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KRISHNAGIRI DISTRICT

11TH STD
ECONOMICS

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CHAPTER 1

INTRODUCTION TO MICRO ECONOMICS

1. 'Economics is a study of mankind in the ordinary business of life' -It is the statement of _____
 - a. Adam Smith b. Lionel Robbins **c. Alfred Marshall** d. Samuelson
2. The basic problem studied in Economics is _____
 - a. Unlimited wants b. Unlimited means **c. Scarcity** d. Strategy to meet all our wants
3. Microeconomics is concerned with _____
 - a. The economy as a whole b. Different sectors of an economy **c. The study of individual economic units behavior** d. The interactions within the entire economy
4. Which of the following is a microeconomics statement?
 - a. The real domestic output increased by 2.5 percent last year.
 - b. Unemployment was 9.8 percent of the labour force last year.
 - c. The price of wheat determines its demand**
 - d. The general price level increased by 4 percent last year.
5. Find the odd one out:
 - a. "An inquiry into the nature and the causes of the Wealth of Nations"
 - b. "Principles of Economics" c. "Nature and Significance of Economic Science" **d. "Ceteris paribus"**
6. The equilibrium price is the price at which _____
 - a. Everything is sold b. Buyers spend their money
 - c. Quantity demanded equals quantity supplied** d. Excess demand is zero
7. Author of "An Inquiry into the Nature and Causes of Wealth of Nations"
 - a. Alfred Marshall **b. Adam Smith** c. Lionel Robbins d. Paul A Samuelson
8. "Economics studies human behavior as a relationship between ends and scarce means which have alternative uses" is the definition of economics of _____
 - a. Lionel Robbins** b. Adam Smith c. Alfred Marshall d. Paul A Samuelson
9. Who is the Father of Economics?
 - a. Max Muller **b. Adam Smith** c. Karl Marx d. Paul A Samuelson
10. "Economics is a science" The basis of this statement is _____
 - a. Relation between cause and effect
 - b. Use of deductive method and inductive method for the formations of laws
 - c. Experiments **d. All of the above**
11. Utility means _____
 - a. Equilibrium point at which demand and supply are equal **b. Want-satisfying capacity of goods and services** c. Total value of commodity d. Desire for goods and services
12. A market is _____
 - a. Only a place to buy things b. Only a place to sell things
 - c. Only a place where prices adjust **d. A system where persons buy and sell goods directly or indirectly**
13. Which one of the following is not a point in the Welfare Definition of Economics?
 - a. Study of an ordinary man b. Economics does not focus on wealth alone.
 - c. Economics is the study of material welfare
 - d. Economics deals with unlimited wants and limited means**
14. Growth definition takes into account _____
 - a. The problem of choice in the dynamic framework of Economics**
 - b. The problem of unlimited means in relation to wants
 - c. The production and distribution of wealth d. The material welfare of human beings
15. Which theory is generally included under micro economics ?
 - a. Price Theory** b. Income Theory c. Employment Theory d. Trade Theory
16. have exchange value and their ownership rights can be established and exchanged
 - a. Goods** b. Services c. Markets d. Revenue

17. Identify the correct characteristics of utility _____
 a. It is equivalent to 'usefulness' b. It has moral significance
 c. It is same as pleasure **d. It depends upon consumer's mental attitude**
18. Who has given scarcity definition of economics?
 a. Adam Smith b. Marshall **c. Robbins** d. Robertson
19. The process of reasoning from particular to general is _____
 a. Deductive method **b. Inductive method** c. Positive economics d. Normative economics
20. Total revenue is equal to total output sold multiplied by
a. Price b. Total cost c. Marginal revenue d. Marginal cost _____

CHAPTER 2 CONSUMPTION ANALYSIS

1. Pick the odd one out a. Luxuries b. Comforts c. Necessaries **d. Agricultural goods**
2. Choice is always constrained or limited by the _____ of our resources.
a. Scarcity b. Supply c. Demand d. Abundance
3. The chief exponent of the Cardinal utility approach was _____
 a. J.R.Hicks b. R.G.D.Allen **c. Marshall** d. Stigler
4. Marginal Utility is measured by using the formula of _____
a. $TU_n - TU_{n-1}$ b. $TU_n - TU_{n+1}$ c. $TU_n + TU_{n+1}$ d. $TU_n - TU_{n+1}$
5. When marginal utility reaches zero, the total utility will be _____
 a. Minimum **b. Maximum** c. Zero d. Negative
6. Gossen's first law is known as:
 a. Law of equi-marginal utility. **b. Law of diminishing marginal utility**
 c. Law of demand. d. Law of Diminishing returns.
7. The basis for the law of demand is related to _____
a. Law of diminishing marginal utility b. Law of supply
 c. Law of equi-marginal utility. d. Gossen's Law.
8. The concept of consumer's surplus is associated with _____
 a. Adam Smith **b. Marshall** c. Robbins d. Ricardo
9. Given potential price is Rs.250 and the actual price is Rs.200. Find the consumer surplus.
 a. 375 b. 175 c. 200 **d. 50**
10. Indifference curve approach is based on _____
a. Ordinal approach b. Cardinal approach c. Subjective approach d. Psychological approach
11. The concept of elasticity of demand was introduced by
 a. Ferguson b. Keynes c. Adam Smith **d. Marshall**
12. Increase in demand is caused by _____
 a. Increase in tax **b. Higher subsidy** c. Increase in interest rate d. decline in population
13. The movement on or along the given demand curve is known as _____
a. Extension and contraction of demand. b. shifts in the demand.
 c. increase and decrease in demand. d. all the above
14. In case of relatively more elastic demand the shape of the curve is _____
 a. Horizontal b. Vertical c. Steeper **d. Flatter**
15. A consumer is in equilibrium when marginal utilities from two goods are _____
 a. Minimum b. Inverse **c. Equal** d. Increasing
16. Indifference curve was first introduced by _____ a. Hicks b. Allen c. Keynes **d. Edge worth**
17. Elasticity of demand is equal to one indicates
a. Unitary Elastic Demand b. Perfectly Elastic Demand _____

- c. Perfectly Inelastic Demand d. Relatively Elastic Demand
18. The locus of the points which gives same level of satisfaction is associated with _____
- a. Indifference Curves** b. Cardinal Analysis c. Law of Demand d. Law of Supply
19. Ordinal Utility can be measured by **a. Ranking** b. Numbering c. Wording d. None of these
20. The indifference curve are ____ a. vertical b. horizontal c. positive sloped **d. Negatively sloped**

