PRACTICE PAPER- 2020-21

CLASS XII ECONOMICS (030)

MM – 80

General Instructions:

1.	This question paper contains two parts:				
	Part A - Macro Economics (40 marks)				
	Part B - Indian Economic Development (40 marks).				
2.	Marks for questions are indicated against each question.				
3.	Question No. 1-10 and Question No. 18 – 27 (including two Case Based				
	Questions)				
	are 1 mark questions and are to be answered in one word/sentence				
4.	Case Based Questions (CBQ's) are Question No. 7-10 and Question No.				
	25-27.				
5.	Question No. 11-12 and Question No. 28 – 29 are 3 marks questions and				
	are to be answered in 60 - 80 words each.				
6.	Question No. 13-15 and Question No. 30 – 32 are 4 marks questions and				
	are to be answered in 80-100 words each.				
7.	Question No. 16-17 and Question No. 33 – 34 are 6 marks questions and				
	are to be answered in 100-150 words each.				
8.	Answers should be brief and to the point and the above word limit be				
	adhered to as far as possible.				

Q.No.	QUESTIONS					
	PART A - MACRO ECONOMICS					
1.	Which of the following is not a stock variable?(Choose the correct alternative)(a)Balance in Bank account(b) Number of students in school as on 01/08/2021(c) National Income of a country (d) Capital					
	Or If GDP _{FC} =Rs1050 and Subsidies=Rs50 then GDP _{MP} will be (Choose the correct alternative) (a) Rs 900 (b) Rs 950 (c) Rs 1100 (d) Rs 1000					
2.	In the production of sugar, sugarcane is	1				
	(a) a final good(b) a capital good(c) an intermediate good(d) none of these					
3.	Which of the following is not concerned with banking organization?(a) Bank rate(b) Fiscal deficit;(c) Credit creation;(d) Cash reserve ratio	1				

QB365 - Question Bank Software

TIME: 3 HOURS

4.	Identif	fy the correct pair of statement fro	m the	-	1		
		1		(Choose the correct alternative)			
		Column I		Column II			
	A	Balance of Trade	i	Difference between exports and			
				imports of goods and services			
	В	Surplus in BOP arises when:	ii	Autonomous Receipts>Autonomous Payments			
	C	"Unilateral Transfers" are also known as	iii	Bilateral Transfers			
	D	Banking Service	iv	Visible item			
	Altern	atives:					
	(a) A -	– i (b) B – ii (c) C – i	ii	(d) D - iv			
5.	What	is the relationship between dema	and fo	r foreign exchange and exchange rate?	1		
	(a) Inv			Direct;			
	• •	ne to one;	• • •	No relationship			
6.	· · /			Account and Borrowings from abroad is	1		
		led in theAccount.					
			pital.	Current			
			•	Capital			
		he following report and answer Q					
		lished in Business line news					
		facturing activity gradually re	-				
	India's industrial output rose in October for the second consecutive month after six						
	months of contraction with manufacturing and electricity pushing overall industrial						
	growth to 3.6 per cent, the highest in the current fiscal year so far.						
	Industry has a share of around 29 per cent in GDP (Gross Domestic Product). Experts						
	attribute the healthy industrial growth numbers to festival demand. Though the						
	government expects the positive trend to continue, some observers are still cautious.						
		· ·		ndustrial Production (IIP), was 0.4 per ction of 6.6 per cent during October 2019.			
	growth and 5.7 impact	n rate of 3.5 per cent in October aga 7 per cent in October 2019. The go	oinst a o od perf wth rat	Ministry, manufacturing registered a contraction of 0.2 per cent in September formance of manufacturing showed its te touched 11.2 per cent in October as			
7.	Expert seasor		is due	to(festive season/ winter (choose the correct alternative)	1		

8.	India's growth is po	ositive after how many mor	nths of contraction?	1
	(a) 6 months (c) 4 months	(b) 5 months (d) 3 months		
			(choose the correct alternative)	
9.	Increase of growth decrease) in dema	-	ads to(increase/	1
10.	What percentage s	hare of GDP is industrial gr	owth?	1
	(a) 12%	(b) 22%		
	(c) 19%	(d) 29%	(choose the correct alternative)	
			161	

