# NIOS PYQ's SOLUTIONS

PREVIOUS YEARS' QUESTIONS & ANSWERS

APRIL-2025

Your Path to Success

# SECTION - A

**Q1 - Which of the following statements is correct?**

**(A) Both goods and services satisfy our wants.**

**(B) Services are tangible in nature.**

**(C) Wheat flour is a free good.**

**(D) Public goods are exclusively enjoyed by the individuals.**

**Answer -** (A) Both goods and services satisfy our wants.

**Q2 – Which type of goods from the following satisfy your wants in your daily life?**

**(A) Public goods** **(B) Economic goods**

**(C) Free goods** **(D) All of these**

**Answer -** (D) All of these

**Q3 - Which good out of the following can both be a single-use producer good and a single-use consumer good?**

**(A) Machinery** **(B) Raw material**

**(C) Sugarcane** **(D) Tractor**

**Answer -** (C) Sugarcane

**Q4 - Foreign production units are called:**

**(A) Multinationals** **(B) Collaborations**

**(C) Both (A) and (B)** **(D) None of the above**

**Answer -** (C) Both (A) and (B)

**Q5 – Self-employed doctors are examples of:**

**(A) Indigenous production units**

**(B) Partnership**

**(C) Co-operative society**

**(D) Private Non-Profit Organization**

**Answer -** (A) Indigenous production units

**Q6 - Which cost out of the following is calculated between two successive levels of output?**

**(A) Total cost**

**(B) Average cost**

**(C) Marginal cost**

**(D) None of the above**

**Answer -** (C) Marginal cost

**Q7 - Which revenue out of the following is equal to the price?**

**(A) Average Revenue**

**(B) Marginal Revenue**

**(C) Total Revenue**

**(D) All of the above**

**Answer -** (A) Average Revenue

**Q8 - A shopkeeper sells 20 kg of dal at Rs. 15 per kg and 21 kg of dal at Rs. 19 per kg. Calculate the Marginal Revenue.**

**(A) Rs. 100**

**(B) Rs. 99**

**(C) Rs. 98**

**(D) Rs. 96**

**Answer -** (B) Rs. 99.

**Q9 - Which type of money is guaranteed by the Government of India?**

**(A) Cattle**

**(B) Salt**

**(C) Currency notes and coins**

**(D) None of the above**

**Answer -** (C) Currency notes and coins

**Q10 - In the process of credit creation which type of deposits are recorded?**

**(A) Primary Deposits**

**(B) Secondary Deposits**

**(C) Both (A) and (B)**

**(D) None of the above**

**Answer -** (C) Both (A) and (B)

**Q11 - Which of the following bank issues currency notes?**

**(A) State Bank of India**

**(B) Industrial Financial Corporation of India**

**(C) Punjab National Bank**

**(D) Reserve Bank of India**

**Answer -** (D) Reserve Bank of India

**Q12 - A system of mutual exchange of goods is called:**

**(A) Barter system**

**(B) Monetary system**

**(C) Either (A) or (B)**

**(D) None of the above**

**Answer -** (A) Barter system

**Q13 - A bank received a deposit of Rs. 10,000 and gave a loan of Rs. 8,000 to a borrower. How much is the secondary deposit?**

**(A) Rs. 18,000**

**(B) Rs. 10,000**

**(C) Rs. 8,000**

**(D) None of the above**

**Answer -** (C) Rs. 8,000

**Q14 - Which of the following sectors are included in the primary sector of our economy?**

**(A) Fishery**

**(B) Forestry**

**(C) Agriculture and Allied activities**

**(D) All of the above**

**Answer -** (D) All of the above

**Q15 - When a country has economic relationship with the other countries it is called?**

**(A) Open economy**

**(B) Developed economy**

**(C) Developing economy**

**(D) Closed economy**

**Answer -** (A) Open economy

**Q16 - Which is the advantage of international trade out of the following?**

**(A) Interaction of people of different countries**

**(B) Production of new goods and services is encouraged**

**(C) Both (A) and (B)**

**(D) None of the above**

**Answer -** (C) Both (A) and (B)

**Q17 - Which out of the following is abiotic component of the environment?**

**(A) Plants**

**(B) Birds**

**(C) Forests**

**(D) None of the above**

**Answer -** (D) None of the above

**Q18 - Which agency around the world advocates the protection of the environment?**

**(A) United Nations Environment Programme**

**(B) Environment Protection Agencies (EPA)**

**(C) Intergovernmental Panel on Climate Change (IPCC)**

**(D) All of the above**

**Answer -** (D) All of the above

**Q19 - Which out of the following is a consumer help organisation?**

**(A) Consumer Grievance**

**(B) Jago Grahak Jago**

**(C) Consumer Guidance Society**

**(D) Consumer Forum**

**Answer -** (B) Jago Grahak Jago

**Q20 - Which Consumer Right helps the consumer to fearlessly voice their complaint?**

**(A) Right to be Heard**

**(B) Right to Choose**

**(C) Right to Safety**

**(D) Right to Information**

**Answer -** (A) Right to be Heard

**Q21 - State whether the statements given below are True/False:**

**(A) Free goods are free gifts of nature.**

**(B) Value of durable use consumer goods get depreciated.**

**Answer -** (A) True

(B) True

**Q22 – Fill in the blanks:**

**______ in the production of goods and services determines the level of ______.**

**Answer –** Inputs, Output.

**Q23 - State whether the statements given below are True/False:**

**(A) Demand is a desire backed by the ability to purchase.**

**(B) An improvement in the technology of production increases the cost of production which leads to decrease in the supply of the given commodity.**