CHAPTER 3 PRODUCTION ANALYSIS

1. The primary factors of production are:
- a. Labour and Organization b. Labour and Capital c. Land and Capital **d. Land and Labour.**
2. The man-made physical goods used to produce other goods and services are referred to as.
- a. Land b. Labour **c. Capital** d. Organization.
3. Formula for calculating AP is ____ a. $\Delta TP/N$ b. $\Delta TP/\Delta N$ c. TP/MP **d. TP/N**
4. Which factor is called the changing agent of the Society?
- a. Labourer b. Land **c. Organizer** d. Capital
5. Who said, that one of the key of an entrepreneur is “uncertainty-bearing”.
- a. J.B.Clark b. Schumpeter **c. Knight** d. Adam Smith
6. The functional relationship between “inputs” and “outputs” is called as _____
- a. Consumption Function **b. Production Function** c. Savings Function d. Investment Function
7. In a firm 5 units of factors produce 24 units of the product. When the number of factor increases by one, the production increases to 30 units. Calculate the Average Product. a. 30 b. 6 **c. 5** d. 24
8. The short-run production is studied through _____
- a. The Laws of Returns to Scale **b. The Law of Variable Proportions** c. Iso-quants d. Law of Demand
9. The long-run production function is explained by _____
- a. Law of Demand b. Law of Supply **c. Returns to Scale** d. Law of Variable Proportions
10. An Iso-quant curve is also known as _____
- a. Inelastic Supply Curve b. Inelastic Demand Curve c. Equi-marginal Utility **d. Equal Product Curve**
11. Mention the economies reaped from inside the firm _____
- a. financial b. technical c. managerial **d. all of the above**
12. Cobb-Douglas production function assumes _____
- a. Increasing returns to scale b. Diminishing returns to scale **c. Constant returns to scale** d. All of the above
13. Name the returns to scale when the output increases by more than 5%, for a 5% increase in the inputs,
- a. Increasing returns to scale** b. decreasing returns to scale
- c. Constant returns to scale d. All of the above
14. Which of the following is not a characteristic of land?
- a. Its limited supply. **b. It is mobile** c. Heterogeneous d. Gift of Nature
15. Product obtained from additional factors of production is termed as _____
- a. Marginal product** b. Total product c. Average product d. Annual product
16. Modern economists have propounded the law of _____
- a. Increasing returns** b. decreasing returns c. Constant returns d. variable proportions.
17. Producer’s equilibrium is achieved at the point where: _____
- a. Marginal rate of technical substitution (MRTS) is greater than the price ratio
- b. MRTS is lesser than the price ratio **c. MRTS and price ratio are equal to each other**
- d. The slopes of isoquant and isocost lines are different.
18. The relationship between the price of a commodity and the supply of commodity is _____
- a. Negative **b. Positive** c. Zero d. Increase
19. If average product is decreasing, then marginal product ____ a. must be greater than average product

- b. must be less than average product c. must be increasing d. both a and c
20. A production function measures the relation between
 a. input prices and output prices b. input prices and the quantity of output
 c. the quantity of inputs and the quantity of output. d. the quantity of inputs and input prices.

CHAPTER 4 COST AND REVENUE ANALYSIS

1. Cost refers to _____ a. price b. value c. fixed cost **d. cost of production**
2. Cost functions are also known as _____ function.
a. production b. investment c. demand d. consumption
3. Money cost is also known as _____ cost. **a. explicit** b. implicit c. social d. real
4. Explicit cost plus implicit cost denote _____ cost.
 a. social **b. economic** c. money d. fixed
5. Explicit costs are termed as **a. out of pocket expenses** b. real cost c. social cost d. sunk cost
6. The costs of self-owned resources are termed as _____ cost.
 a. real b. explicit c. money **d. implicit**
7. The cost that remains constant at all levels of output is _____ cost.
a. fixed b. variable c. real d. social
8. Identify the formula of estimating average variable cost. a. TC/Q **b. TVC/Q** c. TFC/Q d. TAC/Q
9. The cost incurred by producing one more unit of output is _____ cost.
 a. variable b. fixed **c. marginal** d. total
10. The cost that varies with the level of output is termed as _____ cost.
 a. money **b. variable cost** c. total cost d. fixed cost
11. Wage is an example for _____ cost of the production.
 a. fixed **b. variable** c. marginal d. opportunity
12. The cost per unit of output is denoted by _____ cost.
a. average b. marginal c. variable d. total
13. Identify the formula of estimating average cost. a. AVC/Q **b. TC/Q** c. TVC/Q d. AFC/Q
14. Find total cost where $TFC=100$ and $TVC = 125$. a. 125 b. 175 **c. 225** d. 325
15. Long-run average cost curve is also called as _____ curve.
 a. demand **b. planning** c. production d. sales
16. Revenue received from the sale of products is known as _____ revenue.
 a. profit **b. total revenue** c. average d. marginal
17. Revenue received from the sale of additional unit is termed as _____ revenue.
 a. profit b. average **c. marginal** d. total
18. Marginal revenue is the addition made to the
 a. total sales **b. total revenue** c. total production d. total cost
19. When price remains constant, AR will be _____ MR.
a. equal to b. greater than c. less than d. not related to
20. A book seller sold 40 books with the price of Rs. 10 each. The total revenue of the seller is _____.
 a. 100 b. 200 c. 300 **d. 400**

CHAPTER 5 MARKET STRUCTURE AND PRICING

1. In which of the following is not a type of market structure Price will be very high?
a. Perfect competition b. Monopoly c. Duopoly d. Oligopoly
2. Equilibrium condition of a firm is..... **a. $MC = MR$** b. $MC > MR$ c. $MC < MR$ d. $MR = Price$
3. Which of the following is a feature of monopolistic competition?

- a. One seller b. Few sellers **c. Product differentiation** d. No entry
4. A firm under monopoly can earn in the short run.
a. Normal profit b. Loss **c. Super normal profit** d. More loss
5. There is no excess capacity under
a. Monopoly b. Monopolistic competition c. Oligopoly **d. Perfect competition**
6. Profit of a firm is obtained when a. $TR < TC$ b. $TR - MC$ **c. $TR > TC$** d. $TR = TC$
7. Another name of price is.....
a. Average Revenue b. Marginal Revenue c. Total Revenue d. Average Cost
8. In which type of market, AR and MR are equal
a. Duopoly **b. Perfect competition** c. Monopolistic competition d. Oligopoly
9. In monopoly, MR curve lies below a. TR b. MC **c. AR** d. AC
10. Perfect competition assumes
a. Luxury goods b. Producer goods c. Differentiated goods **d. Homogeneous goods**
11. Group equilibrium is analysed in
a. Monopolistic competition b. Monopoly c. Duopoly d. Pure competition
12. In monopolistic competition, the essential feature is
a. Same product **b. selling cost** c. Single seller d. Single buyer
13. Monopolistic competition is a form of
a. Oligopoly b. Duopoly **c. Imperfect competition** d. Monopoly
14. Price leadership is the attribute of
a. Perfect competition b. Monopoly **c. Oligopoly** d. Monopolistic competition
15. Price discrimination will always lead to.....
a. Increase in output b. Increase in profit c. Different prices **d. b and c**
16. The average revenue curve under monopolistic competition will be.....
a. Perfectly inelastic b. Perfectly elastic **c. Relatively elastic** d. Unitary elastic
17. Under perfect competition, the shape of demand curve of a firm is.....
a. Vertical **b. Horizontal** c. Negatively sloped d. Positively sloped
18. In which market form, does absence of competition prevail?
a. Perfect competition **b. Monopoly** c. Duopoly d. Oligopoly
19. Which of the following involves maximum exploitation of consumers?
a. Perfect competition **b. Monopoly** c. Monopolistic competition d. Oligopoly
20. An example of selling cost is ...
a. Raw material cost b. Transport cost **c. Advertisement cost** d. Purchasing cost

