

M.M – 80 marks

Class – XII

Subject: Economics

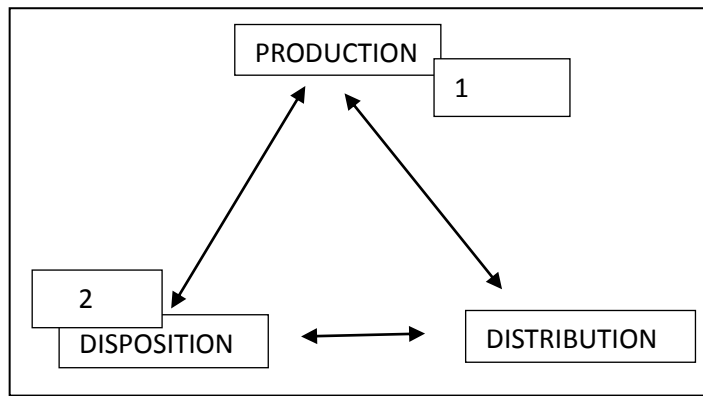
Time: 3 Hrs.

General Instruction:

- *This question paper contains 34 questions. All questions are compulsory.
- *The question paper contains two sections. **Section A**-Macro Economics & **Section B**- Indian Economic Development.
- *This paper contains 20 Multiple Choice Questions type questions of 1 mark each.
- *This paper contains 4 Short Answer Questions type questions of 3 marks each to be answered in 60 to 80 Words.
- *This paper contains 6 Short Answer Questions type questions of 4 marks each to be answered in 80 to 100 Words.
- *This paper contains 4 Long Answer Questions type questions of 6marks each to be answered in 100 to 150 Words.

PART – A (MACRO ECONOMICS)

1. Read the following statements carefully.* (1x10)
Statement 1: The 45 degree line on a graph relating consumption and income shows all the points At which consumption and income are equal.
Statement 2: The 45 degree line shows all points where aggregate expenditure and output are Equal.
(a) Statement 1 is true and statement 2 is false.
(b) Statement 1 is false and statement 2 is true.
(c) Both statement 1 & 2 are true
(d) Both statement 1& 2are false.
2. One of the cause for the fall in the rupee is foreign investors withdrawing money from the money From the Indian market.
Identify the most likely impact on BOP situation of the Indian economy from the following:
(a) Exports cheaper.
(b) Imports in India will become significantly cheaper.
(c) Rise in foreign travels by Indians.
(d) Study abroad will become cheaper.
3. In a hypothetical Economy, Mr. Saurabh has deposited ₹100 in the bank. If it is assumed that there No other currency circulation in the Economy, then the total money supply in the Economy will be
(a) Zero (b) ₹100 (c) not defined (d) ₹120
4. Credit control means:
(a) Contraction of credit only.
(b) Extension and contraction of money supply.
(c) Extension of credit only.
(d) Supply of money remains the same.
5. Read the following figure carefully and choose the correct pair from the alternatives given below:
Alternatives:
(a) Generation of input, output disbursement
(b) Generation of income, input disbursement.
(c) National Income, Domestic Income
(d) Generation of income, expenditure.



6. Read the following statement :

Assertion (A): Liquor & Tobacco products are discouraged through heavy taxation.

Reason (R): These product are not socially very useful.

Alternatives:

- (a) Both (A) & (R) are true and reason (R) is the correct explanation of assertion (A).
- (b) Both (A) & (R) are true and reason (R) is not the correct explanation of assertion (A).
- (c) Assertion (A) is true but Reason (R) is false.
- (d) Assertion (A) is false but Reason (R) is true.

OR

During the time of inflation, government should opt for Budget.

- (a) Deficit
- (b) Surplus
- (c) Balanced
- (d) Planned

7. Assume the consumption schedule for a private closed economy is $C=40+0.6Y$, where C is consumption and Y is gross domestic product. The multiplier for this economy

- (a) 2.5
- (b) 5.5
- (c) 6
- (d) 4

OR

Other things equal, the slope of the aggregate expenditure schedule will increase as a result of:

- (a) A decline in the size of the inflationary gap.
- (b) An increase in the MPS
- (c) An increase in the MPC
- (d) A decline in the general price level

8. Who regulates money supply?

- (a) Commercial bank
- (b) Finance ministry
- (c) Government of India
- (d) Reserve Bank of India

9. Read the following statements carefully:

Statement 1: The minimum value of investment Multiplier is zero.

Statement 2: The maximum value of Investment Multiplier is Infinity.

In the light of the given statements, choose the correct alternative from the following:

- (a) Statement 1 is true and statement 2 is false
- (b) Statement 1 is false and statement 2 is true
- (c) Both statements 1 and 2 are true
- (d) Both statements 1 and 2 are false

10. Accommodating transaction take place in

- (a) Capital account
- (b) current account
- (c) both current & capital Account
- (d) None.

11. Calculate Net Value Added at factor cost from the following data:

(3)

Items	₹(in lakh)
i) Durable use consumer good with a life span of 10 years	10
ii) Single use producer goods	5
iii) Domestic Sales	13
iv) Unsold stock during the year	2
v) Taxes on Production	1
vi) Exports	7

OR

Sale of petrol and diesel cars is rising particularly in big cities. Analyse its impact on Gross Domestic Product & Welfare.

12. State on which side of capital account / current account will the following transactions be recorded & why? (3)

- (i) Interest on Loan received from Nepal.
- (ii) Import of mobile phones from China.