**Answer -** (A) True

(B) False

**Q24 - Fill in the blanks:**

**The ______ representation of Law of Supply is called the ______ Curve.**

**Answer –** Diagrammatic, Supply

**Q25 – Fill in the blanks:**

**If the number of ______ of a commodity is large the market demand for the commodity will be ______.**

**Answer –** Buyers, More

**Q26 – Fill in the blanks:**

**Law of demand shows ______ relation between price and demand and this is ______ sloping.**

**Answer –** Inverse, Downward

**Q27 – Fill in the blanks:**

**______ information like 'good' is an example of an ______ .**

**Answer –** Qualitative, Attribute

**Q28 - State whether the statements given below are True/False:**

**(A) 100% accuracy in Statistics is neither possible nor desirable.**

**(B) Forecasting is done on the basis of economic planning.**

**Answer –** (A) True

(B) True

**Q29 - Fill in the blanks:**

**______ method can be used when the respondents are ______.**

**Answer –** Schedule, Illiterate

**Q30 - Fill in the blanks:**

**Variables are of two types : ______ and ______.**

**Answer –** Discrete, Continuous

**Q31 - Fill in the blanks:**

**______ people work in ______ business.**

**Answer –** Unskilled, Agriculture

**Q32 - Fill in the blanks:**

**______ building is possible because of contribution of ______ scale industries.**

**Answer -** Infrastructure, Large

**Q33 - State whether the statements given below are True/False:**

**(A) Compared to the service sector, agriculture sector provides more job opportunities.**

**(B) A small scale industry can be established by spending a minimum of Rs. 25 lakh on plant and machinery.**

**Answer -** (A) False

(B) True

**Q34 - Match the following columns:**

| Column 'A' | Column 'B |
|---|---|
| A. Selling of goods and services by the domestic citizens to the foreign citizens | (i) Imports |
| B. International trade | (ii) Leads to specialization |
| | (iii) Open economy |
| | (iv) Exports |

**Answer –** (A) Selling of goods and services by the domestic citizens to foreign citizens → (iv) Exports

(B) International trade → (ii) Leads to specialization

**Q35 - Fill in the blanks:**

**We can contribute to sustainable development by finding ______ for non-renewable resources and using renewable resources ______.**

**Answer –** Substitutes, Judiciously

## SECTION - B

**Q36 - Explain the meaning of consumption as a basic economic activity.**

**Answer –** Consumption refers to the use of goods and services for the direct satisfaction of individual or collective human wants. It is the ultimate goal of production. When we eat food or wear clothes, we are performing the activity of consumption.

**Q37 - Distinguish between labour-intensive technology and capital intensive technology.**

**Answer –**

| Basis | Labour-Intensive Technology | Capital-Intensive Technology |
|---|---|---|
| **Usage** | Uses more labour per unit of output compared to capital. | Uses more machines (capital) per unit of output compared to labour. |
| **Industry** | Common in cottage and small-scale industries. | Used in large-scale industries and manufacturing. |

**OR**

**Distinguish between product based division of labour and process based division of labour.**

**Answer –**

| Basis | Product Based | Process Based |
|---|---|---|
| **Nature** | A single worker produces the entire good or service. | Production is split into many processes; a worker specializes in only one step. |
| **Example** | A cobbler making a complete shoe. | Making bread in a factory. |

**Q38 - Explain the difference between demand and desire.**

**Answer –**

| Basis | Desire | Demand |
|---|---|---|
| **Meaning** | A mere wish to have a commodity. | Desire backed by the ability to purchase and willingness to spend. |
| **Characteristic** | Does not require money. | Requires sufficient purchasing power (money). |

**Q39 - Explain the 'Measure of Value' function of money.**

**Answer –** Money acts as a common unit of account. Just as weight is measured in kilograms, the value of goods and services is measured in terms of money (price). This makes exchange easier because the value of every commodity can be expressed in a single monetary unit.

**OR**

**A common problem with the barter system is 'lack of division of goods'. Explain.**

**Answer –** In the barter system, certain goods could not be physically divided without losing their value. For example, if a person has a cow and wants a small amount of cloth, they cannot cut a part of the cow to trade for the cloth, as this would destroy the cow's value. This indivisibility made trade difficult.

**Q40 - What is the purpose of computing an average value for a set of data?**

**Answer -** The main purpose of computing an average is to obtain a single representative value for the entire data set. It condenses complex data into a simple figure that is easy to understand and helps in comparing different groups.