CHAPTER 6 DISTRIBUTION ANALYSIS

1. In Economics, distribution of income is among the _____
a. factors of production b. individual c. firms d. traders
2. 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
3. Rent is the reward for the use of ___ a. capital b. labour **c. land** d. organization
4. The concept of 'Quasi-Rent' is associated with ___ a. Ricardo b. Keynes c. Walker **d. Marshall**
5. The Classical Theory of Rent was propounded by ___ **a. Ricardo** b. Keynes c. Marshall d. Walker
6. 'Original and indestructible powers of the soil' is the term used by _____
a. J.S.Mill b. Walker c. Clark **d. Ricardo**
7. The reward for labour is _____ a. rent **b. wage** c. profit d. interest
8. Money wages are also known as ___ a. real wages **b. nominal wages** c. original wages d. transfer wages
9. Residual Claimant Theory is propounded by _____ a. Keynes **b. Walker** c. Hawley d. Knight

10. The reward given for the use of capital ____ a. rent b. wage **c. interest** d. profit
11. Keynesian Theory of interest is popularly known as _____
a. Abstinence Theory **b. Liquidity Preference Theory** c. Loanable Funds Theory d. Agio Theory
12. according to the Loanable Funds Theory, supply of loanable funds is equal to _____
a. S + BC + DH + DI b. I + DS + DH + BM c. S + DS + BM + DI d. S + BM + DH + DS
13. The concept of meeting unexpected expenditure according to Keynes is _____
a. Transaction motive **b. Precautionary motive** c. Speculative motive d. Personal motive
14. The distribution of income or wealth of a country among the individuals are _____
a. functional distribution **b. personal distribution** c. goods distribution d. services distribution
15. Profit is the reward for ____ a. land **b. organization** c. capital d. labour
16. Innovation Theory of profit was given by ____ a. Hawley **b. Schumpeter** c. Keynes d. Knight
17. Quasi-rent arises in _____
a. Man-made appliances b. Homemade items c. Imported items d. None of these
18. “Wages as a sum of money are paid under contract by an employer to a worker for services rendered” – Who said this? **a. Benham** b. Marshall c. Walker d. J.S.Mill
19. Abstinence Theory of Interest was propounded by _____
a. Alfred Marshall **b. N.W Senior** c. Bohm-Bawerk d. Knut Wicksell
20. Loanable Funds Theory of Interest is called as _____
a. Classical Theory b. Modern Theory c. Traditional Theory **d. Neo-Classical Theory**

CHAPTER 7

INDIAN ECONOMY

1. The main gold mine region in Karnataka is **a. Kolar** b. Ramgiri c. Anantpur d. Cochin
2. Economic growth of a country is measured by national income indicated by
a. GNP **b. GDP** c. NNP d. Per capita income
3. Which one of the following is a developed nations ? a. Mexico b. Ghana **c. France** d. Sri Lanka
4. The position of Indian Economy among the other strongest economies in the world is
a. Fourth **b. Seventh** c. Fifth d. Tenth
5. Mixed economy means a. Private sectors and banks **b. Co-existence of Public and Private sectors**
c. Public sectors and banks d. Public sectors only
6. The weakness of Indian Economy is
a. Economic disparities b. Mixed economy c. Urbanisation d. Adequate employment opportunities
7. A scientific study of the characteristics of population is
a. Topography **b. Demography** c. Geography d. Philosophy
8. The year 1961 is known as
a. Year of small divide **b. Year of Population Explosion** c. Year of Urbanisation d. Year of Great Divide
9. In which year the population of India crossed one billion mark ? a. 2000 **b. 2001** c. 2005 d. 1991
10. The number of deaths per thousand population is called as ...
a. Crude Death Rate b. Crude Birth Rate c. Crude Infant Rate d. Maternal Mortality Rate
11. The number of births per thousand population is called as _____
a. Crude death rate b. Mortality rate c. Morbidity rate **d. Crude Birth Rate**
12. Density of population ____ a. Land area / Total Population b. Land area / Employment
c. Total Population / Land area of the region d. Total Population / Employment
13. Who introduced the National Development Council in India?
a. Ambedkar **b. Jawaharlal Nehru** c. Radhakrishnan d. V.K.R.V. Rao
14. Who among the following propagated Gandhian Economic thinkings?
a. Jawaharlal Nehru b. VKRV Rao **c. JC Kumarappa** d. A.K.Sen
15. The advocate of democratic socialism was _____

- a. **Jawaharlal Nehru** b. P.C. Mahalanobis c. Dr. Rajendra Prasad d. Indira Gandhi
16. Ambedkar the problem studied by in the context of Indian Economy is
- a. Small land holdings and their remedies **b. Problem of Indian Currency**
- c. Economics of socialism d. All of them
17. Gandhian Economics is based on the Principle of _____
- a. Socialistic idea **b. Ethical foundation** c. Gopala Krishna Gokhale d. Dadabhai Naoroji
18. V.K.R.V Rao was a student of ___ **a. J.M. Keynes** b. Colin Clark c. Adam smith d. Alfred Marshal
19. Amartya Kumara Sen received the Nobel prize in Economics in the year _____
- a. 1998** b. 2000 c. 2008 d. 2010
20. Thiruvalluvar economic ideas mainly dealt with _____
- a. Wealth b. Poverty is the curse in the society c. Agriculture **d. All of them**

CHAPTER 8 INDIAN ECONOMY BEFORE AND AFTER INDEPENDENCE

1. The arrival of Vasco da Gama in Calicut, India ___ **a. 1498** b. 1948 c. 1689 d. 1849
2. In 1614 Sir Thomas Roe was successful in getting permission from _____
- a. Akbar b. Shajakan **c. Jahangir** d. Noorjakhan
3. The power for governance of India was transferred from the East India Company (EIC) to the British crown in _____
- a. 1758 **b. 1858** c. 1958 d. 1658
4. Ryotwari system was initially introduced in a. Kerala b. Bengal **c. Tamil Nadu** d. Maharastra
5. First World War started in the year **a. 1914** b. 1814 c. 1941 d. 1841
6. When did the Government of India declared its first Industrial Policy ?
- a. 1956 b. 1991 **c. 1948** d. 2000
7. The objective of the Industrial Policy 1956 was
- a. Develop heavy industries** b. Develop agricultural sector only
- c. Develop private sector only d. Develop cottage industries only
8. The industry which was de-reserved in 1993 ?
- a. Railways **b. Mining of copper and zinc** c. Atomic energy d. Atomic minerals
9. The father of Green Revolution in India was
- a. M.S. Swaminathan** b. Gandhi c. Visweswaraiah d. N.R. Viswanathan
10. How many commercial banks were nationalized in 1969 ? a. 10 b. 12 **c. 14** d. 16
11. The main objective of nationalization of banks was
- a. Private social welfare **b. Social welfare** c. To earn d. Industries monopoly
12. The Planning Commission was set up in the year **a. 1950** b. 1955 c. 1960 d. 1952
13. In the first five year plan, The top priority was given to Sector.
- a. Service b. Industrial **c. Agriculture** d. Bank
14. Tenth Five year plan period was..... a. 1992-1997 **b. 2002-2007** c. 2007-2012 d. 1997-2002
15. According to HDR (2016), India ranked out of 188 countries. a. 130 **b. 131** c. 135 d. 145
16. Annual Plans formed in the year a. 1989-1991 **b. 1990-1992** c. 2000-2001 d. 1981-1983
17. The Oldest large scale industry in India ___ **a. cotton** b. jute c. steel d. cement
18. Human development index (HDI) was developed by _____
- a. Jawaharlal Nehru b. M.K. Gandhi **c. Amartiya Sen** d. Tagore
19. The main theme of the Twelfth Five Year Plan:
- a. faster and more inclusive growth b. growth with social Justice
- c. socialistic pattern of society **d. faster, more inclusive and sustainable growth**
20. The PQLI was developed by
- a. Planning Commission b. Nehru **c. Morris** d. Morrisd.Biswajeet

