रोल नं.
Roll No.
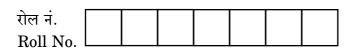
परीक्षार्थी कोड को उत्तर-पुस्तिका के मुख-पृष्ठ पर अवश्य लिखें ।
Candidates must write the Code on the title page of the answer-book.

- कृपया जाँच कर लें कि इस प्रश्न-पत्र में मुद्रित पृष्ठ **11** हैं ।
- प्रश्न-पत्र में दाहिने हाथ की ओर दिए गए कोड नम्बर को छात्र उत्तर-पुस्तिका के मुख-पृष्ठ पर लिखें ।
- कृपया जाँच कर लें कि इस प्रश्न-पत्र में **32** प्रश्न हैं ।
- **कृपया प्रश्न का उत्तर लिखना शुरू करने से पहले, प्रश्न का क्रमांक अवश्य लिखें ।**
- इस प्रश्न-पत्र को पढ़ने के लिए 15 मिनट का समय दिया गया है । प्रश्न-पत्र का वितरण पूर्वाह्न में 10.15 बजे किया जाएगा । 10.15 बजे से 10.30 बजे तक छात्र केवल प्रश्न-पत्र को पढ़ेंगे और इस अवधि के दौरान वे उत्तर-पुस्तिका पर कोई उत्तर नहीं लिखेंगे ।
- Please check that this question paper contains **11** printed pages.
- Code number given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
- Please check that this question paper contains **32** questions.
- **Please write down the Serial Number of the question before attempting it.**
- 15 minutes time has been allotted to read this question paper. The question paper will be distributed at 10.15 a.m. From 10.15 a.m. to 10.30 a.m., the students will read the question paper only and will not write any answer on the answer-book during this period.

अर्थशास्त्र

ECONOMICS

निर्धारित समय : 3 घण्टे   *अधिकतम अंक : 100*

Time allowed : 3 hours   *Maximum Marks : 100*
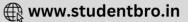
सामान्य निर्देश :

(i) दोनों खण्डों के **सभी** प्रश्न अनिवार्य हैं ।

(ii) प्रत्येक प्रश्न के निर्धारित अंक उसके सामने दिए गए हैं ।

(iii) प्रश्न संख्या *1 – 5* तथा *17 – 21* अति लघुत्तरात्मक प्रश्न हैं, जिनमें प्रत्येक का *1* अंक है । इनका प्रत्येक का उत्तर **एक वाक्य** में ही अपेक्षित है ।

(iv) प्रश्न संख्या *6 – 10* और *22 – 26* लघुत्तरात्मक प्रश्न हैं, जिनमें प्रत्येक के *3* अंक हैं । प्रत्येक का उत्तर सामान्यतः *60* शब्दों से अधिक नहीं होना चाहिए ।

(v) प्रश्न संख्या *11 – 13* और *27 – 29* भी लघुत्तरात्मक प्रश्न हैं, जिनमें प्रत्येक के *4* अंक हैं । प्रत्येक का उत्तर सामान्यतः *70* शब्दों से अधिक नहीं होना चाहिए ।

(vi) प्रश्न संख्या *14 – 16* और *30 – 32* व्याख्यात्मक उत्तर वाले प्रश्न हैं, जिनमें प्रत्येक के *6* अंक हैं । प्रत्येक का उत्तर सामान्यतः *100* शब्दों से अधिक नहीं होना चाहिए ।

(vii) तारांकित (*) प्रश्न मूल्याधारित प्रश्न हैं ।

(viii) उत्तर संक्षिप्त तथा तथ्यात्मक होने चाहिए तथा यथासंभव ऊपर दी गई सीमा के अंतर्गत ही दिए जाने चाहिए ।

General Instructions :

(i) **All** questions in both the sections are compulsory.

(ii) Marks for questions are indicated against each.

(iii) Questions No. **1 – 5** and **17 – 21** are very short-answer questions carrying **1** mark each. They are required to be answered in **one sentence** each.

(iv) Questions No. **6 – 10** and **22 – 26** are short-answer questions carrying **3** marks each. Answers to them should normally not exceed **60** words each.

(v) Questions No. **11 – 13** and **27 – 29** are also short-answer questions carrying **4** marks each. Answers to them should normally not exceed **70** words each.

(vi) Questions No. **14 – 16** and **30 – 32** are long-answer questions carrying **6** marks each. Answers to them should normally not exceed **100** words each.

(vii) Questions marked star (*) are value-based questions.