**OR**

**State any two functions of an average.**

**Answer –** Two functions of an average :

1. **Summarization :** It presents massive and raw data in a concise form.
2. **Comparison :** It facilitates easy comparison between two or more groups (e.g., comparing the average marks of two students).

**Q41 - State formula for short cut method of calculating arithmetic mean with meaning of symbols used.**

**Answer – Formula :**

$$\overline{X} = A + \frac{\Sigma dx}{N}$$

**Meaning of Symbols :**

- $\overline{X}$ = Arithmetic Mean
- $A$ = Assumed Mean
- $dx$ = Deviation from assumed mean ($x$ - $A$)
- $\Sigma dx$ = Sum of deviations
- $N$ = Number of items

**Q42 - Describe 'manufacturing' as a production activity of the secondary sector.**

**Answer –** Manufacturing implies the production of goods by using raw materials in factories or industries. It involves converting inputs into finished products. It includes both small-scale units (like shoe making) and large-scale industries (like steel or automobiles). This is the major component of the secondary sector.

**OR**

**How does agriculture provide food to millions in the country?**

**Answer –** Food is the most basic requirement of life. Without agriculture, the production and supply of food would simply not exist. To meet the high and growing needs of our huge population, agriculture produces massive amounts of food grains, such as wheat, rice, and pulses, which helps feed millions of people across the country.

**Q43 - Explain how trade encourages production of new goods and services.**

**Answer -** Through trade, sellers and buyers interact with each other. This allows sellers to understand the choices, tastes, and preferences of the buyers. To meet these changing demands, producers are motivated to innovate and produce new and better varieties of goods and services, thus boosting production.

**Q44 - What are the effects of air pollution?**

**Answer –** Air pollution has serious health effects, such as difficulty in breathing, coughing, asthma, and cardiac conditions. It leads to increased hospital admissions and premature deaths. Additionally, it causes damage to the natural environment and built structures.

**Q45 - What do you understand by 'resource depletion'?**

**Answer –** Resource depletion refers to the exhaustion of raw materials or natural resources in a region. It is commonly used in reference to farming, fishing, and mining. Due to over-exploitation, non-renewable resources like fossil fuels and minerals are diminishing rapidly.

**Q46 - Explain the 'Right to Information'.**

**Answer –** The Right to Information entitles consumers to be informed about the quality, quantity, potency, purity, standard, and price of goods they purchase. This protects consumers from unfair trade practices and helps them make intelligent and informed product choices.

**OR**

**Explain the 'Right to Consumer Education'.**

**Answer –** This means the consumer has the right to acquire knowledge and skills to be an informed consumer. It involves access to programs and information (provided by government or NGOs) that help consumers understand their rights, responsibilities, and how to make better decisions.

**Q47 - Explain the role of capital as a factor of production.**

**Answer –** Capital is a man-made factor of production consisting of machinery, tools, buildings, and materials.

1. It increases the efficiency and productivity of land and labour (e.g., a tractor makes farming faster and easier).
2. It exists in two forms: Fixed Capital (machines, tools, buildings) and Working Capital (raw materials, money).
3. Without capital, large-scale, modern, and efficient production is not possible.

**Q48 - What are factor incomes? Elaborate.**

**Answer –** The payments made to the owners of factors of production (land, labour, capital, and entrepreneurship) in return for their services are called factor income. It is the reward for their contribution to the production process.

1. Rent is paid for land.
2. Wages are paid for labour.

3. Interest is paid for capital.

4. Profit is earned by the entrepreneur.

This income helps in maintaining continuity in the production process.

**Q49 - 'In government sector the supply of any single good/service depends on the process-based division of labour'. Explain.**

**Answer –** The government sector provides services on a large scale where work is divided into many small and specialized processes to ensure efficiency and quality. For example, in providing street lighting:

1. Installation of poles is done by one group of workers.

2. Connecting wires is handled by electrical specialists.

3. Fitting bulbs is carried out by trained technicians.

4. Releasing electric supply is done by authorized staff.

Thus, no single person completes the entire job; instead, each worker specializes in a specific process.

**OR**

**Distinguish between Explicit cost and Implicit cost.**

**Answer –**

| Basis | Explicit Cost | Implicit Cost |
|---|---|---|
| **Meaning** | Money expenditure incurred by the producer on outsiders. | Estimated value of self-supplied factors owned by the producer. |
| **Payment** | Involves actual cash payment. | No cash payment involved. |
| **Examples** | Wages, raw material cost, rent paid. | Rent on own land, salary for own labor. |
| **Recording** | Recorded in books of accounts. | Not recorded in accounts. |

**Q50 - Explain how money acts as a 'Standard of deferred payment' with the help of a suitable example.**

**Answer -** In a modern economy, many transactions involve future payments (like taking loans). Money serves as a standard unit for such payments.

**Example :** If you borrow Rs. 1000 from a friend and promise to return it after a month, you will repay the principal plus interest in terms of money. Paying back in goods is difficult because their value may fluctuate or they may perish, but money is generally acceptable and stable for future settlements.