CHAPTER 9 DEVELOPMENT EXPERIENCE IN INDIA

1. Which of the following is the way of Privatization?
a. Disinvestment b. Denationalization c. Franchising **d. All the above**
2. Countries today are to be _____ for their growth.
a. Dependent **b. Interdependent** c. Free trade d. Capitalist
3. The Arguments against LPG is _____
a. Economic growth b. More investment **c. Disparities among people and regions** d. Modernization
4. Expansion of FDI _____ a. Foreign Private Investment b. Foreign Portfolio **c. Foreign Direct Investment** d. Forex Private Investment
5. India is the largest producer of _____ in the world. **a. fruits** b. gold c. petrol d. diesel
6. Foreign investment includes _____ a. FDI only b. FPI and FFI **c. FDI and FPI** d. FDI and FFI
7. The Special Economic Zones policy was announced in _____
a. April 2000 b. July 1990 c. April 1980 d. July 1970
8. Agricultural Produce Market Committee is a _____
a. Advisory body **b. Statutory body** c. Both a and b d. non of these above
9. Goods and Services Tax is _____ a. a multi point tax b. having cascading effects
c. like Value Added Tax **d. a single point tax with no cascading effects.**
10. The New Foreign Trade Policy was announced in the year _____
a. 2000 b. 2002 c. 2010 **d. 2015**
11. Financial Sector reforms mainly related to _____
a. Insurance Sector b. Banking Sector **c. Both a and b** d. Transport Sector
12. The Goods and Services Tax Act came in to effect on _____
a. 1st July 2017 b. 1st July 2016 c. 1st January 2017 d. 1st January 2016
13. The new economic policy is concerned with the following
a. foreign investment b. foreign technology c. foreign trade **d. all the above**
14. The recommendation of Narashimham Committee Report was submitted in the year _____
a. 1990 **b. 1991** c. 1995 d. 2000
15. The farmers have access to credit under Kisan credit card scheme through the following except
a. co-operative banks b. RRBs c. Public sector banks **d. all the above**
16. The Raja Chelliah Committee on Trade Policy Reforms suggested the peak rate on import duties at ____
a. 25% **b. 50%** c. 60% d. 100%
17. The first ever SEZ in India was set up at _____ a. Mumbai b. Chennai **c. Kandla** d. Cochin
18. 'The Hindu Rate of Growth' coined by Raj Krishna refers to
a. low rate of economic growth b. high proportion of Hindu population c. Stable GDP d. none
19. The highest rate of tax under GST is _____ a. 18% b. 24% **c. 28%** d. 32%
20. The transfer of ownership from public sector to private sector is known as _____.
a. Globalization b. Liberalization **c. Privatization** d. Nationalization

CHAPTER 10

RURAL ECONOMY

1. Which is considered as the basic unit for rural areas? a. Panchayat **b. Village** c. Town d. Municipality
2. Which feature is identified with rural areas?
a. Low population density b. High population density c. Low natural resources d. Low human resources
3. Identify the feature of rural economy. **a. Dependence on agriculture** b. High population density
c. Low level of population d. Low level of inequality
4. What percentage of the total population live in rural area, as per 2011 censuses?

- a. 40 b. 50 **c. 60** d. 70
5. How do you term people employed in excess over and above the requirements?
a. Unemployment **b. Underemployment or Disguised Unemployment**
c. Full employment d. Self-employment
6. What is the term used to denote the coexistence of two different features in an economy?
a. Technology b. Dependency **c. Dualism** d. Inequality
7. 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**
8. Identify the agriculture related problem of rural economy:
a. Poor communication **b. Small size of landholding** c. Rural poverty d. Poor banking network
9. The recommended nutritional intake per person in rural areas:
a. 2100 calories b. 2100 calories c. 2300 calories **d. 2400 calories**
10. Indicate the cause for rural poverty:
a. Lack of non-farm employment b. High employment c. Low inflation rate d. High investment.
11. What is the other name for concealed unemployment?
a. Open **b. Disguised** c. Seasonal d. Rural
12. How do you term the employment occurring only on a particular season?
a. Open b. Disguised **c. Seasonal** d. Rural
13. Identify an example for rural industries?
a. Sugar factory **b. Mat making industry** c. Cement industry d. Paper industry
14. How much share of rural families in India is in debt?
a. Half b. One fourth c. Two third **d. Three fourth**
15. Identify the cause for rural indebtedness in India.
a. Poverty b. High population c. High productivity d. Full employment
16. In which year, Regional Rural Banks came into existence? a. 1965 b. 1970 **c. 1975** d. 1980
17. Identify the year of launch of MUDRA Bank? a. 1995 b. 2000 c. 2010 **d. 2015**
18. Identify the year in which National Rural Health Mission was launched.
a. 2000 **b. 2005** c. 2010 d. 2015
19. Identify the advantages of rural roads:
a. Rural marketing b. Rural employment c. Rural development **d. All the above**
20. “ An Indian farmer is born in debt, lives in debt, dies in debt and bequeaths debt”-who said this?
a. Adam Smith b. Gandhi c. Amartya Sen **d. Sir Malcolm Darling**

CHAPTER 11

TAMILNADU ECONOMY

1. In health index, Tamil Nadu is ahead of ____ a) Kerala b) Punjab **c) Gujarat** d) all the above
2. In sex ratio, Tamil Nadu ranks ____ a) first b) second **c) third** d) fourth
3. Tamil Nadu is rich in a) Forest resource **b) human resource** c) mineral resource d) all the above
4. The main source of irrigation in Tamil Nadu is ____ a) river b) tank **c) well** d) canals
5. Knitted garment production is concentrated in ____ a) Coimbatore **b) Tiruppur** c) Erode d) Karur
6. Which of the following is wrongly matched?
a) Gateway of Tamil Nadu – Thoothukudi **b) Home textile city - Erode**
c) Steel city – Salem d) Pump city – Coimbatore
7. Which of the following cities does not have international airport?
a) Madurai b) Tiruchirappalli **c) Paramakudi** d) Coimbatore
8. TN tops in the production of the following crops except ____
a) Banana b) Coconut c) plantation crops **d) cardamom**
9. Largest area of land is used in the cultivation of ____
a) Paddy b) sugarcane c) Groundnut d) Coconut
10. In literacy rate, TN ranks ____ a) second b) fourth c) sixth **d) eighth**
11. In investment proposals filed by MSMEs, TN ranks ____ **a) I** b) II c) III d) IV

12. Which district in TN has the highest sex ratio?
 a) Nagapattinam **b) Nilgiris** c) Tiruchirappalli d) Thanjavur
13. Which district has the lowest child sex ratio? a) Madurai b) Theni **c) Ariyalur** d) Cuddalore
14. Which Union Territory has the highest sex ratio?
 a) Chandigarh **b) Pondicherry** c) Lakshadweep d) Andaman Nicobar
15. The largest contribution to GSDP in Tamil Nadu comes from _____
 a) agriculture b) industry c) mining **d) services**
16. In human development index, TN is ranked ____ a) Second b) fourth c) sixth **d) Seventh**
17. SPIC is located in ____ a) Chennai b) Madurai **c) Tuticorin** d) Pudukkottai
18. The TICEL park is ____ a) Rubber Park b) Textile park c) Food park **d) Bio park**
19. In India's total cement production, Tamil Nadu ranks ____ **a) third** b) fourth c) first d) second
20. The Headquarters of Southern Railway is at _____
 a) Tiruchirappalli **b) Chennai** c) Madurai d) Coimbatore.

