

**Preliminary Examinations –January, 08**

Sub: Economics  
Std: X

Date:  
Marks: 80  
Time: 2hrs

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**SECTION A**

**(Attempt all questions)**

**Question 1**

- a) State 2 important functions of an entrepreneur.
- b) Mention 2 factors that determine creation of savings in a country.
- c) State two reasons for low efficiency of Indian labour.
- d) Differentiate between redeemable and unredeemable public debt.
- e) Give the 2 main features of planning.

**Question 2**

- a) What is Statutory liquidity ratio
- b) Mention reasons for giving monopoly right of note-issue to the Central Bank.
- c) Name the 1<sup>st</sup> Central Bank in the world.
- d) Give 2 arguments against Nationalisation of Banks.
- e) How does the business community gain during inflation?

**Question 3**

- a) Define Inflation, how can it be measured?
- b) Distinguish between funded and unfunded debts.
- c) Discuss 3 causes for Increase in public expenditure in modern times.
- d) What is fiscal deficit?
- e) Give the differences between public finance and private finance.

**Question 4**

- a) Make a schedule for market supply.
- b) What do you understand by Income Elasticity of demand.
- c) Justify 'Telephone services have an inelastic demand'.
- d) What are giffen goods. Draw a demand curve for these.
- e) What is money capital

**SECTION B**  
(Attempt any four questions from this section)

**Question 5**

- 1) Define price elasticity of demand. Explain the total expenditure method of calculating it.
- 2) Define supply. Distinguish between decrease and contraction in supply.

**Question 6**

1. What is cost push inflation. Explain any 4 causes of cost push inflation.
2. Explain the types of public expenditure.

**Question 7**

1. Explain the demerits of direct taxes.
2. Discuss objectives of the current five year plan.

**Question 8**

1. Explain the process of credit creation of banks.
2. What are the effects of public debt.

**Question 9**

1. What is product based division of labour?
2. Explain the functions of the Reserve Bank of India.