**Q51 - How are statistics the 'aggregate of facts'? (Give example)**

**Answer -** Statistics does not refer to a single isolated figure but to a group of facts collected for comparison or analysis.

**Example :** Saying "Ram got 90 marks in Math" is not statistics. However, presenting a list of marks for the whole class (e.g., Ram-90, Shyam-80, Geeta-85) constitutes an 'aggregate of facts'. This allows for analysis of the class performance, making it statistics.

**OR**

**How are statistics 'numerically expressed'? (Give example)**

**Answer –** Statistics must always be quantitative, not qualitative. They must be measured or counted in numbers. Qualitative attributes like 'good', 'bad', or 'tall' are not statistics unless quantified.

**Example :** "There are many students in the city college" is not statistics. But "Government College has 409 students and Savitri College has 308 students" is statistics because the information is expressed in numbers.

**Q52 - Compare the economy of USA and China in terms of manufacturing.**

**Answer -**

| Basis | U.S.A. | China |
|---|---|---|
| **Manufacturing Level** | Advanced and technology-based | Rapidly developed after 1980 |
| **Major Industries** | Steel, automobiles, machinery, petroleum | Consumer goods, electronics, machinery |
| **Global Position** | Held top position for a long time, surpassed by China in 2010. | China became the world's largest manufacturing economy around 2010. |
| **Role** | Technological leadership | World's major manufacturing and export hub |

**OR**

**Why is China attracting more money than India from foreign countries?**

**Answer –** China has created a better economic environment with modern infrastructure and investment-friendly policies, attracting massive Foreign Direct Investment (FDI). China adopted faster and simpler processes for industrialization and service sector development. In contrast, India sometimes faces slower administrative processes. Due to broad economic reforms and rapid growth, China attracts more funds compared to India.

**Q53 - Complete the following table:**

| Price of shirts (Rs.) | Quantity Supplied (Firm X) | Quantity Supplied (Firm Y) | Quantity Supplied (Firm Z) | Market Supply |
|---|---|---|---|---|
| **200** | **250** | ______ | **450** | **1400** |
| **300** | **400** | ______ | **800** | **2400** |
| **400** | **500** | ______ | **900** | **2800** |
| **500** | **600** | ______ | **950** | **3000** |
| **600** | **700** | ______ | **1000** | **3200** |

**Answer – Calculation Logic :** Market Supply = Firm X + Firm Y + Firm Z.

Therefore, Firm Y = Market Supply - (Firm X + Firm Z).

At Price 200 : 1400 - (250 + 450) = 700

At Price 300 : 2400 - (400 + 800) = 1200

At Price 400 : 2800 - (500 + 900) = 1400

At Price 500 : 3000 - (600 + 950) = 1450

At Price 600 : 3200 - (700 + 1000) = 1500

| Price of shirts (Rs.) | Quantity Supplied (Firm X) | Quantity Supplied (Firm Y) | Quantity Supplied (Firm Z) | Market Supply |
|---|---|---|---|---|
| 200 | 250 | **700** | 450 | 1400 |
| 300 | 400 | **1200** | 800 | 2400 |
| 400 | 500 | **1400** | 900 | 2800 |
| 500 | 600 | **1450** | 950 | 3000 |
| 600 | 700 | **1500** | 1000 | 3200 |

**Q54 - Give five examples of economic relationship which a country can have with other countries.**

**Answer -** A country can have the following types of economic relations with other countries:

1. **Export :** Domestic citizens sell goods and services to foreign citizens, earning foreign exchange and increasing the national income.
2. **Import :** Domestic citizens buy necessary goods and services from foreign countries, providing consumers with more choices and better quality products.

3. **Exchange of Gifts :** People living abroad send or receive goods or money as gifts, strengthening cultural and economic ties.
4. **Remittances :** Workers abroad send money to their families or home country, increasing domestic income.
5. **Tourism and Travel :** Visits by tourists, businesspersons, and government representatives create employment opportunities and generate foreign exchange.

This helps a country enhance trade, income, and international economic relations.