CHAPTER 12

MATHEMATICAL METHODS FOR ECONOMICS

1. Mathematical Economics is the integration of _____
a. Mathematics and Economics b. Economics and Statistics
 c. Economics and Equations d. Graphs and Economics
2. The construction of demand line or supply line is the result of using _____
 a. Matrices b. Calculus c. Algebra **d. Analytical Geometry**
3. The first person used the mathematics in Economics is _____
 a. Sir William Petty **b. Giovanni Ceva** c. Adam Smith d. Irving Fisher
4. Function with single independent variable is known as _____
 a. Multivariate Function b. Bivariate Function **c Univariate Function** d. Polynomial Function
5. A statement of equality between two quantities is called _____
 a. Inequality b. Equality **c. Equations** d. Functions
6. An incremental change in dependent variable with respect to change in independent variable is known as _____
a. Slope b. Intercept c. Variant d. Constant
7. $(y - y_1) = m(x - x_1)$ gives the ____ a. Slope **b. Straight line** c. Constant d. Curve
8. Suppose $D = 50 - 5P$. When D is zero then__ **a. P is 10** b. P is 20 c. P is 5 d. P is -10
9. Suppose $D = 150 - 50P$. Then, the slope is ____ a. -5 b. 50 c. 5 **d. -50**
10. Suppose determinant of a matrix 0, then the solution _____
 a. Exists **b. Does not exist** c. is infinity d. is zero
11. State of rest is a point termed as _____
a. Equilibrium b. Non-Equilibrium c. Minimum Point d. Maximum Point
12. Differentiation of constant term gives ____ a. one **b. zero** c. infinity d. non-infinity
13. Differentiation of x^n is ____ **a. n x (n-1)** b. n x (n+1) c. zero d. one
14. Fixed Cost is the -----term in cost function represented in mathematical form.
 a. Middle b. Price c. Quantity **d. Constant**
15. The first differentiation of Total Revenue function gives _____
 a. Average Revenue b. Profit **c. Marginal Revenue** d. Zero
16. The elasticity of demand is the ratio of _____
 a. Marginal demand function and Revenue function
b. Marginal demand function to Average demand function
 c. Fixed and variable revenues d. Marginal Demand function and Total demand function
17. If $x + y = 5$ and $x - y = 3$ then, Value of x ____ **a. 4** b. 3 c. 16 d. 8

18. Integration is the reverse process of ___ a. Difference b. Mixing c. Amalgamation **d. Differentiation**
19. Data processing is done by _____
 a. PC alone b. Calculator alone **c. Both PC and Calculator** d. Pen drive
20. The command Ctrl + M is applied for _____
 a. Saving b. Copying **c. getting new slide** d. deleting a slide

2 Marks

1. What is meant by Economics?

- The term ‘Economics’ means ‘management of households’.

2. Define micro economics.

- Micro Economics is the study of the economic actions of individual units say households, firms or industries.

3. What are goods?

- Goods and services satisfies human wants.

4. Distinguish goods from services.

Goods	Service
Produced	Performed
Tangible	Intangible

5. Name any two types of utility.

- Time utility
- Place utility

6. Define positive economics.

- Positive economics deals with what it is?

7. Give the meaning of deductive Method

- It consists in deriving conclusions from general truths;

8. Define Utility.

- In economic utility is the want satisfying power of a commodity or a service.

9. Mention the classifications of wants.

- Necessaries
- Comforts.
- Luxuries

10. Name the basic approaches to consumer behavior.

- Cardinal Approach
- Ordinal Approach

11. What are the degrees of price elasticity of Demand?

- Perfectly Elastic Demand
- Perfectly Inelastic Demand
- Relatively Elastic Demand
- Relatively Inelastic Demand

12. State the meaning of indifference curves.

It means all those combinations of any two goods which give equal satisfaction to the consumer.

13. Write the formula of consumer's surplus.

- Consumer's Surplus = Potential price – Actual Price (Or)
- Consumer's Surplus = $TU - (P \times Q)$ (any one formula)

14. What are Giffen goods? Why it is called like that?

- It is an exception to the law of demand.
- When the price of inferior goods falls, the poor will buy less and vice versa.
- Eg. Ragi, Cholam

15. Classify the factors of production.

- Land
- Labour
- Capital
- Organization

16. Define Labour.

Labour represents services provided by the factor labour, which helps in yielding an income to the owner of the labour-power. - Marshall

17. State the production function.

- It is the relationship between inputs and outputs. (Or) $Q=f(N,L,K,T)$

18. What are the conditions for producer's equilibrium?

- It must be tangent to iso-quant curve.
- At point of tangency, the iso-quant curve must be convex to the origin.

19. What are the reasons for upward sloping supply curve?

- As the price of the commodity increases, the quantum supplied of the commodity also increases.

20. Define cost.

- Cost refers to the total expenses incurred in the production of a commodity.

21. Define cost function.

- The functional relationship between cost and output is expressed as cost function. (Or)
- $C = f(Q)$ Where, c = cost and Q = quantity of output.

22. What do you mean by fixed cost?

- Fixed cost does not change in the quality of output.

23. Define Revenue.

- It means sales revenue. (Or)
- $TR = P \times Q$ TR = Total Revenue, P = Price, Q = Quantity

24. Explicit Cost - Define.

- It refers to the actual expenditure of the firm to purchase the inputs the firm needs.

25. Give the definition for 'Real Cost'.

- Real cost refers to the payment made to compensate the efforts and sacrifices of all factor owners.

26. What is meant by Sunk cost?

- It means unrecoverable cost

27. Define Market.

- A system of exchange between the buyers and the sellers of a commodity directly or indirectly.

28. Who is price-taker?

- A price taker simply has to accept the market price.

29. What is selling cost?

- The expenditure involved in selling the product is called selling cost.

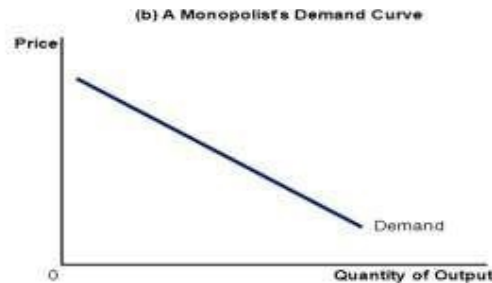
30. Mention any two types of price discrimination

- Personal
- Geographical

31. Draw demand curve of a firm for the following:

a) Perfect Competition

b) Monopoly



32. What is meant by distribution?

- Division of income among the four factors of production.