	BANK 363	
11	Distinguish between intermediate goods and final goods.:	3
12	State, giving valid reasons, whether the following statements are true or false (a) Autonomous transactions take place in capital account only (b) Foreign investment are recorded in the capital account of balance of payments Or Deficit in BOP may occur either due to autonomous transactions or due to accommodating transactions .Defend or refute.	3
13	How in your opinion, credit creation by the commercial banks accelerates the pace of economic growth? Write two observations.	4
14	In an economy C=100+0.7Y,I=500(Where C=consumption, Y=income and I=investment). Calculate (i) Equilibrium level of income,(ii)Consumption expenditure at equilibrium level of income.	4
	Or	
	Define (i)Ex-ante investments (ii) involuntary unemployment.	
15	Explain the role of the following in correcting Excess Demand in an Economy. (i) Bank rate (ii) Open Market Operation	2+2
16	Giving reasons explain how should the following be treated in estimating gross DomesticProduct at market price(i) Fees to mechanic paid by a firm	6

	(ii) Interest paid by an individual o	n a car loan taken from	a hank	
	(iii) Expenditure on purchasing a ca		a bank	
		Or		
	Calculate National Income by Inco	•	thod	
	Particulars	me una Expenditure me	in crores	
	i. Final Consumption Expenditu	ro	in crores	
	Private Sec		350	
	Governmen		100	
	ii. Mixed income of self-employ		35	
	iii. Gross domestic fixed capital	formation	70	
	iv. Opening stock		15	
	v. Compensation of employees		250	
	vi. Closing stock		25	
	vii. Imports		20	
	viii. Rent	-	75	
	ix. Consumption of fixed capital	1 🔺	10	
	x. Net indirect taxes		25	
	xi. Interest		25	
	xii. Net factor income from abro	ad	-5	
	xiii. Exports		10	
	xiv. Profit		100	
17	Categories the following gover	rnment receipts into	revenue and capital receipt.	
17	Give reason for your answer.		0	
17	Give reason for your answer. (1) Receipt from sale of shares		0	
17	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing f <mark>rom public.</mark>	of public sector und	0	
17	Give reason for your answer. (1) Receipt from sale of shares	of public sector und	0	
	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing f <mark>rom public.</mark>	of public sector und vernment.	lertaking.	
	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five year	of public sector und vernment. NECONOMIC ar plans are :	lertaking.	1
	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation	of public sector und vernment. NECONOMIC ar plans are : (b) Growth	lertaking.	
18	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Self -reliance	s of public sector und vernment. NECONOMIC The plans are : (b) Growth (d) All of the above.	ertaking.	1
.8	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Self -reliance Details about the population of B	s of public sector und vernment. NECONOMIC The plans are : (b) Growth (d) All of the above.	ertaking.	
.8	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Self –reliance Details about the population of B in: ANSWER: (B)	s of public sector und vernment. NECONOMIC ar plans are : (b) Growth (d) All of the above. sritish India were first	ertaking.	1
.8	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Selfreliance Details about the population of B in: ANSWER: (B) (a) 1871	s of public sector und vernment. NECONOMIC ar plans are : (b) Growth (d) All of the above. critish India were first (B) 1881	ertaking.	1