**OR**

**(a) What are any six major items of exports of India?**

**(b) What are any four major items of imports of India?**

**Answer –**

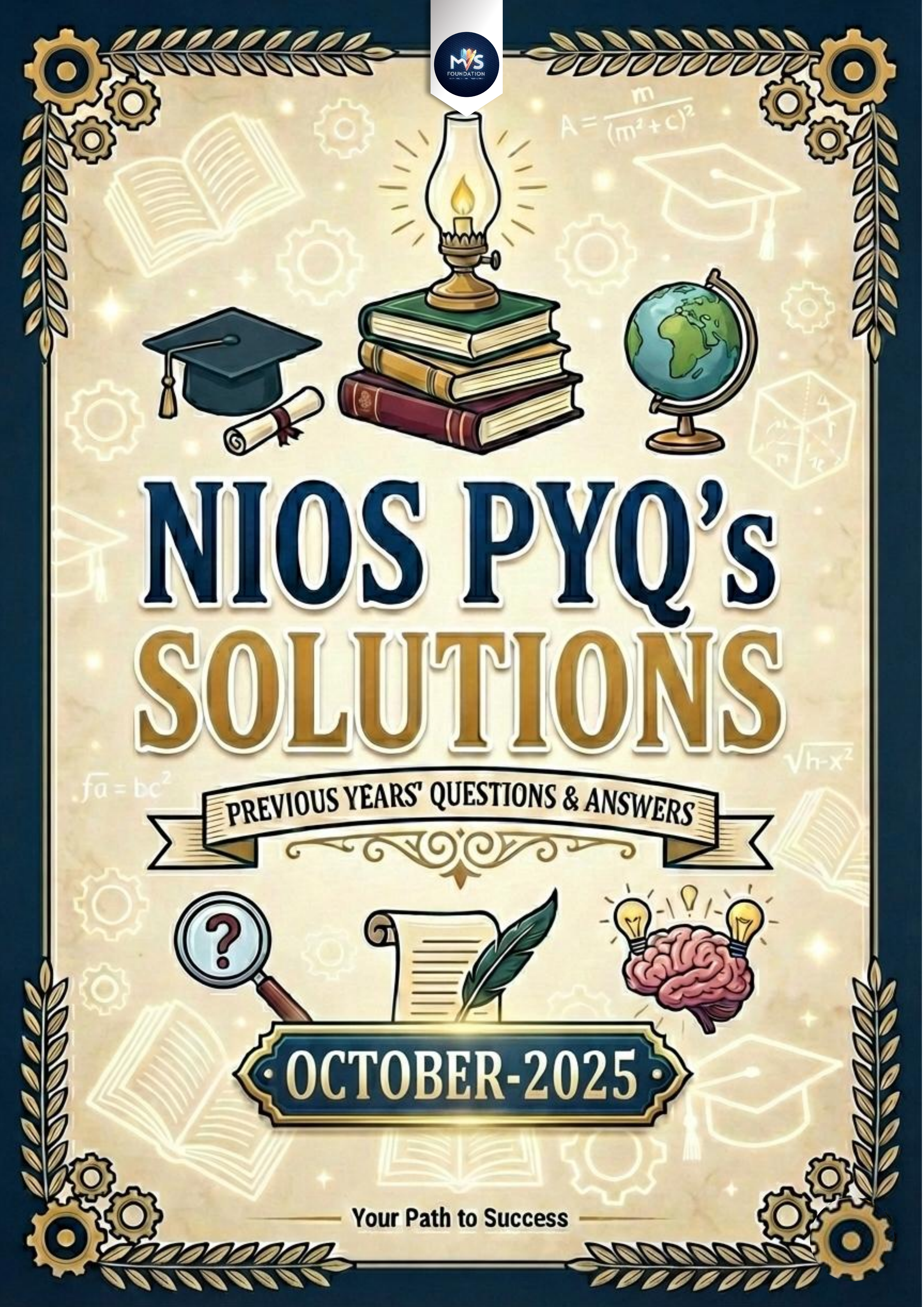
**(a) Major items of India's exports are :**

1. **Engineering goods** – such as machinery, vehicle parts, and industrial equipment.
2. **Handicrafts** – traditional art, sculptures, decorative items made of wood and metal.
3. **Chemicals and allied products** – including pharmaceuticals, paints, and plastic products.
4. **Readymade garments** – prepared clothing, cotton and woollen garments.
5. **Cotton yarn** – raw cotton yarn and processed yarn.
6. **Gems and jewellery** – diamonds, pearls, gold and silver ornaments; iron ore, leather, and fish may also be included.

**(b) Major items of India's imports are :**

1. **Petroleum and lubricants** – the most important import for meeting energy needs.
2. **Capital goods** – machinery, industrial equipment, and transport vehicles.
3. **Fertilizers** – to increase agricultural production.
4. **Non-ferrous metals** – nickel, copper and other metal resources for industries.

These exports and imports play a key role in India's trade and economic growth.