33. Mention the types of distribution.

- Personal Distribution
- Functional Distribution

34. Define 'Rent'.

- Which is paid to the landlord for the use of original and indestructible powers of the soil.

35. Distinguish between real and money wages.

Money wages	Real wages
The wages paid in terms of money.	The wages paid in terms of goods and services.

36. What do you mean by interest?

- Interest is the reward paid by the lender for the use of capital.

37. What is profit?

- It is the net income of the organizer.

38. State the meaning of liquidity preference.

- The preference of the people to hold wealth in the form of liquid cash other than bonds, securities gold and etc.,

39. Define Rural Economy.

- Rural economy refers to application of economic principles in rural areas.

40. Rural Poverty – Define.

- The situation in which an individual fails to earn sufficient income to buy the basic minimum of subsistence. - Poverty in India

41. What is meant by Disguised Unemployment?

- In rural areas many are employed below their productive capacity.

42. What do you mean by Micro Finance?

- It is financial service that offers loans savings and insurance to entrepreneurs.

43. State any two districts with favorable sex ratio. Indicate the ratios.

Nilgiris	1041 females
Thanjavur	1031 females

44. Define GSDP.

- The total money value of all the goods and service produced annually in the state.

45. Mention any four food crops which are favorable to Tamil Nadu.

- Rice
- Kambu
- Corn
- Sugarcane
- Oil seeds

46. What are major ports in Tamil Nadu?

- Chennai, Ennore, Tuticorin

47. What is heritage tourism?

- It is traveling to experience the places artifacts and activities that authentically represent the stories and people of the past and present.

48. What are the nuclear power plants in Tamil Nadu?

- Kalpakkam
- Koodankulam

3 Marks**1. Explain the scarcity definition of Economics and assess it.**

“Economics is a science which studies human behavior as a relationship between ends and scarce means which have alternative uses”. – **Lionel Robbins**

Features:

- Ends refer to human wants.
- Resources or means that go to satisfy the unlimited human wants.

Criticism

- Robbins does not make any distinction between goods conducive to human welfare and goods that are not.
- Robbins reduces Economics merely to theory of resource allocation.

2. What are the crucial decisions involved in ‘what to produce?’

- Whether to produce more of food, clothing and housing or to have more luxury goods
- Whether to have more agricultural goods or to have industrial goods and services
- Whether to have more consumption goods or to have investment goods
- Whether to spend more on basic education or higher education

3. Explain different types of economic activities.

- **Consumption:** Human wants coming under consumption is the starting point of economic activity.
- **Production:** Production is the process of transformation of inputs into output.
- **Exchange:** Human activities which are performed in exchange for money.
- **Distribution:** Division of income among the four factors of production.

4. What are the important features of utility?

- Utility is psychological
- Utility is not equivalent to usefulness.
- Utility is not the same as pleasure
- Utility is personal and relative.

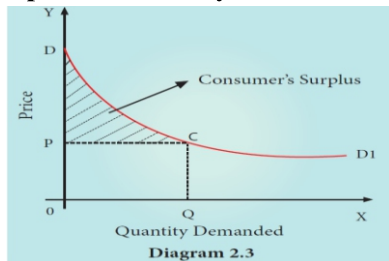
5. Distinguish between micro economics and macro economics.

Sl.No	Micro Economics	Macro Economics.
1	Micro means small	Macro means large
2	It covers individual economic agents	It is the study of aggregates
3	Price theory	Income theory

6. Describe the feature of human wants.

- Wants are unlimited:
- Wants become habits :
- Wants are Alternative:
- Wants are satiable.
- Wants are recurring.

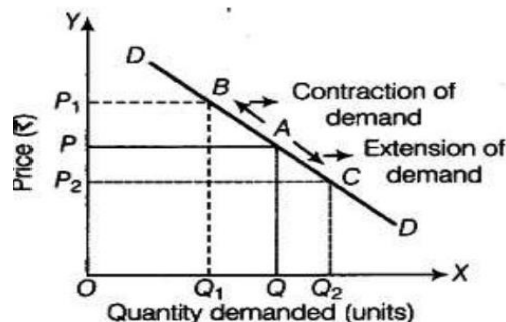
7. Explain the theory of “consumer’s surplus” .



The excess of price which a person would be willing to pay rather than go without the thing, over that which he actually does pay, is the economic measures of this surplus of satisfaction.

Consumer Surplus = Potential price – Actual price

8. Distinguish between extension and contraction of demand



The changes in the quantity demanded for a commodity due to the change in its price alone are called Extension and Contraction of Demand.

9. What are the properties of indifference curves?

- ICs must have negative slope
- ICs are convex to the origin
- ICs cannot intersect.
- ICs do not touch the X or Y axis.

10. What are the characteristics of land?

- Land is a primary factor of production.
- Land is a passive factor of production.
- Land is the free gift of Nature.
- Land is permanent.
- Land is immovable

11. What are the factors governing elasticity of supply?

- Nature of the commodity
- Cost of production
- Technical condition
- Time factor

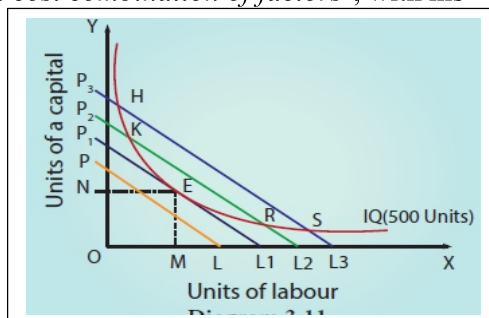
12. Illustrate the concept of Producer’s Equilibrium.

Meaning:

The producer manufactures a given amount of output with ‘least cost combination of factors’, with his given budget.

Conditions for Producer’s Equilibrium:

- The iso-cost line must be tangent to iso-quant curve.
- At point of tangency, the iso-quant curve must be convex to the origin.
- At point E the firm employs OM units of labour and ON units of capital.
- The other points such as H, K, R and S lie on higher iso cost lines indicating that a larger outlay is required.



13. Distinguish between fixed cost and variable cost.

Sl.No	Fixed cost	Variable cost
1	It refers to the incurred on the fixed factors production.	It refers to the cost incurred on the variable factors of production.
2	This Cost Remains Constant irrespective of the levels of outputs.	It varies with levels of outputs
3	This is also known as supplementary cost.	This is also known as prime cost

14. State the differences between money cost and real cost.

Sl.No	Money cost	Real cost
1	Production cost expressed in money terms.	The efforts and sacrifices of all factor owners for their services in production.
2	The expenditure such as cost of raw materials, payment of wages and salaries.	The efforts and sacrifices of landlords in the use of land, capitalist.
3	It is also called as prime cost or direct cost.	It is also called opportunity cost

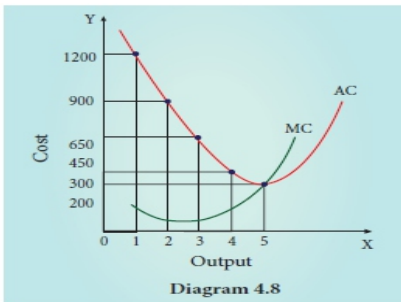
15. Distinguish between explicit cost and implicit cost.

