GENERAL INSTRUCTIONS:
1. There are 2 sections - A and B. All the questions in both the sections are compulsory.
   Marks for questions are indicated against each question.
2. Questions 1 - 10 and 18 - 27 are very short-answer questions carrying 1 mark each.
   They are required to be answered in one word or one sentence each.
3. Questions 11 - 12 and 28 - 29 are short-answer questions carrying 3 marks each.
   Answers to them should not normally exceed 60-80 words each.
4. Questions 13 - 15 and 30 - 32 are also short-answer questions carrying 4 marks each.
   Answers to them should not normally exceed 80-100 words each.
5. Questions 16 - 17 and 33 - 34 are long answer questions carrying 6 marks each.
   Answers to them should not normally exceed 100-150 words each.
6. Answer should be brief and to the point and the above word limit be adhered to as far as possible.

SECTION - A

1. Market price and factor cost will be equal when __________.
   (net indirect tax is zero, net indirect tax > 1, subsidies are less, indirect tax is low)
2. What is Managed floating exchange rate?
3. Spot market deals in __________.
   (currency transactions, future transactions, goods transactions, transactions for future delivery)
4. Define deflationary gap.
   OR
5. If C = 100 + 0.75Y, then the corresponding Saving Function will be expressed as __________.
   a) S = 100 + 0.25Y  
   b) S = -100 + 0.75Y
   c) S = -100 + 0.25Y  
   d) S = 75 + 0.25Y
7. What are capital receipts in Government Budget?
8. Define foreign exchange rate.
9. Identify the correct sequence of alternative by matching them with respective term.
   a) Fiscal Deficit       recovery of loans
   b) Primary deficit     receipts are greater than expenditure
   c) Revenue deficit     borrowings
   d) Capital receipts    reduction of interest
10. __________ of BOP, records all International transactions of assets.
11. Give the meaning of Real GDP and Nominal GDP. Which of these is the indicator of economic welfare?
12. Given consumption function C = 150 + 0.5Y and Investment Expenditure is `5,500. Calculate.
    a) Equilibrium National Income
    b) Savings at Equilibrium level of National income
    OR
    Explain the equilibrium of floating exchange rate in the foreign exchange market. (Use diagram)
13. Explain the following objectives of Government Budget.

   1 - XII Eco

- Allocate resources
- Reduce income inequalities

**OR**

Explain the role of Central Bank as the
- Bankers' Bank
- Controller of credit

15. How do Commercial Banks create credit? Explain with the help of a numerical example.

16. Explain the National income equilibrium determination through the aggregate demand and aggregate supply. Use diagrams. Also explain the changes that take place in an economy when the economy is not in equilibrium.

**OR**

Distinguish between Revenue and Capital Expenditure in government Budget. Give example of each.

17. Calculate the
- a) Gross Domestic Product at Market price.
- b) National Income.

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<tr>
<td>Government final consumption expenditure</td>
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</tr>
<tr>
<td>Private final consumption expenditure</td>
<td>3,500</td>
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<tr>
<td>Gross domestic capital formation</td>
<td>1,100</td>
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<tr>
<td>Net exports</td>
<td>500</td>
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<td>Net factor income from abroad</td>
<td>100</td>
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<tr>
<td>Subsidies</td>
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<td>Change in stock</td>
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<tr>
<td>Consumption of fixed capital</td>
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**SECTION - B**

18. Mahalanobis’s strategy of development is also known as __________.

19. The Central Bank of the country is __________.

20. The First Software technology park was set up in __________.
   (Hyderabad, Bangalore, Pune, None of the above)

21. Which of the following industries was not reserved for the government industrial policy?
   (iron and steel, atomic energy, railway transport, air transport)

**OR**

First census in Indian economy was held in the year __________.

22. What indicator used to measure the standard of living of Human Development Index?

23. What was China's Per capita income in US dollars in 2017 calculated in ppp terms?

24. The law passed by the Parliament to simplify and introduce a united indirect tax system in India is __________.

25. Special economic zones were set up by China to _________.
   (attract foreign investment, to develop the backward region, to maintain economic equality, to promote private sector)

26. Identify the correct sequence of alternative by matching them with the respective terms.
   a) A UN conference on climate change, held in Kyoto Japan 1997
   b) CPCB (Central Pollution Control Board)
   c) The United Nations Conference on Environment and Development
   d) The Brundtland commission

   - Emphasized the concept of sustainable development
   - To fight global warming
   - Emphasized on protecting future generations
   - Identified 17 categories of industries as significantly polluted
27. _______ have been removed to increase the competitive position of Indian goods in the International market.

28. Explain the role of human capital in economic development of a country.

29. Explain the various poverty alleviation programmes initiated by the Government of India since the 3rd Five Year Plan.

OR

Describe how adopting the traditional practices can be helpful in achieving the objective of sustainable development.

30. Explain the meaning and objectives of planning in India.

31. What were the major problems faced by Indian agriculture at the time of Independence?

OR


32. Discuss and compare the sectoral structure of employment in China, India and Pakistan.

33. Explain and evaluate the development experience in China, India and Pakistan.

OR

Discuss and compare the demographic profile in China, India and Pakistan.

34. What is co-operating marketing? What are the benefits of co-operating marketing?