

**GOVERNMENT OF KARNATAKA
KARNATAKA STATE PRE-UNIVERSITY EDUCATION EXAMINATION
BOARD
II YEAR PUC EXAMINATION
SCHEME OF VALUATION**

Subject Code : 22

March 2012

Subject : ECONOMICS

Qn. No	PART-A	Marks Allotted
I.	Answer the following question in one sentence each:	10x1=10
1)	Give the meaning of Liberalization. Ans: Giving greater freedom to economic activities through removal of all restrictions by the government.	1
2)	Give the meaning of disguised unemployment. Ans: Its is a situation where a person's marginal productivity is zero OR A situation where the number of workers engaged in a given economic activity is much more than which is actually needed.	1
3)	What is dry land farming? Ans: Farming carried on with the help of rain water.	1
4)	Expand FDI. Ans: Foreign Direct Investment	1
5)	What is umbrella legislation? Ans: Ensuring a minimum level of protection to the workers in the unorganized sectors.	1
6)	Give the meaning of broad gauge. Ans: The width between two railway track is more than one meter (1.676 mtr or 5 ½ feet)	1
7)	Where is Hindustan Ship Building Yard located? Ans: Vishakhapattanam	1
8)	What is Patent? Ans: A legal protection granted for an imentor to make use or sell the patented product for a given period.	1
9)	What is Budget? Ans: A statement of anticipated revenue and expenditure of the government for the coming financial year.	1
10)	Who is the Chairman of National Planning Commission?	1

	Ans: Prime Minister / Dr. Manmohan Singh	
	PART – B	
II	Answer any ten of the following questions in about <i>four</i> sentences each	10x2=20
11)	<p>Mention four characteristics of developed countries.</p> <p>Ans:</p> <ul style="list-style-type: none"> i) High National income and per capital income ii) High standard of living iii) High rate of capital formation iv) High rate of industrialization v) Use of most advanced techniques and skills. vi) Low growth of population vii) Optimum use of natural and human resources. viii) Use of extensive division of labour. ix) Well developed infrastructure facilities. x) Low incidence of poverty and unemployment. <p style="text-align: right;">Any four</p>	2
12)	<p>Write four benefits of Education.</p> <p>Ans:</p> <ul style="list-style-type: none"> i) Gain of knowledge ii) Removal of ignorance iii) Development of skill iv) Moral development v) Preservation of culture vi) Individual evaluation vii) Economic development viii) Weapon against exploitation ix) Political awareness x) Control of population xi) Reduction of economic inequality. <p style="text-align: right;">Any four</p>	2
13)	<p>Give the meaning of Rainwater harvesting. Name two methods of Rainwater harvesting.</p> <p>Ans: Rainwater harvesting refers to the process of collecting and storing rain water in a scientific way for further use.</p> <p>Methods:</p> <ul style="list-style-type: none"> i) Collection of roof to rain water ii) Construction of Seepage pits iii) Erection of bunds iv) Construction of check dams v) Construction of ponds and tanks vi) Construction of dams vii) Recharging of wells and tube wells <p style="text-align: right;">(Any Two)</p>	1
14)	<p>What is post-harvest technology? Mention its measures.</p>	1

	<p>Ans: i) Bio-Gas ii) Solar power iii) Wind Power</p>	2
19)	<p>State the meaning of Current Account and Capital Account of Balance of Payment.</p> <p>Ans: Current account of Balance of payment refers to the difference between exports and imports of both visible and invisible items</p> <p>Capital account of Balance of payment consists of the transactions of financial assets in the form of short term and long term lending and borrowing</p>	1 1
20)	<p>Name the multilateral agreement of W.T.O.</p> <p>Ans: i) General Agreement on Trade and Tariff (GATT) ii) General Agreement on Trade in Services (GATS) iii) Trade Related Aspects of Intellectual Property Rights (TRIPS) iv) Trade Related Aspects of Investment Measures (TRIMS)</p>	1 1
21)	<p>What is Fiscal Policy? Mention two objectives of Fiscal Policy.</p> <p>Ans: Fiscal policy refers to the policy of the government regarding its revenue expenditure and borrowings. Objectives: i) Mobilization of adequate resources ii) To promote savings and capital formation iii) To achieve rapid economic development iv) To attain economic stability v) To reduce economic inequality vi) To bring liberalization in all sectors. vii) To arrange optimum utilization of resources viii) To remove poverty and unemployment.</p> <p style="text-align: right;">Any two</p>	1 1
22)	<p>Mention four sources of non-tax revenue of the Central Government.</p> <p>Ans: i) Profits earned by Public sector industries, companies and Banks. ii) Profits earned by Railways, Posts Telegraph, Telephone</p>	

	<p>Television Networks etc</p> <p>iii) Profit from Reserve Bank of India</p> <p>iv) Profit from minting of coins and printing of currency notes.</p> <p>v) Interest receipts and other departmental receipts.</p> <p>vi) Various fees, penalties and judicial receipts etc.</p> <p style="text-align: right;">Any four</p>	2
PART – C		
III	Answer any <i>eight</i> of the following questions in about fifteen sentences each:	8x5=40
23)	<p>Write a note on the classification of countries as per the World Development Report.</p> <p>Ans: The world Bank in its world Development Report 2008 has classified the countries of the world into three on the basis of per capita gross national income (GNI). They are</p> <p>i) Low Income Countries</p> <p>ii) Middle Income Countries and</p> <p>iii) High Income Countries</p> <p>i) Low Income Countries: According to WDR of 2010, the countries whose per capita GNI is 975 dollar or less in 2008 Ex- Ethiopia, Kenya, Cambodia and other Asian countries</p> <p>ii) Middle Income Countries are those countries whose per capita GNI ranges between 976 dollars to 11905 dollars in 2008. Ex: Brazil, Argentina, Egypt, India (1068 dollars in 2008) etc.</p> <p>iii) High Income Countries : are those countries whose pr capita GNI is more than 11906 dollars in 2008. Ex. America, England, Germany, Japan, France etc.</p>	1 1 3
24)	<p>What is soil erosion? Briefly explain the causes for soil erosion.</p> <p>Ans: Removal of top layer of the earths surface resulting loss of fertility</p> <p>Causes:</p> <p>i) Natural causes : a) Heavy rains b) Floods c) Strong wind d) cyclone</p> <p>ii) Man made causes: a) Deforestation</p> <p>b) Defective method of Cultivation</p> <p>c) Defective method of irrigation</p> <p>d) Over grazing of cattle</p> <p>e) Lack of bunds</p> <p style="text-align: right;">Brief Explanation needed</p>	1 2 2

25)	<p>Give the meaning of irrigation. Write a note on the classification of irrigation.</p> <p>Ans: Artificial supply of water to agricultural crops through wells tanks, and canals. Classification: i) Minor irrigation projects : Cultivable command Area up to 2000 hectares of land ii) Medium irrigation Projects : Cultivable command Area between 2000 and 10000 hectares iii) Major irrigation Projects : Cultivable command Area of more than 10000 hectares</p> <p>The total irrigation potential developed in India under minor medium and major irrigation projects is 102.8 mm hectares. During Tenth plan government has invested Rs.103315 crores. During eleventh plan government has proposed to invest Rs.210,326 crore for irrigation and flood control.</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>
26)	<p>Briefly explain the role of small scale industries in economic development.</p> <p>Ans: i) Employment generation ii) Export promotion iii) Increase in the volume of production iv) Utilization of local resources v) Light skill vi) Light capital vii) Quick yield viii) Import light ix) Reduces pressure on agriculture x) Support to large scale industries xi) Equal distribution of income and wealth xii) Individual Supervision xiii) No evils of factory system xiv) Removal of regional imbalance</p> <p style="text-align: right;">Brief explanation needed</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>

27)	<p>Write a short note on the strategy for industrial development under industrial sector reforms.</p> <p>Ans: A new industrial policy was announced on 24th July 1991. Liberalization, privatization and Globalization (LPG) are the three main slogans of this policy</p> <p>Features</p> <ul style="list-style-type: none"> i) Delicensing policy ii) Promotion of inflow of foreign investment iii) Foreign technology agreement iv) Private sector participation v) Disinvestment vi) Amendment to MRTP Act <p style="text-align: right;">Brief explanation needed</p>	<p>1</p> <p>2</p> <p>1</p> <p>1</p>
28)	<p>Explain the socio-economic status of agricultural labourers.</p> <p>Ans: i) Unorganised in nature: Agricultural Labourers are illiterate, ignorant, scattered, disunited, poor and conservative, they are unorganized and unable to form unions to protect and preserve their interest.</p> <p>ii) Low level of living and low wages: Wages and earnings of agricultural labours is very low. As their wages are quite low, their standard of living is also very low.</p> <p>iii) Caste and gender composition: Most of the agricultural labours in India belong to SC, ST and other backward classes. They constitute 75% of the agricultural labours.</p> <p>iv) Bonded Labour system (Abolition) Act 1976 : A legislation was passed known as Banded labour system (Abolition) Act 1976 under this Act the bonded labour system was abolished through out the country</p> <p>v) Child labour and its prohibition: In 1986 Government of India assed child labour prohibition Act. This act prohibits the appointment of children below the age of 14 in any hazardous or non-hazardous jobs. From 15th Sept 2006 onwards employment of girl children (below the age of 14) in any domestic work has been prohibited.</p> <p>vi) Absence of social security measures: Indian agricultural labourers are not provided with any social security measures like accident benefits, old age pension etc.</p> <p style="text-align: center;">Krishi Shramik Samajik Suraksha Yojana of 2001 and Aam Admi Bima Yojana of 2007 provided insurance facilities to agricultural labourers.</p> <p>vi) Seasonal Unemployment</p>	<p>1</p> <p>1</p> <p>1</p>