(viii) Answers should be brief and to the point and the above word limits should be adhered to as far as possible.

*1. उस आर्थिक मूल्य का नाम बताइए जो कि देश में संसाधनों में वृद्धि लाने के प्रयत्नों से प्राप्त हो सकती है ।　　*1*

Name the economic value achievable when attempts are made to increase resources in the country.

2. माँग की परिभाषा दीजिए ।　　*1*

Define demand.

3. स्थिर लागतों के दो उदाहरण दीजिए ।　　*1*

Give two examples of fixed costs.

4. बाज़ार पूर्ति की परिभाषा दीजिए ।　　*1*

Define market supply.

5. वस्तु की पूर्ति को पूर्णतया कीमत बेलोचदार कब कहा जाता है ?　　*1*

When is supply of a good said to be perfectly price inelastic ?

6. 'कैसे उत्पादन करें' की समस्या क्यों उत्पन्न होती है ? व्याख्या कीजिए ।　　*3*

Why does the problem of 'how to produce' arise ? Explain.

7. A और B पूरक वस्तुएँ हैं । A की कीमत में परिवर्तन के B की माँग पर प्रभाव की व्याख्या कीजिए ।　　*3*

A and B are complementary goods. Explain the effects of change in price of A on demand for B.

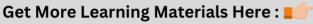**8.** उत्पादन के प्रत्येक स्तर पर सीमान्त लागत का परिकलन कीजिए :　　*3*

उत्पादन (इकाइयाँ)	1	2	3	4	5	6
औसत परिवर्ती लागत (₹)	12	11	10	9	9	10

Calculate marginal cost at each level of output :

Output (units)	1	2	3	4	5	6
Average variable cost (₹)	12	11	10	9	9	10

9. जब एक वस्तु की कीमत ₹ 5 से बढ़कर ₹ 6 प्रति इकाई होती है, तो कुल संप्राप्ति (आगम) ₹ 1,000 से बढ़कर ₹ 1,200 हो जाती है । इसकी पूर्ति की कीमत लोच का परिकलन कीजिए । *3*

When price of a commodity rises from ₹ 5 to ₹ 6 per unit, total revenue increases from ₹ 1,000 to ₹ 1,200. Calculate its price elasticity of supply.

10. एक वस्तु की पूर्ति "घटने" के किन्हीं दो कारणों की व्याख्या कीजिए । *3*

अथवा

पूर्ति वक्र के दाँई ओर खिसकने के किन्हीं दो कारणों की व्याख्या कीजिए ।

Explain any two causes of "decrease" in supply of a commodity.

OR

Explain any two causes of a rightward shift of supply curve.

11. बजट रेखा और बजट प्रतिबंध के समीकरणों के बीच अंतर समझाइए । *4*

Explain the distinction between the equations of budget line and budget constraint.

12. एक वस्तु की माँग की कीमत लोच (–) 0·5 है । ₹ 20 प्रति इकाई कीमत पर इसकी माँग 300 इकाई है । किस कीमत पर इसकी माँग 10 प्रतिशत बढ़ेगी ? *4*

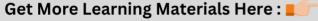The price elasticity of demand of a good is (–) 0·5. At a price of ₹ 20 per unit its demand is 300 units. At what price will its demand increase by 10 percent ?

13. एकाधिकार की परिभाषा दीजिए । एकाधिकार की मुख्य विशेषताएँ बताइए । *4*

Define monopoly. State the main features of monopoly.

14. निम्नलिखित आँकड़ों से उत्पादन का वह स्तर ज्ञात कीजिए जिस पर उत्पादक संतुलन में है । अपने उत्तर के लिए कारण दीजिए । (सीमान्त लागत और सीमान्त आगम विधि का प्रयोग कीजिए) *6*
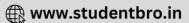
उत्पादन (इकाई)	कुल संप्राप्ति (आगम) (₹)	कुल लागत (₹)
1	12	14
2	24	26
3	36	36
4	48	48
5	60	62

From the following data find out the level of output at which the producer is in equilibrium. Give reasons for your answer. (Use marginal cost, marginal revenue approach)

Output (units)	Total Revenue (₹)	Total Cost (₹)
1	12	14
2	24	26
3	36	36
4	48	48
5	60	62

15. अनधिमान वक्रों की विशेषताओं की व्याख्या कीजिए ।   *6*

<div align="center">

अथवा

</div>

उपयोगिता विश्लेषण के द्वारा उपभोक्ता संतुलन की शर्तों की व्याख्या कीजिए ।

Explain the characteristics of indifference curves.

