for the growth of public expenditure in India in recent time.

Q.9

1. Explain any five factors of affecting the demand for a commodity.
2. (a) Define capital formation.
(b) Briefly discuss the process of capital formation.

Q.10

1. Explain any two quantitative method of controlling money supply of a Central Bank.
2. Fill in the following market demand table :

Price (in ₹)	Consumer A	Consumer B	Consumer C	Market Demand
10	3	(a) _____	6	13
9	(b) _____	5	7	16
8	5	6	8	(c) _____
7	6	7	(d) _____	22
6	7	8	9	(e) _____