Sl.No	Explicit cost	Implicit cost
1	It includes actual money expenditure incurred by a firm in hiring or buying the factors it needs in the production process.	It is not actual money expenditure but is the cost of factors owned by the firm and used by the firm in its production process.
2	It is a payment concept	It is a receipt concept
3	Examples: Wages, rent, Interest	Examples: Wages of self labour

16. Define opportunity cost and provide an example.

- It refers to the cost of next best alternative use.
- It is the value of the next best alternative foregone.
- Ex: A farmer can cultivate both paddy and sugarcane in a farm land. If he cultivates paddy, the opportunity cost of paddy output is the amount of sugarcane output given up.

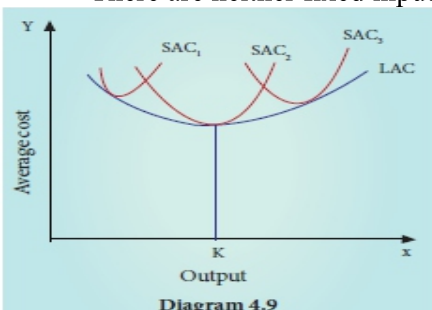
17. State the relationship between AC and MC.



- When Ac is falling, MC lies below AC.
- When AC becomes constant, MC also becomes equal to it.
- When AC starts increasing MC lies above the AC.
- MC curve always cuts AC at its minimum point from below

18. Discuss the Long run cost curves with suitable diagram.

- In the long run all factors of production become variable.
- The existing size of the firm can be increased in the case of long run.
- There are neither fixed inputs nor fixed costs in the long run.



LAC = LTC/Q
 LAC – Long run Average Cost
 LTC – Long run Total Cost
 Q – Quantity of output

19. State the meaning of selling cost with an example.

- The expenditure involved in selling the product is called selling cost.
- Example: Advertisement cost, Transportation cost, salaries, etc.

20. Differentiate between ‘firm’ and ‘industry’.

Sl.no	Basis	Firm	Industry
1	Meaning	It refers to a single production unit in an industry	It refers to a group of firms

2	Production	Producing a large or a small quantum of a commodity or service	Producing the same product or service in an economy.
3	Example	A single cement firm	Cement industry

21. What are the motives of demand for money?

i). The transaction motive:

It relates to the desire of the people to hold cash for the current transaction. **(Or)** $M_t = f(y)$

ii). The precautionary motive:

It relates to the desire of the people to hold cash to meet unexpected. **(Or)** $M_p = f(y)$

iii). The speculative motive:

It relates to the desire of the people to hold cash in order to take advantage of market movements.

(Or) $M_s = f(i)$.

22. List out the kinds of wages.

- Money wages
- Real wages
- Piece wages
- Time wages

23. Distinguish between rent and quasi-rent.

Sl.No	Rent	Quasi-Rent
1	Rent accrues to land	It accrues to manmade appliances
2	The supply of land is fixed forever.	The supply of manmade appliances is fixed for a short period only.
3	It enters into price.	It does not enter into price.

24. Briefly explain the Subsistence Theory of Wages.

- Wage must be equal to the subsistence level of the labourer and his family.
- The minimum amount of food, clothing and shelter which workers and their family require for existence.
- If workers are paid higher wages than the subsistence level.

25. Mention the features of SHGs.

- SHG is generally an economically homogeneous group formed through a process of self-selection based upon the affinity of its members.
- Most SHGs are women’s groups with membership ranging between 10 and 20.
- SHGs have well-defined rules and by-laws, hold regular meetings and maintain records and savings and credit discipline.
- SHGs are self-managed institutions characterized by participatory and collective decision making.

26. List out the objectives of MUDRA Bank.

- Regulate the lender and the borrower of microfinance.
- Bring stability to the microfinance system.
- Lend money to small business, retailers, self help groups and individuals
- Introduce a system of performance rating.

27. What are the renewable sources of power in Tamil Nadu?

- i). Hydel Energy:
- ii). Solar Energy:

iii). Wind Energy:

5 Marks

1. Compare and contrast various definitions of Economics.

Basis	Wealth Definition	Welfare Definition	Scarcity definition	Growth Definition
Author	Adam Smith	Alfrad Marshal	Lionel Robbins	Paul Samuelson
Year	1776	1890	1932 1948	1948
Definition	Economics as the science of wealth	It is a study of mankind in the ordinary business of life	“It is a science which studies human behavior as a relationship between ends and scarce means which have alternative uses”.	The study of how men and society choose, with or without the use of money, to employ scarce productive resources to produce various commodities over time, and distribute them for consumption.
Criticism	It is a dismal science	Does not consider immaterial things	Does not make any distinction between goods conducive human welfare and goods that are not.	Samuelsons definition is applicable also in a barter economy.

2. Elaborate the nature and scope of Economics.

Nature:

- A Law expresses a causal relation between two or more than two phenomena.
- Marshall states that the Economic laws are statement of tendencies,
- Economic laws are not as precise and certain.
- Economic laws are not inviolable
- The use of the assumption other things remaining the same.

Scope:

- All human activities related to wealth constitute the subject matter of economics.
- Production consumption and capital formation are called the basic economic activities.
- The flow chart gives the scope of economics.
- Human activities not related to wealth are not treated in economics.

3. Explain the law of demand and its exceptions.

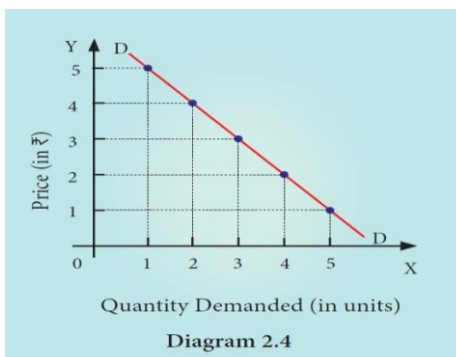
Definition:-

The Law of Demand says as “the quantity demanded increases with a fall in price and diminishes with a rise in price”. –*Marshall*

Assumptions of Law of Demand:

- The income of the consumer remains constant.
- The taste, habit and preference of the consumer remain the same.
- The prices of other related goods should not change.
- There should be no substitutes for the commodity in study.

Price	Quantity
5	1
4	2
3	3
2	4
1	5



Explanation:

- X axis shows Quantity demanded and Y axis shows represents the price of the commodity.
- DD is the demand curve, which has a negative slope.
- Slope downward from left to high which indicates that when price falls the demand expands and when price rises, the demand contracts.

Conclusions:

- There is an inverse relationship between the price and the quantity demanded of a commodity.

4. Elucidate the law of diminishing marginal utility with diagram.

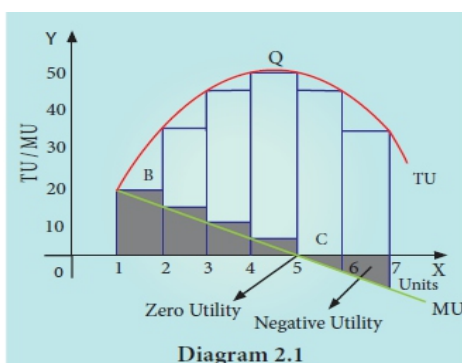
Definition:

“The additional benefit which a person derives from a given increase of his stock of a thing, diminishes with every increase in the stock that he already has”. - Marshall

Assumption:

- Utility can be measured by cardinal number.
- The marginal utility of money remains constant
- The consumer should be a rational consumer.
- The units of the commodity must be reasonable in size.