13. An Increase of ₹250 crores in investment in an economy, resulted in total increase in income of ₹1000 crores. Calculate the (i) value of MPC & MPS ; (ii) Change in consumption & Savings. (4)

14. Explain the process of money creation by a commercial bank using a hypothetical numerical example. (4)

OR

“RBI acts as a bankers bank & performs a supervisory role as well.” Comment.

15. “Inflation has two legs Now Demand & Supply . It needs two prongs for Taming Monetary & fiscal.”

In the light of above statement, state and explain two fiscal and monetary measures respectively. (4)

16. Read the following statement carefully. Write ‘true’ or ‘false’ with reason. (6)

- a) Money received through disinvestment is treated as revenue receipt.
- b) When the rate of taxation increases with increase in income, it is called regressive tax.
- c) In India, the government budget does not relate itself in the problem of economic divide.
- d) When total expenditure = ₹55 lakhs , revenue receipts = ₹19 lakhs , capital receipts = ₹36 lakhs, capital receipts net of borrowings = ₹14 lakhs, therefore Fiscal Deficit will be ₹14 lakhs.

OR

Under Ayushman Bharat scheme, Government provides free treatment to the weaker sections of the society particularly BPL. Identify and discuss the nature of government expenditure indicated in the given statement.

17. Given the following data, find the missing value of ‘Government Final Consumption Expenditure’ and ‘Mixed Income of Self-Employed’.

Particulars	Amount (₹ in crores)
i) National Income	₹ 71,000
ii) Gross Domestic Capital Formation	₹ 10,000
iii) Government Final Consumption Expenditure?	
iv) Mixed Income of Self-Employed?	
v) Net Factor Income from Abroad	₹ 1,000
vi) Net Indirect Taxes	₹ 2,000
vii) Profits	₹ 1,200
viii) Wages and Salaries	₹ 15,000
ix) Net Exports	₹ 5,000
x) Private final consumption expenditure	₹ 40,000
xi) Consumption of fixed capital	₹ 3,000
xii) Operation Surplus	₹ 30,000

PART – B (INDIAN ECONOMIC DEVELOPMENT)

18. What was India's growth of real output during the first half of the 20th century?

- (a) <1% (b) <2% (c) <3% (d) <4%

19. Statement 1: All Five Year Plans had same goals.

Statement 2: Long-term plans are also called 'perspective plans'.

- (a) Both the statements are true.
(b) Both the statements are false.
(c) Statement 1 is true & Statement 2 is false.
(d) Statement 2 is true & Statement 1 is true.

OR

The Architect of Indian Planning was:

- (a) Jawaharlal Nehru (b) P.C. Mahalanobis (c) Sardar Vallabh Bhai Patel (d) B.R.Ambedkar

20. Assertion (A) :Appiko movement was launched in Uttarakhand

Reason (R) : It was inspired by the Chipko movement.

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

21. National Literacy Mission was launched to promote Educations. (female/primary)

22. Arrange the following events in Chronological order & choose the correct answer from the Given alternatives:

- (i) Establishment of people's Republic of China.
(ii) Creation of Pakistan.
(iii) First five year plan of India.
(iv) First five year plan of China.

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

23. Which of the following statement is a casual worker?

- (a) A cashier in mother dairy (b) Tuition Master (c) Cobbler (d) Construction Worker.

24. Pakistan & China are full-time members of the following association:

- (a) ASEAN (b) WTO (c) BRICS (d) SAARC

OR

Post-cold war nations started forming various regional & global economic groupings such as.....

- (a) SAARC (b) H-20 (c) Asian Union (d) KETO alliance.

25. are the measures to improve agricultural marketing.

- (a) Distributive policy instrument (b) Cooperative marketing
(c) Regulated market (d)Both (a) & (b)

26. Percentage of is higher amongst men.

- (a) Casual wage employment (b) Regular wage employment (c) Self employment (d) None

27. India faces 'educated unemployment'. Even though the number of educated individuals ready for Jobs has increased, they are unemployed.

- (a) The supply of labour is much higher than demand.

- (b) Investment in health have not taken place proportionally.
- (c) Although more students are enrolled in Schools, there is a high dropout rate.
- (d) Reverse migration has not been accompanied by alternative employment opportunities.

28 .From the table given below, Answer the following questions: (3)

Worker- Population Ratio In India (2017-18)

Sex	Total	Rural	Urban
Men	52.1	51.7	53.0
Women	16.5	17.5	14.2
Total	34.7	35.0	33.9

- (i) Out of every 100 persons, about 35 workers in rural India, whereas in urban India it about 33.9. Why is there such a difference?
 - (ii) Why are women in general, and urban women , in particular not working?
29. Explain how the opportunity costs of negative environmental impact are high? (3)

OR

Explain the concept of “Affluence trap” as a cause of Environmental crisis.

30. ‘Beti Bachan, Beti Padhao’ was launched by the Prime Minister on 22 January 2015 at Panipat, Haryana. It is a tri-ministerial effort of Ministries of Woman and Child Development, Health and Family Welfare& Human Resource Development.
- What are the objectives of this initiative & give any two reason as to why women education Needs to be promoted. (4)

OR

Saksham argues that in the era of privatisation, there is no need for government intervention In education and health sectors. However, his friends Ahaan argues that education and health Care services create social benefits and therefore there is need for government intervention In education & health sectors. Discuss with reasons?

- 31. What are the similarities in the developmental Strategies of India, Pakistan & China. (4)
- 32. Indicate the volume and direction of trade at the time of independence. (4)
- 33. Explain positive impacts of globalisation and liberalisation on business and industry in India.

OR (6)

Explain negative impacts of liberation and globalisation on business and industry in India.

- 34. (a) What is organic farming and what are it’s benefits. (3×2)
- (b) How sustainable development and economic development:
