

**SAMPLE PAPER, TERM-I ,2019-20**

**CLASS-XII**

**Time: 3hrs.  
80**

**ECONOMICS**

**Max. Marks:**

***General Instructions :***

- (i) All questions in both the sections are compulsory.***
- (ii) Marks for questions are indicated against it.***
- (iii) Question Nos. 1-10 and 18-27 are very short answer questions carrying 1 mark. They are required to be answered in one sentence each.***
- (iv) Question Nos. 11-12 and 28-29 are short answer questions carrying 3 marks each. Answer to them should not normally exceed 60 words each.***
- (v) Question Nos. 13-15 and 30-32 are also short answer questions carrying 4 marks each. Answer to them should not normally exceed 70 words each.***
- (vi) Question Nos. 16-17 and 33-34 are long answer questions carrying 6 marks each. Answer to them should not normally exceed 100 words each.***
- (vii) Answers should be brief and to the point and the above word limit be adhered to as far as possible.***

**SECTION-A**

- 1. Who regulates money supply? (1)**
  - a) Govt. of India.
  - b) RBI
  - c) Commercial Bank
  - d) Planning commission.
- 2. What do you mean by demand deposits? (1)**
- 3. Give two examples of revenue expenditure. (1)**
- 4. Define legal reserve ratio. (1)**
- 5. What is GDP? (1)**
- 6. State whether true or false, give reason, (1)**

Service tax is indirect tax.
- 7. Differentiate between repo rate and bank rate. (1)**
- 8. Why are subsidies treated as revenue expenditure? (1)**
- 9. Which of the following is a source of capital receipts? (1)**
  - a) Foreign donation
  - b) Dividends
  - c) Disinvestment
  - d) Tax

10. State two components of money supply. (1)

11. Calculate fiscal deficit: (3)

SL NO.	Items	Rs. crores
1	Revenue expenditure	180
2	Capital receipts	350
3	Revenue receipts	150
4	Capital expenditure	105
5	Borrowing	10
6	Interest	25

12. Explain how non market transactions are the limitations in taking GDP as an index of welfare. (3)

**Or,** Distinguish between real and nominal gross domestic product.

13. Explain the steps for calculating NY by Value Added Method. (3)

**Or,** Explain the problem of double counting in estimating NY with the help of an example.

14. Explain the credit creation function of commercial bank. (4)

15. Write four precautions while calculating national income by expenditure method. (4)

**Or,** Giving reasons categorise the following into factor and transfer income/receipt.

- Dividends
- Payment of service tax
- Old age pensions given by Govt.
- Financial help received by flood victim.

16. Calculate Gross Fixed Capital Formation from the following: (6)

Sl. No.	Items	Rs. In Crores
1.	Private final consumption expenditure	1000
2.	Net exports	-50
3.	Govt. final consumption expenditure	500
4.	NFIA	20
5.	GDP at market price	2500

6.	Opening Stock	300
7.	Closing Stock	200

17. Will the following be included in national **income** of India? Give reasons for your answer. (6)

- Expenditure by govt. in providing free education.
- Fees received from students.
- Transport expenses by a firm.
- Profits earned by a company owned by residents located in India.
- Interest payment on public borrowing.
- Rent free house for employees.

**Or, a)** Differentiate between central bank and commercial bank.

- Explain Open market operation as a measure of controlling money supply in the economy

### SECTION-B

- Write the important function of NABARD. (1)
- What are the different aspects of diversification? (1)
- Which organization collects data on poverty in India? (1)
- Organic farming is beneficial because, (1)
  - It generates income through export
  - It provides healthy foods
  - It is done by environmentally sustainable ways
  - All of the above.
- NABARD was set up in, (1)
  - 1982
  - 1956
  - 1985
  - 1967
- Explain long term planning objectives. (1)
- When was Sarva Shiksha Abhiyan launched? (1)
  - 2001
  - 2004
  - 2011
  - 2017
- Mention two important Govt. measures undertaken to improve the agricultural marketing system in India. (1)
- How is poverty line defined in India? (1)
- What is import substitution? (1)
- Explain three features of NEP1991. (3)
 

**Or,**

Discuss Industrial Reform introduced under NEP 1991.
- What do you mean by agricultural marketing? (3)
- Explain various sources of human capital formation. (4)
 

**Or,**

Discuss:

  - Surplus trade during British rule.
  - Infrastructural development during British rule.
- Explain the role of micro credit in meeting credit requirement of the poor?(4)

**Or,**

Explain Minimum Support Price.

32. The nature of employment differs a lot in India. Analyse this statement in the light of available facts. (4)
33. Differentiate between (any two) (3+3)
- a) Institutional and Non institutional credit.
  - b) Human resource and human development.
  - c) Structural and frictional unemployment.
34. How can the small and medium enterprises create the much needed jobs for the fast expanding labour force in India? (6)

**Or,**

Discuss the importance of animal husbandry, fisheries and horticulture as a source of diversification? (6)