<div align="center">

OR

</div>

Explain the conditions of consumer's equilibrium using utility analysis.

16. वस्तु की बाज़ार कीमत के उसकी संतुलन कीमत से कम होने पर बाज़ार में होने वाले परिवर्तनों की व्याख्या कीजिए । रेखाचित्र का उपयोग कीजिए ।   *6*

Explain the changes that will take place in the market when market price of a good is less than its equilibrium price. Use diagram.

नोट : *निम्नलिखित प्रश्न केवल **दृष्टिहीन परीक्षार्थियों** के लिए प्रश्न संख्या 16 के स्थान पर है ।*

Note : *The following question is for the **Blind Candidates** only in lieu of Q. No. 16.*

वस्तु की बाज़ार कीमत के उसकी संतुलन कीमत से कम होने पर बाज़ार में होने वाले परिवर्तनों की व्याख्या कीजिए । एक तालिका का प्रयोग कीजिए ।   *6*

Explain the changes that will take place in the market when market price of a good is less than its equilibrium price. Use a schedule.
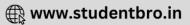
17. मूल्यह्रास का अर्थ बताइए । *1*

    Give the meaning of depreciation.

18. देशीय उत्पाद की परिभाषा दीजिए । *1*

    Define domestic product.

19. बैंक दर से क्या अभिप्राय होता है ? *1*

    What is meant by bank rate ?

20. कर क्या होता है ? *1*

    What is a tax ?

21. राजस्व व्यय के दो उदाहरण दीजिए । *1*

    Give two examples of revenue expenditure.

22. वास्तविक और मौद्रिक सकल देशीय उत्पाद में भेद कीजिए । *3*

    Distinguish between real and nominal gross domestic product.

23. मुद्रा के 'लेखा की इकाई' कार्य की व्याख्या कीजिए । *3*

    <div align="center">अथवा</div>

    'बैंकरों के बैंक' के रूप में केन्द्रीय बैंक की भूमिका की व्याख्या कीजिए ।

    Explain the 'unit of account' function of money.

    <div align="center">**OR**</div>

    Explain the role of central bank as the 'Bankers' Bank'.

24. सीमान्त उपभोग प्रवृत्ति का मूल्य सीमान्त बचत प्रवृत्ति से दुगुना है । गुणक का मूल्य ज्ञात कीजिए । *3*

    The value of marginal propensity to consume is double the value of marginal propensity to save. Find the value of multiplier.

25. एक अर्थव्यवस्था में प्रत्याशित व्यय प्रत्याशित उत्पादन से अधिक है । अर्थव्यवस्था में होने वाले सभी परिवर्तनों की व्याख्या कीजिए ।   *3*

In an economy planned spending is greater than planned output. Explain all the changes that will take place in the economy.

26. भुगतान संतुलन खाते के व्यापार संतुलन और चालू लेखा संतुलन में भेद कीजिए ।   *3*

Distinguish between Balance of trade and Balance on current account of the Balance of Payments account.

27. निम्नलिखित आँकड़ों से "कारक लागत पर निवल मूल्य संवृद्धि" का परिकलन कीजिए :   *4*

(₹ लाखों में)

(i)	बिक्री	400
(ii)	स्टॉक में परिवर्तन	(–) 20
(iii)	मध्यवर्ती उपभोग	200
(iv)	निवल अप्रत्यक्ष कर	40
(v)	निर्यात	50
(vi)	मूल्यह्रास	30

अथवा

क्या सकल घरेलू उत्पाद लोगों के आर्थिक कल्याण का सही सूचक है ? अपने उत्तर के समर्थन में दो कारण दीजिए ।

From the following data calculate "Net value added at factor cost" :

(₹ in Lakhs)

(i)	Sales	400
(ii)	Change in stock	(–) 20
(iii)	Intermediate consumption	200
(iv)	Net indirect taxes	40
(v)	Exports	50
(vi)	Depreciation	30

OR

Is gross domestic product a true index of economic welfare of the people ? Give two reasons in support of your answer.

28. केन्द्रीय बैंक अर्थव्यवस्था में साख निर्माण को "बैंक दर" द्वारा कैसे नियंत्रित करता है ? समझाइए । *4*

How does the central bank control credit creation in the economy through "Bank Rate" ? Explain.

