

**C-449 BUSINESS ECONOMICS - 2014**

Time : 3 Hours |

Class : 12th

| M. M. : 100

**Instructions-**

- ( i ) All questions are compulsory.
- ( ii ) Read the instructions of question-paper carefully and write their answers.
- ( iii ) There are two Sections-Section ' A ' and Section ' B ' in the question paper.
- ( iv ) In Section ' A ', Question Nos. 1 to 5 are objective type questions which contain Choose the correct alternatives, Fill in the blanks, Match the columns, True/False and Answer in one word. Each questions is allotted 5 marks.
- ( v ) Internal options are given in Question Nos. 6 to 24 of Section B. Question Nos. 6 to 10 carry 2 marks each. Answer limit 30 words.
- ( vi ) Questions Nos. 11 to 17 carry 4 marks each. Answer limit 75 words.
- ( vii ) Question Nos. 18 to 22 carry 5 marks each. Answer limit 120 words.
- ( viii ) Question Nos. 23 and 24 carry 6 marks each. Answer limit 150 words.

**( Section-A )**

**( Objective Type Questions ) ( 5 marks each )**

1. Choose the correct alternative from the given options:
- ( a ) General unemployment is studied:
    - ( i ) in Micro-economics
    - ( ii ) In Macro-economics
    - ( iii ) In Micro- and Macro-economics both
    - ( iv ) Neither in Micro-economics nor in Macro-economics
  - ( b ) The relationship between savings and consumption is:
    - ( i ) Inverse
    - ( ii ) Direct

- (iii) Inverse and direct both
- (iv) Neither inverse nor direct
- (c) By which Act the Banks regulated and controlled?
  - (i) Companies Act, 1956
  - (ii) Indian Contract Act
  - (iii) Negotiable Instruments Act
  - (iv) Banking Companies (Regulation Act, 1949)
- (d) The budget speech in the Lok Sabha is delivered by:
  - (i) Defence Minister            (ii) Prime Minister
  - (iii) Home Minister            (iv) Finance Minister
- (e) Balance of payment always remains in:
  - (i) Balance                            (ii) Disequilibrium
  - (iii) Deficit                            (iv) Surplus

2. Fill in the blanks:

- (a) Reserve Bank of India was nationalised on .....
- (b) Government budget is an instrument of ..... policies.
- (c) Trade balance of any country in a fix period of time is the relation between .....
- (d) The number of buyers and sellers under perfect competition is .....
- (e) Quasi-rent arises only in ..... period.

3. Match the following columns:

- | ‘A’  | ‘B’   |
|--|---|
| (a) Money is a good servant but            | (i) is a criminal offence                     |
| (b) The Servies Tax is imposed by          | (ii) Less or more than the cost of production |
| (c) Market Price can be                    | (iii) Can never be zero                       |
| (d) In practical life the rate of interest | (iv) Bad master                               |
| (e) Non-payment of Taxes                   | (v) Central Government                        |

4. Answer the following in True or False:

- (i) Central Excise Duty is a Direct Tax.
- (ii) There must be at least two parties for exchange.
- (iii) India is the biggest importer country of Tea.
- (iv) Index numbers make the facts more simple and under standable.
- (v) Real wages is a part of monetary wages.

5. Write the answers of the following in one word each:
- Of which discipline public finance is a branch?
  - Who levies education cess?
  - What type of tax is income tax in India?
  - What are secondary data?
  - How many times is national income generally compounded in a year?

**( Section-B )**

**( Very Short Answer Type Questions ) ( 2 marks each )**

6. Write only names of any four economic evils of money. 2  
 ( Or ) Define Central Bank.
7. Explain any two objectives of Budget. 2  
 ( Or ) Write the four names of non-tax receipts of Central Government.
8. Give any two characteristics of Exchange. 2  
 ( Or ) Write any two difficulties of Barter System.
9. Write any two causes of high rate of interest in India. 2  
 ( Or ) Write any two causes of existence of child labour in India.
10. Write any two functions of Statistics. 2  
 ( Or ) Write any two characteristics of Statistics in numeral sense.

**( Short Answer Type Questions ) ( 4 marks each )**

11. What are the limitations of Macro-economics? (any four points)  
 ( Or ) Give the importance of Micro-economics. (any four points)
12. Write any four differences between the Classical and Keynes' theory of income and employment. <http://www.mpboardonline.com> 4  
 ( Or ) Write any four points of the importance of effective demand.
13. Explain Balanced Budget, Deficit Budget and Surplus Budget. 4  
 ( Or ) Write the process of preparation of Budget. (any four points)
14. Explain visible import-export and invisible import-export. 4  
 ( Or ) Give any four reasons in favour of Fixed Exchange Rate.
15. What are the factors affecting the Foreign Exchange Rate? 4  
 ( Or ) Write any four causes of disequilibrium in Balance of Payment.
16. What do you mean by SAIL? Write any four objectives of its establishment.  
 ( Or ) Describe the geographical conditions for Tea plantation. (any four)
17. Write the economic causes of low national income in India. (any four) 4

( Or ) Write four differences between the National Income and Per Capita Income.

( Long Answer Type Questions ) ( 5 marks each )

18. Write the five factors that determine the propensity to consume. 5

( Or ) Explain the factors determining the marginal efficiency of capital.

19. Write the advantages of Exchange. (any five) 5

( Or ) Explain the classification of market on the basis of area.

20. What are the causes of difference in wages in the same occupation? 5

( Or ) Give any six suggestions for improvement in the female workers' conditions.

21. Iron and Steel Industry is the basic industry of the country. Explain. 5

( Or ) What are the causes of low productivity of sugar cane in India?

22. With the help of the following data, find our National Income: 5

(i) Salary - ₹ 6,000

(ii) Rent - ₹ 2,000

(iii) Profit - ₹ 2,000

(iv) Interest - ₹ 1,000

(v) Consumption - ₹ 5,000

(vi) Gross domestic product - ₹ 800.

( Or ) Explain the importance of National income in any five points.

( Long Answer Type Questions ) ( 6 marks each )

23. Write any six objectives of Taxation. 6

( Or ) Explain any four theories of Public Finance.

24. Calculate the arithmetic mean from the following data:

Marks Obtained	No. of Students
5	5
10	7
15	9
20	10
25	8
30	6
35	3
40	2

( Or ) Write any six characteristics of Index Numbers.