8	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Selfreliance Details about the population of B in: ANSWER: (B) (a) 1871 (C) 1891	s of public sector und vernment. NECONOMIC The plans are : (b) Growth (d) All of the above. Seritish India were first (B) 1881 (D) 1901.	DEVELOPMENT	1
18	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Self –reliance Details about the population of B in: ANSWER: (B) (a) 1871 (C)1891 Read the following statements	s of public sector und vernment. NECONOMIC ar plans are : (b) Growth (d) All of the above. critish India were first (B) 1881 (D) 1901. - Assertion (A) and	DEVELOPMENT	1
18	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Selfreliance Details about the population of B in: ANSWER: (B) (a) 1871 (C)1891 Read the following statements one of the correct alternatives	s of public sector und vernment. NECONOMIC ar plans are : (b) Growth (d) All of the above. oritish India were first (B) 1881 (D) 1901. - Assertion (A) and given below:	DEVELOPMENT collected Reason (R). Choose	1
18	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Selfreliance Details about the population of B in: ANSWER: (B) (a) 1871 (C) 1891 Read the following statements one of the correct alternatives Assertion (A): India has becom	s of public sector und vernment. NECONOMIC ar plans are : (b) Growth (d) All of the above. oritish India were first (B) 1881 (D) 1901. - Assertion (A) and given below:	DEVELOPMENT collected Reason (R). Choose	1
18	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Self –reliance Details about the population of B in: ANSWER: (B) (a) 1871 (C)1891 Read the following statements one of the correct alternatives Assertion (A): India has becom- most of the MNC's	s of public sector und vernment. NECONOMIC ar plans are : (b) Growth (d) All of the above. british India were first (B) 1881 (D) 1901. - Assertion (A) and given below: ne a favourable desti	DEVELOPMENT Collected Reason (R). Choose Ination of outsourcing for	1
18	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Selfreliance Details about the population of B in: ANSWER: (B) (a) 1871 (C) 1891 Read the following statements one of the correct alternatives Assertion (A): India has becom	s of public sector und vernment. NECONOMIC ar plans are : (b) Growth (d) All of the above. british India were first (B) 1881 (D) 1901. - Assertion (A) and given below: ne a favourable desti	DEVELOPMENT Collected Reason (R). Choose Ination of outsourcing for	1
18	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Selfreliance Details about the population of B in: ANSWER: (B) (a) 1871 (C)1891 Read the following statements one of the correct alternatives Assertion (A): India has becom- most of the MNC's Reason (R) : In India there ar manpower.	s of public sector und vernment. NECONOMIC ar plans are : (b) Growth (d) All of the above. british India were first (B) 1881 (D) 1901. - Assertion (A) and given below: ne a favourable desti	DEVELOPMENT Collected Reason (R). Choose Ination of outsourcing for	1
17 18 19	Give reason for your answer. (1) Receipt from sale of shares (2) Borrowing from public. (3) Income tax received by gov PART B - INDIAN The common goals of the five yea (a) Modernisation (C) Self -reliance Details about the population of B in: ANSWER: (B) (a) 1871 (C) 1891 Read the following statements one of the correct alternatives Assertion (A): India has becommost of the MNC's Reason (R) : In India there ar	s of public sector und vernment. NECONOMIC ar plans are : (b) Growth (d) All of the above. british India were first (B) 1881 (D) 1901. - Assertion (A) and given below: ne a favourable desti	DEVELOPMENT Collected Reason (R). Choose Ination of outsourcing for	1