*29. सरकार सोने के स्वायत्त आयात को कम करने हेतु उपाय करती है । इसके पीछे क्या आर्थिक मूल्य प्राप्त करने की इच्छा हो सकती है ? समझाइए । *4*

Government takes measures to restrict autonomous imports of gold. Explain the economic values desired to be achieved from this.

30. राष्ट्रीय आय का परिकलन कीजिए : *6*

(₹ करोड़ों में)

(i)	शेष विश्व से निवल चालू हस्तांतरण	30
(ii)	निजी अन्तिम उपभोग व्यय	400
(iii)	निवल देशीय पूँजी निर्माण	100
(iv)	स्टॉक में परिवर्तन	50
(v)	मूल्यह्रास	20
(vi)	सरकारी अन्तिम उपभोग व्यय	200
(vii)	निवल निर्यात	40
(viii)	निवल अप्रत्यक्ष कर	80
(ix)	विदेशों को निवल कारक आय का भुगतान	10

अथवा

निम्नलिखित आँकड़ों से वैयक्तिक प्रयोज्य आय का परिकलन कीजिए : *6*

(₹ करोड़ों में)

(i)	निजी क्षेत्र को कारक लागत पर निवल देशीय उत्पाद से अर्जित आय	800
(ii)	राष्ट्रीय ऋण पर ब्याज	50
(iii)	सरकार से चालू हस्तांतरण	70
(iv)	निजी कंपनी क्षेत्रक की बचत	200
(v)	निगम कर	40
(vi)	परिवारों द्वारा दिए गए प्रत्यक्ष कर	30
(vii)	मूल्यहास	60
(viii)	विदेशों से निवल कारक आय	20
(ix)	विदेशों को निवल चालू हस्तांतरण	(–) 10

Calculate national income :

(₹ in Crores)

(i)	Net current transfer from rest of the world	30
(ii)	Private final consumption expenditure	400
(iii)	Net domestic capital formation	100
(iv)	Change in stock	50
(v)	Depreciation	20
(vi)	Government final consumption expenditure	200
(vii)	Net exports	40
(viii)	Net indirect taxes	80
(ix)	Net factor income paid to abroad	10

OR

From the following data calculate personal disposable income :

(₹ in Crores)

(i)	Net domestic product at factor cost accruing to private sector	800
(ii)	National Debt interest	50
(iii)	Current transfers from government	70
(iv)	Savings of private corporate sector	200
(v)	Corporation tax	40
(vi)	Direct taxes paid by households	30
(vii)	Depreciation	60
(viii)	Net factor income from abroad	20
(ix)	Net current transfers to abroad	(–) 10

31. (अ) प्रत्याशित माप और यथार्थ माप के बीच अंतर समझाइए ।

(ब) एक अर्थव्यवस्था के बारे में दिए गए निम्नलिखित आँकड़ों से उसकी आय के संतुलन स्तर का परिकलन कीजिए : *6*

(i) स्वायत्त उपभोग = 200

(ii) सीमान्त उपभोग प्रवृत्ति = 0·9

(iii) निवेश = 1000

(a) Explain the distinction between ex-ante measures and ex-post measures.

(b) From the following data about an economy, calculate its equilibrium level of income :

(i) Autonomous consumption = 200

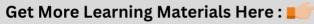(ii) Marginal propensity to consume = 0·9

(iii) Investment = 1000

32. निम्नलिखित में भेद कीजिए : *6*

(अ) प्रत्यक्ष कर और अप्रत्यक्ष कर

(ब) प्राथमिक घाटा और राजस्व घाटा

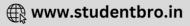Distinguish between :

(a) Direct tax and Indirect tax

(b) Primary deficit and Revenue deficit

SENIOR SCHOOL CERTIFICATE EXAMINATION
JULY-2014

MARKING SCHEME – ECONOMICS (Outside)
(SET-I)

Expected Answers / Value Points

GENERAL INSTRUCTIONS :

1. Please examine each part of a question carefully and allocate the marks allotted for the part as given in the marking scheme below. TOTAL MARKS FOR ANY ANSWER MAY BE PUT IN A CIRCLE ON THE LEFT SIDE WHERE THE ANSWER ENDS.

2. Expected suggested answers have been given in the Marking Scheme. To evaluate the answers the value points indicated in the marking scheme be followed.

3. For questions asking the candidate to explain or define, the detailed explanations and definitions have been indicated alongwith the value points.