Units of apple	Total utility	Marginal utility
1	20	20
2	35	15(35-20)
3	45	10(45-35)
4	50	5(50-45)
5	50	0(50-50)
6	45	-5(45-50)
7	35	-10(35-45)



Explanation:

- Suppose a consumer wants to consume 7 after another.
- The utility from the first apple is 20.

apples one

- But the utility from the second apple will be less than that of
- the (15 = 35-20), third apple (10= 45-35) and so on.
- Finally, the utility from the fifth apple becomes zero and the utilities from sixth and seventh apples are negative.

Criticism

- Utility cannot be measured numerically, because utility is subjective.
- Law is based on the unrealistic assumptions.

5. Bring out the features of perfect competition.**a. Large Number of Buyers and Sellers:**

- The term, 'large number of sellers' implies that share of each individual seller is a very, very small quantum of a product.

b. Homogeneous Product and Uniform Price

- All the units of the product are identical of the same size, shape, colour, quality etc.

c. Free Entry and Exit

- Efficient producer, producing the product at a very low cost, to earn *super normal profits*.
- Attracted by such a profit, new firms enter into the industry.

d. Absence of Transport Cost

- The prevalence of the uniform price is also due to the absence of the transport cost.

e. Perfect Knowledge of the Market

- All buyers and sellers have a thorough knowledge of the quality of the product, prevailing price etc.

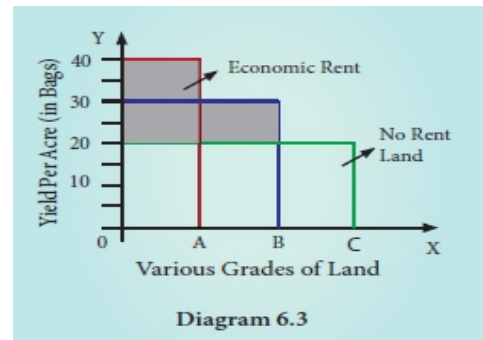
6. Illustrate the Ricardian Theory of Rent.**Meaning:**

Rent is that portion of the produce of the earth which is paid to the landlord for the use of the original and indestructible powers of the soil.

Assumption:

- Land differs in fertility
- The law of diminishing returns operates in agriculture.
- Rent depends upon fertility and location of land.
- Theory assumes perfect competition.

Grades of lands	Production	Surplus
A	40	$40-20=20$
B	30	$30-20=10$
C	20	$20-20=0$

**Explanation:**

- In diagram, X axis represents various grades of land and Y axis represents yield per acre.
- OA, AB and BC are the A grade, B grade and C grade lands respectively.
- The application of equal amount of labour and capital on each of them gives a yield represented by the rectangles standing just above the respective bases.
- The C grade land is the no-rent land, A and B grade lands are intra-marginal lands

7. Explain the strong features of Indian economy**i). India has a mixed economy**

- Indian economy is a typical example of mixed economy.
- This means both private and public sectors co-exist and function smoothly.

ii). Agriculture plays the key role

- Around 60% of the people in India depend upon agriculture for their livelihood.
- In fact, about 17% of our GDP today is contributed by the agricultural sector.

iii). An emerging market

- India has a high potential for prospective growth.
- This also makes it an emerging market for the world.

iv). Fast Growing Economy

- India's economy is well known for high and sustained growth.
- It has emerged as the world's fastest growing economy in the year 2016-17 with the growth rate of 7.1% in GDP next to People's Republic of China.

v). Demographic dividend

- The human capital of India is young.
- This means that India is a pride owner of the maximum percentage of youth.

8. Write the importance of mineral resources in India.**i). Iron-Ore:**

- India possesses high quality iron-ore in abundance.
- Hematite iron is mainly found in Chhattisgarh, Jharkhand, Odisha, Goa and Karnataka.

ii). Coal and Lignite

- Coal is the largest available mineral resource.
- India ranks third in the world after China and USA in coal production.
- The main centres of coal in India are the West Bengal, Bihar, Madhya Pradesh, Maharashtra, Odisha and Andhra Pradesh.

iii). Bauxite

- Major reserves are concentrated in the East Coast bauxite deposits of Odisha and Andhra Pradesh.

iv). Crude Oil

- Oil is being explored in India at many places of Assam and Gujarat.

v). Gold

- India possesses only a limited gold reserve.
- There are only three main gold mine regions—Kolar Goldfield, Hutti Goldfield and Ramgiri Goldfield.

9. Bring out Jawaharlal Nehru's contribution to the idea of economic development.

- Jawaharlal Nehru, one of the chief builders of Modern India,
- He was the first Prime Minister of Independent India
- He was a great patriot, thinker and statesman.
- His views on economics and social problems are found in the innumerable speeches he made and in the books he wrote.
- Jawaharlal Nehru was a firm believer in democracy.
- Secularism is another signal contribution of Nehru to India.
- Jawaharlal Nehru was responsible for the introduction of planning in our country

10. Write a brief note on the Gandhian economic ideas.

S.no	Gandhian Thoughts	Gandhian Economic Ideas
1	Village Republics	India lives in villages. He was interested in developing the villages as self-sufficient units.
2	On Machinery	Gandhi described machinery as great sin.
3	Industrialization	Gandhi considered industrialism as accurse on mankind.
4	Decentralization	He advocated a decentralized economy.
5	Village sarvodaya	He suggested the development of self-sufficient and self-dependent villages.

11 . Analyze the causes for Rural Indebtedness.

Meaning:

- Rural indebtedness refers to the situation of the rural people unable to repay the loan accumulated over a period.

Causes:

i). Poverty of Farmers:

The farmers to borrow for consumption, cultivation and celebrations.

ii). Failure of Monsoon:

It is a curse to the farmers and they have to suffer due to the failure of nature.

iii). Litigation:

Due to land disputes litigation in the court compels them to borrow heavily.

iv). Money lenders and High rate of Interest:

The rate of interest charged by the local money lenders is very high

12. What are the ideas of information and communication technology used in economics?

S. No	Information	Technologies
1	Creation	Personal Computers, Digital Camera, Scanner, Smart Phone
2	Processing	Calculator, PC, Smart Phone
3	Storage	CD, DVD, Pen Drive, Microchip, Cloud
4	Display	PC, TV, Projector, Smart Phone
5	Transmission	Internet, Teleconference, Video conferencing, Mobile Technology, Radio
6	Exchange	E mail, Cell phone

12. Explain the public transport system in Tamil Nadu.

- 1). Road
- 2). Rail
- 3). Air
- 4). Ports

Road:- There are 28 national highways in the state. It covers 5036 km.

Rail:- Southern rail way headquartered at Chennai. Its total track length of 6693 km.

Air:- Tamil nadu has four major international air ports. Chennai, Madurai, Coimbatore and Tiruchirapalli.

Ports:- Tamil Nadu has three major ports at Chennai, Ennore and Tuticorin.