MVS FOUNDATION
NIOS PYQ's
SOLUTIONS
PREVIOUS YEARS' QUESTIONS & ANSWERS
OCTOBER-2025
Your Path to Success

# SECTION - A

**Q1 - Which one is not the characteristics of a good?**

**(A) Storable**

**(B) Transferable**

**(C) Tangible**

**(D) No time gap between production and consumption**

**Answer -** (D) No time gap between production and consumption

**Q2 – Factor income of capital is called**

**(A) Profit** **(B) Interest**

**(C) Commission** **(D) Brokerage**

**Answer -** (B) Interest

**Q3 - If consumption is ₹10,000 and saving is ₹2,000, then income is :**

**(A) ₹10,000** **(B) ₹2,000**

**(C) ₹8,000** **(D) None of the above**

**Answer -** (D) None of the above

**Q4 - Construction is a regular activity seen in the following areas:**

**(A) Rural** **(B) Urban**

**(C) Rural and urban** **(D) None of the above**

**Answer -** (B) Urban

**Q5 – The environment provides to man these resources:**

**(A) Renewable** **(B) Non-renewable**

**(C) Renewable and Non-renewable** **(D) None of the above**

**Answer -** (C) Renewable and Non-renewable

**Q6 - The maximum number of owners in a partnership production unit is :**

**(A) 50** **(B) 30**

**(C) 10** **(D) 20**

**Answer -** (D) 20

**Q7 - X, Y and Z bought 2 kg, 3 kg and 5 kg mangoes respectively. Market demand will be**

**(A) 30 kg** **(B) 20 kg**

**(C) 15 kg** **(D) 10 kg**

**Answer -** (D) 10 kg

**Q8 - The currency of United Kingdom is called:**

**(A) Pound** **(B) Dollar**

**(C) Euro** **(D) None of the above**

**Answer -** (A) Pound

**Q9 - The headquarters of Reserve Bank of India is in:**

**(A) Delhi** **(B) Chennai**

**(C) Mumbai** **(D) Kolkata**

**Answer -** (C) Mumbai

**Q10 - The term data is :**

**(A) singular** **(B) plural**

**(C) simple** **(D) hard**

**Answer -** (B) plural

**Q11 - Pollution is caused by:**

**(A) dust** **(B) smoke**

**(C) noise** **(D) All of the above**

**Answer -** (D) All of the above

**Q12 - Goods owned by society as a whole are called :**

**(A) Public goods** **(B) Private goods**

**(C) Reserved goods** **(D) None of these**

**Answer -** (A) Public goods

**Q13 - A shopkeeper sold 10 kg of mangoes at the rate of 60 per kg. His revenue will be :**

**(A) ₹400** **(B) ₹500**

**(C) ₹600** **(D) None of these**

**Answer -** (C) ₹600

**Q14 - The output contributed by last unit of labour is called:**

**(A) Average product** **(B) Total product**

**(C) Mixed product** **(D) Marginal product**

**Answer -** (D) Marginal product

**Q15 - Goods X and Y are complementary goods. When price of X rises, demand for Y :**

**(A) Rises** **(B) Falls**

**(C) Remains unchanged** **(D) Any one of the above**

**Answer -** (B) Falls

**Q16 - Industrial development bank is a :**

**(A) Commercial bank** **(B) Co-operative bank**

**(C) Development bank** **(D) None of the above**

**Answer -** (C) Development bank

**Q17 - Which one is an example of a variable ?**

**(A) Distance** **(B) Beauty**

**(C) Intelligence** **(D) All of the above**

**Answer -** (A) Distance

**Q18 - The singular of data is as follows:**

**(A) average** **(B) number**

**(C) datum** **(D) None of the above**

**Answer -** (C) datum

**Q19 - At the time of independence the share of industrial sector to national income was :**

**(A) 28%** **(B) 20%**

**(C) 10%** **(D) 14%**

**Answer -** (D) 14%

**Q20 - For successful consumer movement in India people need to be :**

**(A) educated** **(B) aware**

**(C) honest** **(D) None of the above**

**Answer -** (A) educated

**Q21 - Fill in the blanks:**

**Services are _________ and _________ simultaneously.**

**Answer –** Produced, Consumed

**Q22 – Fill in the blanks:**

**Capital formation is _________ by refraining from _________ consumption.**

**Answer –** Done, Present

**Q23 - Fill in the blanks :**

**Yen is _________ currency while Yuan is _________ currency.**

**Answer –** Japanese, Chinese

**Q24 - Fill in the blanks:**

**Through trade people get a lot of _________ and _________.**

**Answer –** Varieties of goods, Services

**Q25 – State whether the following statements are true / false :**

**(a) Sustainable development is a long term concept.**

**(b) Our consumption should not be restrained to meeting our basic needs.**

**Answer –** (a) True

(b) False

**Q26 – State whether the following statements are true / false :**

**(a) Demand and desire are two different terms.**

**(b) Demand for a commodity does not depend on the income of the buyer.**

**Answer –** (a) True

(b) False

**Q27 – State whether the following statements are true / false :**

**(a) There are not various measures of central tendency.**

**(b) Arithmetic mean is a measure of central tendency.**

**Answer –** (a) False

(b) True

**Q28 - Fill in the blanks:**

**Educated is an example of _________ data while income is an example of _________ data.**

**Answer –** Qualitative, Quantitative

**Q29 - Answer in one word:**

**(a) Name the nature of Statistics.**

**(b) What is another term for Statistics?**

**Answer –** (a) Quantitative

(b) data

**Q30 - Answer in one word:**

**(a) In which sector of our economy is agriculture included?**

**(b) What areas are towns and cities called?**

**Answer –** (a) Primary

(b) Urban

**Q31 - Fill in the blanks:**

**__________ and __________ of goods and services is international trade.**

**Answer –** Import, Export

**Q32 - Fill in the blanks:**

**Rent paid by a firm is __________ cost while wages paid is __________ cost.**

**Answer –** Fixed, Variable

**Q33 - Answer in one word:**

**(a) What is the relation between car and petrol?**

**(b) Definition of supply includes price, time period and __________.**

**Answer –** (a) Complementary

(b) Quantity

**Q34 - Fill in the blanks:**

**The most simple mathematical method of calculating average is __________ divided by __________.**

**Answer –** Sum of the items, Number of items.

**Q35 - Fill in the blanks:**

**Data originally collected is __________ data while the use of data already collected by someone else is called __________ data.**

**Answer –** Primary, Secondary

# SECTION - B

**Q36 - What does land include?**

**Answer –** Land is a free gift of nature. It includes plains, mountains, and plateaus. Plains are used for farming and building factories. Mountains give us rivers and tourism. Plateaus are full of minerals, fuels, and thick forests.

**OR**

**What does labour imply?**

**Answer –** Labour means any human effort used to produce goods and services. This effort can be physical, like a farmer working in a field, or mental, like a writer writing a book. Both skilled and unskilled workers provide labour.

**Q37 - An improvement in the technology of production induces the firm to supply more of the commodity. Explain.**

**Answer –** Better technology reduces the cost of making each unit. When the cost falls, the firm's profit margin increases. Because the producer earns more profit, they are happily encouraged to supply a larger quantity of the goods to the market.

**OR**

**What is meant by cost of production ?**

**Answer –** Cost of production is the total money a producer spends to create goods and services. It includes all financial sacrifices, such as paying wages to workers, rent for land, and buying raw materials needed for production.

**Q38 - Explain credit provisions of development banks.**

**Answer –** Development banks provide credit (loans) for a very long period of time. They give this money to private companies and public units so they can establish new large industries and build essential infrastructure for the country.

**OR**

**Differentiate between a lender and a borrower.**

**Answer –**

| Feature | Lender | Borrower |
|---|---|---|
| **Meaning** | A person or bank that gives out money. | A person who takes money to satisfy present needs. |
| **Action** | Gives loans and claims repayment later. | Takes loans and promises to repay with interest. |

**Q39 - What are secondary data ?**

**Answer –** Secondary data is information that has already been collected by someone else in the past. The new user does not collect it directly. Examples include data taken from published newspapers, official government reports, or company records.

**OR**

**Arrange the following data in ascending order :**

**25, 100, 15, 45, 90, 20, 35, 65, 81, 72**

**Answer –** Ascending order means arranging numbers strictly from the smallest to the largest value. The arranged data is:

**15, 20, 25, 35, 45, 65, 72, 81, 90, 100.**

**Q40 - Explain the share of primary sector in national income.**

**Answer -** The primary sector, mostly agriculture, had a huge share in our national income. During independence, it contributed more than 50 percent. However, over time, this share has decreased. By the year 2009-10, agriculture contributed only about 15 percent to the national income.

**OR**

**What are non-agricultural activities ?**

**Answer –** Non-agricultural activities are jobs mostly found in urban areas like towns and cities. They do not involve farming. They are divided into the secondary sector, like manufacturing and construction, and the tertiary sector, which includes services like transport, banking, and trade.

**Q41 - Differentiate between imports and exports.**

**Answer –**

| Feature | Imports | Exports |
|---|---|---|
| **Meaning** | Buying goods and services from foreign countries. | Selling domestic goods and services to foreign countries. |
| **Cash Flow** | Money goes out of our country. | Money comes into our country. |

**Q42 - Consumers' right to be heard empowers them. Explain.**

**Answer –** The right to be heard means that the interests of buyers will be properly listened to in consumer courts. It empowers citizens to fearlessly raise their voices and file complaints against bad products or cheating sellers to seek proper justice.

**Q43 - A shopkeeper sold 40 kilogram of rice at the rate of ₹ 30 per kilogram and 30 kilogram of wheat at the rate of ₹ 20 per kilogram. Calculate his total revenue.**

**Answer –** Total Revenue = Price × Quantity

Revenue from rice = ₹ 30 × 40 = ₹ 1200

Revenue from wheat = ₹ 20 × 30 = ₹ 600

**Total Revenue = ₹ 1200 + ₹ 600 = ₹ 1800**

**Q44 - Taste of buyer affects the demand for a commodity. Explain.**

**Answer –** Tastes, preferences, and fashion strongly affect buyer demand. If a buyer highly prefers a specific commodity or if it is currently in fashion, its demand will easily increase. Conversely, demand decreases rapidly for goods that are out of fashion.

**Q45 - At a price of 100 per kilogram firms A, B and C supplied 10 kg, 15 kg and 20 kg pulses respectively. Calculate market supply.**

**Answer –** Market supply is the sum of quantities supplied by all firms.

Supply by Firm A = 10 kg

Supply by Firm B = 15 kg

Supply by Firm C = 20 kg

**Total Market Supply** = 10 + 15 + 20 = **45 kg.**

**Q46 - How does the Bank keep valuable things of people in safe custody ?**

**Answer –** A bank helps people keep their valuable items, like expensive jewellery and important property documents, highly secure. It provides this safe custody to the public through a special service known as a 'locker facility'.

**Q47 - Differentiate between fixed capital and working capital.**

**Answer –** Fixed capital refers to items that can be used in the production process for many years. Examples include heavy machines, factory buildings, tractors, and tools. They are not destroyed during production.