4. For mere arithmetical errors, there should be minimal deduction. Only ½ mark be deducted for such an error.

5. Wherever only two / three or a "given" number of examples / factors / points are expected only the first two / three or expected number should be read. The rest are irrelevant and must not be examined.

6. There should be no effort at "moderation" of the marks by the evaluating teachers. The actual total marks obtained by the candidate may be of no concern to the evaluators.

7. Higher order thinking ability questions are assessing student's understanding / analytical ability.

8. ☼ indicates value based questions.

   General Note : In case of numerical question no mark is to be given if only the final answer is given.

B1	Expected Answer / Value Points	Distribution of Marks
	SECTION - A	
1	Economic growth.	1
2	It is the quantity of a good that a consumer is willing to purchase at a given	1

5	When the supply of a good does not change despite of a change in its price.	1
6	It arises due to availability of alternative techniques of production. Broadly, the choice is between capital-intensive techniques and labour-intensive techniques. The problem is that which one to employ.	3
7	When price of A rises (falls) its demand will fall (rise) and the demand of complementary good B will also fall (rise) because both the goods must be used together	3

<table>
<tr><td rowspan="8">8</td><td colspan="4">

Output	AVC	TVC	MC
1	12	12	**12**
2	11	22	**10**
3	10	30	**8**
4	9	36	**6**
5	9	45	**9**
6	10	60	**15**

(No marks if only the final answer is given)
</td><td>½ x 6</td></tr>
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	Price **TR** **Supply** 5 1000 200 6 1200 200	1 1
	$E_s = \dfrac{P}{Q} \times \dfrac{\Delta Q}{\Delta P}$ $E_s = \dfrac{5}{200} \times \dfrac{0}{1}$ $= 0$ **(No marks if only the final answer is given)**	½ ½

10	(i) <u>**Imposition of unit tax**</u> raises cost. Price remaining unchanged, profits fall. This leads to 'decrease' in supply.	1½
	(ii) <u>**Rise in prices of inputs**</u> raises cost. Price remaining unchanged, profits fall. This leads to 'decrease' in supply. **(Any other relevant cause)**	1½
	OR	
	(i) <u>**Use of improved technology**</u> reduces cost. Price remaining unchanged, Profits rise. This leads to shift of supply curve to the right.	1½
	(ii) <u>**Fall in prices of inputs**</u> reduces cost. Price remaining unchanged, profits rise. This leads to shift of supply curve to the right. **(Any other relevant cause)**	1½

11	Let the two goods consumed by the consumer be X and Y. Let m be income The <u>equation of budget line</u> is : Px.X + Py.Y = m Which shows that the whole collection of the combinations of the two goods on ~~the budget line costs the consumer exactly his income~~	1 1

12	$E_d = \dfrac{P}{Q} \times \dfrac{\Delta Q}{\Delta P}$	1
	$-0.5 = \dfrac{20}{300} \times \dfrac{30}{\Delta P}$	1 ½
	$= -4$	½
	Price will be $P + \Delta P$ = 20+ (-4) = Rs. 16	1
	(No marks if only the final answer is given)	

13	Market for a good in which there is only one producer.	1
	Features : (1) Single seller / Producer of the product.	
	(2) No close substitutes of the product.	
	(3) Restrictions on entry of new firms.	3

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Output	TR	TC	MR	MC
1	12	14	12	14
2	24	26	12	12
3	36	36	12	10
4	48	48	12	12
5	60	62	12	14

The equilibrium is at 4 units of output.   **2**

                                                2

Reasons :   **(1)** At this output MC= MR.   **1**

                (2) MC > MR after equilibrium output.   **1**

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(1) It is downward sloping :   **1**

Because if the consumer gets more of one good, the consumer must give up some quantity of the other good, to remain on the same level of utility.   **1**

(2) It is convex towards the origin :   **1**

Because MRS falls as consumer moves along the curve downwards. It is because of the law of diminishing marginal utility.   **1**

(3) IC to the right denotes higher utility: **1**

Because IC to the right has higher quantity of the two goods. By assumption more goods means more utility.   **1**

<div align="center">OR</div>

Conditions : (Assuming that the consumer consume only two goods X and Y)

(1) Ratio of marginal utility to price in case of each good must be the same.   **1**

OR $\dfrac{MUx}{Px} = \dfrac{MUy}{Py}$

Because. Suppose $\dfrac{MUx}{Px} > \dfrac{MUy}{Py}$ the consumer will buy more of X by diverting   **3**

expenditure from Y. As a result, MUx will fall and MUy will rise till $\dfrac{MUx}{Px} = \dfrac{MUy}{Py}$

