

18. **Assertion (A):** A person has to forecast when the demands would be great and accordingly decide what amounts of reserves he must have. [1]

Reason (R): The banker plays an important role in commerce and industry. He provides finance to the producer and the trader.

- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
 c) A is true but R is false. d) A is false but R is true.

19. **Assertion (A):** Housewife working in the house is termed as Non-economic activity. [1]

Reason (R): There is no monetary gain or salary paid to the housewife for working in the house.

- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
 c) A is true but R is false. d) A is false but R is true.

20. **Assertion (A):** Arun purchased a car from Bharat Automobiles. [1]

Reason (R): Arun is a consumer as he was the reason of the economic activity performed.

- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
 c) A is true but R is false. d) A is false but R is true.

21. **Assertion (A):** Mohit gets a raise in his salary by 10% as he was a hard-working person and was an employee of the week for three months straight. [1]

Reason (R): The raise in the salary is a part of the consumption for Mohit.

- a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
 c) A is true but R is false. d) A is false but R is true.

22. Match the following. Options are [1]

a. Consumption	i. study wants, their origin, nature and characteristics and the laws governing them
b. Production	ii. studies how income is distributed among the factors
c. Distribution	iii. all activities which are undertaken to produce goods and services

- a) a(i), b(ii), c(iii) b) a(i), b(iii), c(ii)
 c) a(iii), b(i), c(ii) d) a(ii), b(iii), c(i)

23. Economics is the study of how _____ and _____ chose to employ scarce resources that could have alternative uses in order to produce various commodities that satisfy their wants. [1]

- a) people and society b) investor and distributor
 c) producer and consumer d) Employer and employee

24. _____ are always scarce in relation to _____. [1]

- a) Means, limited wants b) Means, wants
 c) Wants, means d) Wants, unlimited means

25. Today's activities of my friend Girish who is a singer, given below: [1]

- i. In the morning he performs stage show for singing and gets ₹10000 as a fee.
- ii. In the evening he celebrates his 4 years daughter's birthday at home and he sings a song for her.

From the above information which statement is true:

- a) activity i is economic activity and ii is non-economic activity
- b) i and ii both are non-economic activities
- c) i and ii both are economic activities
- d) activity i is non-economic and ii is economic activity

26. Identify non-economic activity [1]
- a) Production of goods
 - b) Distribution of goods as charity
 - c) Buying and selling of goods
 - d) Investment
27. Define microeconomics. [1]
28. Define normative economics. [1]
29. Define positive economics. [1]

Section B

30. 'An activity can be economic activity in one situation and non-economic in another situation'. Do you agree? Give an example to justify your answer. [3]
31. Is economics an Art or Science? Give reasons. [3]
32. How do scarcity and choice go together? [3]
33. Consumption, Production distribution are economics activities, explain. [3]
34. Differentiate between economic and non-economic activities. [3]
35. Is Economics a positive science or a normative science? Explain. [3]
36. Name the definition which has got maximum acceptability. Give this definition. Critically evaluate it. [3]
37. How will you choose the wants to be satisfied? [3]
38. Any transaction which involves money is associated with Economics. Defend or refute. Justify your answer. [3]
39. Give some recent definitions of Economics. [3]

Section C

40. Problem of choice is unavoidable in the ordinary business of life. How? [4]
41. What are the vital activities in an economy? [4]
42. Economists are money minded people who are concerned with profits and profits only. Defend or refute. Justify your answer. [4]
43. Critically analyze welfare definition of economics. [4]
44. What are your reasons for studying economics? [4]
45. Discuss the importance of Economics in your real life as a human being. [4]
46. 'Economics is a study of wealth.' Discuss. [4]
47. Why do we need to study Economics? [4]

Section D

Question No. 48 to 52 are based on the given text. Read the text carefully and answer the questions: [5]

Economics is the study of how societies, governments, businesses, households, and individuals allocate their scarce resources. Our discipline has two important features. First, we develop conceptual models of behavior to predict responses to changes in policy and market conditions. Second, we use rigorous statistical analysis to investigate these changes. Economists are well known for advising the president and congress on economic issues, formulating policies

at the Federal Reserve Bank, and analysing economic conditions for investment banks, brokerage houses, real estate companies, and other private sector businesses. They also contribute to the development of many other public policies including health care, welfare, and school reform and efforts to reduce inequality, pollution and crime. The study of economics can also provide valuable knowledge for making decisions in everyday life. It offers a tool with which to approach questions about the desirability of a particular financial investment opportunity, whether or not to attend college or graduate school, the benefits and costs of alternative careers, and the likely impacts of public policies including universal health care and a higher minimum wage.

48. Statistics Is Both A Science As Well As _____

- a) English
- b) Sociology
- c) Art
- d) Geography

49. Which of the following statements is not an example of statistics?

- a) Ramesh has a rupees hundred note in his pocket
- b) Birth rate in India is 18 per 1000 as compared to 8 per thousand in US.
- c) Over the last 10 years, India has won 60 test matches and lost 10.
- d) Average pocket allowance of students of class 11th is rupees 500 per month.

50. Which of the following statement is correct?

- a) All of these
- b) Scarcity problem gives birth to choice
- c) Resources are limited
- d) Human wants are infinite

51. The process of converting raw material into goods is called

- a) Production
- b) Saving
- c) Exchange
- d) Investment

52. _____ Deals with economic issues at the level of economy as a whole.

Section E

53. **Fill in the blanks:**

- (a) _____ activities are not included in national income. [1]
- (b) _____ is known as father of economics. [1]
- (c) Production includes all those activities which are undertaken to produce goods and services for the generation of income by enhancing the utility of _____ and _____. [1]
- (d) Activities which are undertaken to earn money are called _____. [1]
- (e) _____ activities are included in National Income. [1]
- (f) _____ economic deals with opinions, policy evaluation and idealistic part of economics. [1]

54. Differentiate between Economics as a positive and as a normative Science. [6]