<p>Ans:</p>	<p>Transmission of information from one person to another or from one place to another place.</p> <p>Role</p> <ul style="list-style-type: none"> i) Supply of necessary information ii) Development of industries, commerce and trade. iii) Development of transport. iv) Contact between buyers and sellers v) Accelerates growth rate. vi) Easy Contact vii) Improves global competitiveness viii) Attracts foreign direct investment ix) Improvement in health and education x) Efficient administration xi) Creation of employment xii) Brings revenue to the government xiii) Meeting emergencies xiv) National defence <p style="text-align: right;">Brief explanation needed</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>
<p>32)</p>	<p>Write a short note on the direction of India's imports.</p> <p>Ans: Direction of India's import trade refers to the countries from which India is importing her requirements.</p> <p>Region wise import of India</p> <ul style="list-style-type: none"> i) OECD countries (organization for economic co-operation and development). It includes USA, UK, France, Germany, Italy, Australia, Japan etc, India imports various goods from these countries. ii) OPEC (Organization of petroleum exporting countries) this group consist 11 member countries. India imports mainly petroleum from these countries. iii) Other West and East European countries- This includes Sweden, Russia, Poland, Denmark etc. India imports raw materials from these countries. iv) Developing countries – It includes Africa, Latin America, and several Asian countries. India imports raw materials from these countries. 	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>
<p>33)</p>	<p>Explain the various export promotion measures taken by the Government of India.</p> <p>Ans:</p> <ul style="list-style-type: none"> i) Export credit and finance. ii) Export promotion : Establishment of SEZ, Industrial parks, packaging iii) Export incentives: Tax concession, tax holiday etc. 	<p>1</p>

	<ul style="list-style-type: none"> iv) Organizational help – Establishment of boards and corporations (Coffee, rubber, Tobacco etc) v) Publicity of export goods: Establishment of Trade Fair Authority of India. vi) Trade agreements vii) Fully convertibility of rupee viii) Devaluation of rupee ix) Award to exporters x) Establishment export Insurance corporation <p style="text-align: right;">(Explain any 5 points briefly)</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p>
34)	<p>Write the functions of National Planning Commission.</p> <p>Ans: Function of NPC explanation</p> <ul style="list-style-type: none"> i) Assessment and augmentation of resources ii) Formation of plans iii) Fixing priorities iv) Decision on planning techniques v) Policy review vi) Identifications of retarding factors vii) Periodic assessment viii) Ancillary recommendations <p style="text-align: right;">Brief explanation needed</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>
PART – D		
IV	Answer any two 01 the following questions in about 40 sentences each.	2x10=20
35)	<p>Explain the features of (lie developing countries including India</p> <p>Ans: A developing country is one which is achieving progress in economic social and other sectors by using its resources. India is one of the fast developing country of the world.</p> <p>Characteristics of Developing countries including India.</p> <ul style="list-style-type: none"> i) Increase in national income and per capita income. ii) Increase in capital investment iii) Increase in Industrial production iv) Increase in Agricultural production v) Progress in tertiary sector vi) Progress in science and technology vii) Improvement in standard & living viii) Increase in infrastructural facilities ix) Reduction of economic inequality x) Reduction in population growth xi) Increase in Foreign trade. xii) Social change. <p style="text-align: right;">(Explanation needed)</p>	<p>10</p>