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		2
	Given equilibrium price OP, suppose market price is OP_1, the changes that will take place are :	
	- There is excess demand equal to AB leading to competition among the buyers.	
	- This raises market price, as a result of which demand starts falling while supply starts rising.	4
	- These changes stop when D= S at point E and the equilibrium price is reached at OP.	
	For the blind Candidates Schedule	

Schedule

Px	Dx	Sx
1	10	2
2	8	4
3	6	6
4	4	8

	Or any other schedule	2
	Explanation of the schedule	4

SECTION - B

17	Fall in the value of a capital good due to normal wear and tear and foreseen obsolescence, during its use in production.	1
18	Value of final goods and services produced within the domestic (economic) territory of a country.	1
19	Bank rate is the rate at which central bank gives loans to the commercial banks.	1
20	A tax is a legally compulsory payment made by the people to the government.	1

23	**Money as a unit of account** means a standard unit for quoting prices or borrowing and lending activities etc. This function makes possible keeping of business accounts thus facilitating trade. It has also led to the emergence of the banking system. **OR** Commercial banks are required to keep a certain minimum percentage of deposits as cash reserve with the central bank. Central bank uses these reserves to meet emergency requirements of the commercial banks. It is called **bankers' bank function** of the central bank.	**3** **3**
24	Ratio of MPC and MPS is 2 :1 So MPC is $\frac{2}{3}$ and MPS is $\frac{1}{3}$ Multiplier = $\frac{1}{MPS}$ = 3 Or = $\frac{1}{1-MPC}$ = $\frac{1}{1-\frac{2}{3}}$ =3 **(No marks if only the final answer is given)**	**3**
25	When planned spending > planned output there will depletion of stocks with the producers below the desired level. To bring it back to the desired level, the producers will produce more till it becomes equal to planned spending.	**3**
26	Difference between the value of exports of goods and imports of goods is **balance of trade**. Whereas the difference between receipts and payments on account of exports of goods and imports of goods, services and net transfer receipts, give us the **balance on current account**.	**3**
27	$NVA_{FC} = (i) + (ii) - (iii) - (iv) - (vi)$ $= 400 + (-20) - 200 - 40 - 30$ $= Rs. 110$ lakh **(No marks if only the final answer is given)** **OR** GDP is not necessarily the true index of economic welfare of the people. The main reasons are : (1) Many non-monetary exchanges left out of GDP do contribute to welfare like mother cooking food, etc but are not included. (2) GDP does not take into account changes in inequalities in the distribution of income. (3) GDP does not take into account externalities, positive or negative. (4) Any other **(Any Two)**	**2** **1 ½** **½** **2x2**
	Bank rate is the rate of interest at which the central bank lends money to the	

29	Restricting **autonomous** imports of gold reduces foreign exchange demand. This in turn reduces foreign exchange payments. Since autonomous payments decline, BOP deficit decline. This decline reduces pressure of deficit and is thus the economic value realised.	4
30	$N.I. = (ii) + (vi) + (iii) + (vii) - (ix) - (viii)$ $\quad = 400 + 200 + 100 + 40 - 10 - 80$ $\quad = Rs.\ 650\ crore$ **OR** $P.D.I. = (i) + (viii) + (iii) + (ii) - (ix) - (iv) - (v) - (vi)$ $\quad = 800 + 20 + 70 + 50 - (-10) - 200 - 40 - 30$ $\quad = Rs.\ 680\ Crore$ **(No marks if only the final answer is given)**	3 2 1 3 2 1
31	(a) Planned value of the variables are their **ex-ante** measures whereas realised value of the variables are their **ex-post** measures. (b) $\quad Y = C + I$ $\quad Y = \bar{C} + MPC(Y) + I$ $\quad Y = 200 + .9(Y) + 1000$ $\quad 0.1Y = 1200$ $\quad Y = Rs.\ 12000$ **(No marks if only the final answer is given)**	2 1 1 1 1
32	(i) <u>Direct tax</u> is one whose liability to pay and incidence lie on the same person. An <u>indirect tax</u> is one whose liability to pay and incidence lie on different persons. **(ii)** <u>**Primary deficit**</u> = Fiscal deficit – interest payments <u>**Revenue deficit**</u> = Revenue expenditure – revenue receipts	1 ½ 1 ½ 1 ½ 1 ½