Working capital, on the other hand, consists of raw materials that get completely used up during the production process. Examples include seeds, clay, fertilizers, and cotton yarn. Both are needed, but working capital needs continuous replacement.

**OR**

**Explain the importance of human resource in production activities.**

**Answer –** Human resources refer to the people who provide their physical and mental labour for production. They are highly important because natural resources and capital cannot produce goods on their own. Both skilled workers (like doctors or engineers) and unskilled workers (like loaders) use their unique abilities to effectively transform raw materials into valuable finished products.

**Q48 - Explain the importance of primary sector.**

**Answer –** The primary sector, especially agriculture, is the backbone of the economy. It is highly important because it provides food to millions of citizens. It also supplies basic raw materials, like cotton and sugarcane, to various manufacturing industries. Furthermore, it gives employment to the largest section of the country's population, making it vital for national survival.

**OR**

**What is meant by globalization?**

**Answer –** Globalization is the process through which different countries of the world are coming closer to each other. Because of quick transport and modern communication like the internet, the world feels like a small global village. People can easily travel abroad for jobs, share new ideas, and buy both domestic and foreign goods freely.

**Q49 - What is meant by air pollution ?**

**Answer –** Air pollution means adding harmful chemicals, poisonous smoke, and dust particles into the clean atmosphere. This dirty air causes great discomfort and harm to humans, animals, and the natural environment. Common pollutants include gases from vehicles and factory chimneys. Breathing this polluted air leads to serious health issues like coughing and heart diseases.

**OR**

**Children are worst victims of deceptive advertisements. Explain.**

**Answer –** Companies often create very attractive video advertisements to sell their products, hiding crucial information about the product's bad effects. Children easily believe these colorful and deceptive ads because they are young and innocent. They force their parents to buy unhealthy products. Therefore, children are the worst victims and need to be guided properly by adults.

**Q50 - Differentiate between consumer goods and producer goods.**

**Answer -**

| Basis | Consumer Goods | Producer Goods |
|---|---|---|
| **Meaning** | Goods which satisfy the want of consumers directly. | Goods which satisfy wants indirectly by helping produce other goods. |
| **Usage** | Used for final, direct consumption. | Used for further manufacturing. |
| **Examples** | Bread, fruits, milk, clothes. | Machinery, tools, raw materials. |

Both are very essential for the economy, but consumer goods meet daily human needs, while producer goods build the nation's productive capacity.

**Q51 - What does production process involve?**

**Answer -** The production process involves a systematic series of steps organized carefully by an entrepreneur. It involves procuring and combining the factors of production (land, labour, capital). It also includes purchasing and storing raw materials. These inputs are then transformed to produce output, which is safely stored and finally sold to customers in the market.

**Q52 - How does climatic condition affect the demand for a commodity?**

**Answer -** Climatic conditions heavily influence the market demand for specific products. People buy goods according to the weather. For example, the demand for ice and cold drinks increases sharply during the hot summer season. Similarly, the demand for umbrellas and raincoats rises in the rainy season, and woolens in the freezing winter.

**Q53 - As people become more educated they move to service sector for job. Explain.**

**Answer –** Today, the number of educated youth is increasing rapidly. Students are graduating in fields like science, commerce, engineering, and medicine. The service sector actively requires these educated professionals for jobs in banking, healthcare, IT, and teaching.

Compared to traditional agriculture, the service sector offers a much wider variety of modern jobs. Additionally, services provide stable, year-round employment, whereas farming is often a seasonal activity. Furthermore, the service sector generally pays much higher wages and salaries. For all these reasons, educated people prefer secure, well-paying careers in the growing service sector.

**OR**

**What are the advantages of international trade ?**

**Answer –** International trade has several important advantages that help both buyers and sellers worldwide:

1. **Availability of Variety :** It provides people with a huge variety of foreign goods and services that might not be available locally.
2. **Encourages Innovation :** Trade encourages companies to constantly invent and produce new items to compete in the global market.
3. **Cultural Exchange :** It acts as a cultural bridge; when citizens of different countries trade, they also learn about each other's rich cultures.
4. **Promotes Specialization :** Countries can focus on producing goods they can make easily and efficiently.
5. **Lowers Costs :** This efficiency lowers the cost of production, allowing customers to buy high-quality goods cheaply.

**Q54 - In what ways can we contribute to sustainable development?**

**Answer -** We can easily contribute to sustainable development by adopting simple habits in our daily lives:

1. **Use Renewable Energy :** We must focus on saving resources by finding good substitutes for non-renewable fuels, like using solar panels instead of burning coal.

2. **Recycle Waste :** We must actively recycle our waste. For example, recycling used paper helps save thousands of trees.

3. **Conserve Water :** We can save scarce water resources by practicing rainwater harvesting.

4. **Reduce Energy Consumption :** We must reduce our overall consumption by switching off extra lights and fans to save energy for future generations.

5. **Save Fuel :** We should walk short distances instead of driving cars to save valuable fuel and reduce pollution.

# Thank you!

We hope you found this material helpful. We wish you the very best for your examination.

Strive for Excellence – Your Path to Success