38)	<p>Explain the heads of expenditure of the Central Government.</p> <p>Ans: Heads of expenditure of the central Government n is bradly classified into two types</p> <ol style="list-style-type: none"> I. Revenue Expenditure II. Capital Expenditure <div style="text-align: center;"> <p>I. Revenue Expenditure</p> <pre> graph TD A[I. Revenue Expenditure] --> B[a) Plan Expenditure] A --> C[b) Non plan expenditure] </pre> </div> <p>a) Plan Expenditure</p> <p>a) Plan expenditure – i) Economic Services ii) Social Services iii) General Services iv) Assistance to State and Union territories</p> <p>b) Non plan expenditure – i) Defence expenditure ii) Administrative Expenditure iii) Interest payments iv) Subsidies v) Grants and loans to states</p> <p>II. Capital Expenditure – Expenditures on industries agriculture, transport, communication, irrigation, power projects etc, which permanent revenue yielding assets. It also include defence expenditure repayment of debt.</p> <p style="text-align: right;">(Explanation needed)</p>	10
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PART – E																				
V	Answer any two of the following project and assignment related questions:				2x5=10															
39)	Draw a pie-diagram to represent the following data of proposed expenditure of Municipal Corporation for the year 2011-2012.																			
	Items	Exp. Rs. In Crores	Calculation	Angle from the centre																
1.	Drinking Water	300	$\frac{300 \times 360^0}{1000}$	108^0																
2.	Roads	400	$\frac{400 \times 360^0}{1000}$	144^0																
3.	Health	100	$\frac{100 \times 360^0}{1000}$	36^0																
4.	Education	200	$\frac{200 \times 360^0}{1000}$	72^0																
		1000		360^0	2															
<div data-bbox="350 1045 1252 1587" data-label="Figure"> <p>PIE CHART</p> <table border="1"> <caption>Data for Pie Chart</caption> <thead> <tr> <th>Item</th> <th>Expenditure (Rs. In Crores)</th> <th>Angle (degrees)</th> </tr> </thead> <tbody> <tr> <td>Roads</td> <td>400</td> <td>144°</td> </tr> <tr> <td>Drinking Water</td> <td>300</td> <td>108°</td> </tr> <tr> <td>Education</td> <td>200</td> <td>72°</td> </tr> <tr> <td>Health</td> <td>100</td> <td>36°</td> </tr> </tbody> </table> </div>					Item	Expenditure (Rs. In Crores)	Angle (degrees)	Roads	400	144°	Drinking Water	300	108°	Education	200	72°	Health	100	36°	3
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Positions of the segment may vary but the % of each segment should be the same as mentioned above.																				

40)	List ten Railway zones of India with their headquarters.		5
	<p>Railway Zones</p> <ul style="list-style-type: none"> i) Northern Zone ii) Southern Zone iii) Eastern Zone iv) Western Zone v) North Eastern Zone vi) South Eastern Zone vii) South Western Zone viii) North Western Zone ix) South East Central Zone x) East Coast Zone xi) South Eastern Zone xii) East Central Zone xiii) North East Frontier Zone xiv) North Central Zone xv) Central Zone xvi) West Central Zone 	<p>Headquarters</p> <ul style="list-style-type: none"> Delhi Chennai Kolkata Mumbai Gorakhpur Secunderabad Hubli Jaipur Bhilaspur Bhuvaneshwar Kolkata Hajipur Gowhati Allahabad Mumbai Jabalpur <p style="text-align: right;">Any Ten ½ mark for each correct answer</p>	5
41	<p>Prepare a report on your visit to a fair price depot.</p> <p>Contents of report :</p> <ul style="list-style-type: none"> i) Name and address of the visited F.P. depot ii) Name of the owner and registration number iii) Area or locality caused by the depot iv) Types of ration cards issued by the depot. Number of APL and BPL card holders v) Main items distributed by the depot vi) Board showing state, price and timings vii) supervision by the higher authority (Food & Civil Supply) and detailed of inspection viii) Defects if any ix) Suggestions and opinions <p>Place _____ Name of the reporter _____ Date _____</p>		<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>

FOR BLIND STUDENTS ONLY		
Name any <i>ten</i> Public undertakings and mention their locality.		
	Name of the Industry	Locality
	i) HMT	Bangalore
	ii) HAL	Bangalore
	iii) BHEL	Bangalore
	iv) BEML	Bangalore
	v) ITI	Bangalore
	vi) Railway Axle and Wheel Factory	Bangalore
	vii) VISL	Bhadravathi
	viii) Integrated Coach Factory	Perambur
	ix) Hindustan Ship Building yard	Vishakhapatnam
	x) Varanasi Diesel Locomotive workers	Varanasi
	xi) Iron and Steel Industry	Bhilai, Rourkela, Bokaro
	xii) Fertilizer Industry	Sindhri, Nangal, Chennai
		Any Ten ½ mark for each correct answer

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