

CODE NO:

**T.I. MATRICULATION HIGHER SECONDARY SCHOOL, AMBATTUR**  
**Half Yearly Examination - 2018**  
**Standard XI**

MARKS: 90

TIME : 2.5 Hours

ROLL NO : .....

**I. Choose the correct answer**

**(20x1=20)**

1. Theory of distribution is popularly known as \_\_\_\_\_.  
a. Theory of product-pricing      **b. Theory of factor-pricing**  
c. Theory of Wages                      d. Theory of Interest
2. The concept of “Quazi-Rent” is associated with \_\_\_\_\_.  
a. Ricardo      b. Keynes      c. Walker      **d. Marshall**
3. Green revolution helped in the increase of production of \_\_\_\_\_.  
**a. wheat and rice**      b. wheat and sugarcane  
c. cotton and jute      d. oil seeds and rice
4. Liquidity preference theory was propounded by \_\_\_\_\_.  
a. Ricardo      b. Marshall      **c. Keynes**      d. J.S.Mill
5. There is a/an \_\_\_\_\_ relation between liquidity preference and rate of interest.  
a. direct      **b. inverse**      c. positive      d. None
6. According to Keynes, supply of money is determined by \_\_\_\_\_.  
a. policies of the government      b. Central bank  
**c. both a and b**                      d. commercial bank
7. \_\_\_\_\_ is the largest agro-based industry in India.  
**a. Sugar industry**                      b. Steel industry  
c. Cotton and textile industry      d. Jute industry
8. \_\_\_\_\_ serve as ancillaries to large scale industries.  
a. Medium scale industries      b. Cottage industries  
c. Micro industries                      **d. Small scale industries**
9. The investment in equipment is not more than Rs. \_\_\_\_\_ in medium size enterprise.  
a. 2 crores      **b. 5 crores**      c. 1 crore      d. 3 crores
10. \_\_\_\_\_ is the process in which the limited natural resources are used skillfully so as to achieve the desired goals.  
**a. Economic planning**                      b. Budget  
c. Capital formation                      d. Economic development
11. The highest rate of tax under GST (as on July 1<sup>st</sup>, 2017) is \_\_\_\_\_.  
a. 35%      **b. 28%**      c. 18%      d. 32%
12. \_\_\_\_\_ means selling of government securities in public sector undertakings to other private sector.  
a. Liberalisation      b. Globalisation      c. Privatisation      **d. Disinvestment**

13. The biggest input for farmers is \_\_\_\_\_.
- a. land            b. labour            c. both a and b            **d. seeds**
14. According to the new industrial policy \_\_\_\_\_ sector(s) is/are reserved for the government.
- a. atomic energy            b. mining            c. railways            **d. All the above**
15. The farmers have access to credit under Kissan credit card scheme through the following except
- a. co-operative banks**            b. RRBs  
c. public sector banks            d. private banks
16. The process of improving the rural areas, rural people and rural living is defined as \_\_\_\_\_.
- a. rural economy            b. rural economics  
c. rural employment            **d. rural development**
17. Identify the agriculture related problem of rural economy.
- a. poor communication            **b. small size of land holding**  
c. rural poverty            d. poor banking network
18. Identify the advantages of rural roads.
- a. rural marketing            b. rural employment  
c. rural development            **d. all of the above**
19. Person consuming less than \_\_\_\_\_ calories per day for rural areas are treated as they are under rural poverty.
- a. 2100            **b. 2400**            c. 2800            d. 2500
20. Dualism means the co-existence of two extremely different sectors like
- a. organised and unorganised            b. traditional and modern  
c. urban and rural            **d. all of the above**

**II. Answer any seven of the following in four or five lines. Q.No. 21 is compulsory. (7x2=14)**

- 21. Employment occurs only during a particular season, remaining period the rural people are unemployed or partially employed.**
- 22. Industries based on the processing of agricultural produce. Ex: Textile, sugar, paper, tea.**
- 23. Ex: Manufacture of sports goods, soaps, electric fan, and foot wear.**
- 24. Liberalization, Privatisation and Globalisation.**
- 25. Depends upon Savings (S), Bank Credit (BC), Disharding (DC).**
- 26. Refers to removal of government restrictions in all stages in industry. Delicensing, decontrol, deregulation, subsidies and greater role for financial institutions.**
- 27. Refers to technological breakthrough in agricultural practices. Introduced HYVP in seven districts.**
- 28. SSI requires use less sophisticated technology and there is no need to import machinery from abroad. On the other hand there is a great demand for goods produced by SSIs abroad. Hence there is less pressure on BOP.**

**29. HDI is based on: Longevity, Education Index, Standard of living measured by real GDP per capita.**

**30. Real money is the wage paid in terms of goods and service. It's the purchasing power of money wage. Money wage refers to the wage paid in terms of money.**

**III. Answer any 7 of the following questions in a page. Q.No. 31 is compulsory. (7x3=21)**

**31. SSIs are located near urban centres and produce goods for local and foreign markets. Ex: soaps, footwear etc. They are also known as MSME and are categorised by based on investments in plant and machinery.**

**32. Rural economy, supports urban sector, by supplying drinking water, milk, food and raw materials. Improvement in education, health and sanitation in villages help in avoiding urban problems like rag picking, begging and slums. Development of agriculture and allied activities are necessary for gainful employment and overall improvement in food production. Better utilisation of un used and underutilized resources are possible through rural development.**

**33. SHGs are economically homogeneous group mostly consisting of 10 to 20 women. They have their own rules and by laws, hold regular meetings and maintain records and savings and credit discipline. These self managed institutions make collective decisions.**

**34. Free imports and exports. From 1992 India could import almost all intermediate and capital goods. There was rationalisation of tariff structure and removal of quantitative restrictions. Import duties were reduced from 300% to 150%. Custom duty tariffs were reduced subsequently in successive budgets. All these had an impact on domestic industries.**

**35. Oldest industry which employs the largest number of workers in India. Accounts for 4% of GDP, 20% of manufacturing value added goods and brings in one third of total export earnings.**

**36. Before independence commercial banks were in the private sector. Objective of social welfare was not met. Hence, the government decided to nationalise 14 major commercial banks. In 1980 the government took over another 6 commercial banks.**

**37. Some risks are immeasurable or in calculable and the probability of their occurrence cannot be anticipated because of the presence of uncertainty in them. For ex: competition, market condition, technological changes and public policy.**

**38. Developed by Bohm Bawerk, where he states that when people save they actually postponed their present satisfaction and hence an Agio or premium has to be paid for this action. But people prefer present consumption to future consumption due to uncertainty and risks of the present world.**

**39. Propounded by Walker in 1875, where he states that wage is the residual portion after making payments to land, capital and organisation. This theory ignores the fact that trade union can secure higher wages for workers. The demand side of labour in wage determination was ignored too.**

**40. Gross profit = Total Revenue – Total cost**

**Net profit = Gross profit- Implicit cost**

**Normal profit = refers to the minimum expected returns to stay in business.**

**Super normal profits = Actual profits – Normal profits.**

**IV. Answer the following questions in about three pages**

**(7x5=35)**

**Appropriate diagrams (where applicable) will be awarded 2 marks and explanation will be awarded 3 marks.**