			()				
1 1		ct explanation of Assertion					
	b. Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A)						
	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	Read	the following statements	- Assert	tion (A) and Reason (R). Choose	1		
		of the correct alternatives			-		
				rsely affected due to the partition.			
				the food surplus areas of west Punjab and			
		h went to Pakistan	vas illai	the food surplus areas of west I unjab and			
		matives:	(D)				
				e true and Reason (R) is the			
		ct explanation of Assertion					
				e true and Reason (R) is not the			
		ct explanation of Assertion					
		sertion (A) is true but Reas					
	d. As	sertion (A) is false but Rea	son (R) i	is true.			
22	From	the set of events/systems g	given in c	column I and corresponding relevant	1		
	fact given in column II, about China Pakistan and India choose the correct pair of						
	stater	ment:		L			
ľ		column I		column II			
ľ	А	India	i	Highest sex ratio			
ľ	В	China	ii	Mixed Economy			
ľ	C	Pakistan	iii	Reforms were initiated in the year1988			
	D	Highest density of	iv	Pakistan			
		population	1 V	1 akistan			
		population					
ľ	Alternatives:						
20	(a)	· · · · · · · · · · · · · · · · · · ·	<u>) B - ii</u>	(c) $C - iii$ (d) $D - i$			
23		nina, commune sys <mark>tem is rel</mark>		1	1		
h	(a) Agriculture(b) Industry(c) Services(d) None of these						
			$(d) \mathbf{M}_{a}$				
				one of these			
	Read	l, the following hypothetic	al Case	Study, carefully and answer the			
	Read quest	l, the following hypothetic tion numbers 24 - 27 on tl	al Case ne base c	Study, carefully and answer the			
	Read quest Achi	l, the following hypothetic tion numbers 24 - 27 on th evement of Green Revo	al Case ne base o lution	Study, carefully and answer the of the same.			
	Read quest Achi (i) T	I, the following hypothetic tion numbers 24 - 27 on the ievement of Green Revo he major achievement of	cal Case ne base of lution the new	Study, carefully and answer the of the same. The strategy was to boost the production of			
	Read quest Achi (i) T	I, the following hypothetic tion numbers 24 - 27 on the ievement of Green Revo he major achievement of	cal Case ne base of lution the new	Study, carefully and answer the of the same.			
	Read quest Achi (i) TI majo	I, the following hypothetic tion numbers 24 - 27 on the tevement of Green Revo the major achievement of or cereals viz., wheat and	al Case ne base of lution the new rice. Inc	Study, carefully and answer the of the same. The strategy was to boost the production of lia was depending on the US for the food			
	Read quest Achi (i) Tl majo grain	I, the following hypothetic tion numbers 24 - 27 on the ievement of Green Revo he major achievement of or cereals viz., wheat and h. The US by using Public	al Case ne base of lution the new rice. Ind taw 48	Study, carefully and answer the of the same. The strategy was to boost the production of dia was depending on the US for the food 80 (PL480) exported wheat to			
	Read quest Achi (i) TI majo grain India	I, the following hypothetic tion numbers 24 - 27 on the evement of Green Revo he major achievement of or cereals viz., wheat and a. The US by using Public a. Indians were waiting for	al Case the base of lution the new rice. Ind the shift or the shift	Study, carefully and answer the of the same. • strategy was to boost the production of lia was depending on the US for the food 80 (PL480) exported wheat to ips to sip their food. On the other hand,			
	Read quest Achi (i) Tl majo grain India India	I, the following hypothetic tion numbers 24 - 27 on the ievement of Green Revo he major achievement of or cereals viz., wheat and h. The US by using Public h. Indians were waiting for has lots of minerals. The	al Case ne base of lution the new rice. Ind the new c Law 48 or the shi e US cou	Study, carefully and answer the of the same. The strategy was to boost the production of lia was depending on the US for the food 80 (PL480) exported wheat to ips to sip their food. On the other hand, uld strategically exploit Indian mineral			
	Read quest Achi (i) Tl majo grain India India resou	I, the following hypothetic tion numbers 24 - 27 on the ievement of Green Revolu- he major achievement of or cereals viz., wheat and a. The US by using Public a. Indians were waiting for a has lots of minerals. The urces at cheapest price for	al Case the base of lution the new rice. Ind the new Law 48 or the shi the US cou	Study, carefully and answer the of the same. The strategy was to boost the production of lia was depending on the US for the food 80 (PL480) exported wheat to ips to sip their food. On the other hand, uld strategically exploit Indian mineral acturing missiles and weapons, which			
	Read quest Achi (i) TI majo grain India India resou gave	I, the following hypothetic tion numbers 24 - 27 on the ievement of Green Revolu- he major achievement of or cereals viz., wheat and h. The US by using Public h. Indians were waiting for has lots of minerals. The urces at cheapest price for job opportunity for large	al Case ne base of lution the new rice. Ind the new c Law 48 or the shi the US cou r manufa or US yo	Study, carefully and answer the of the same. The strategy was to boost the production of lia was depending on the US for the food 80 (PL480) exported wheat to ips to sip their food. On the other hand, uld strategically exploit Indian mineral			

	would also genera	ate employment.	Or				
_	What kinds of activities would you suggest for the improvement of your village which					-	
33	You are residing					6	
	TERTIARY	51	32	24	19		
	SECONDARY	<u>25</u> 26	53	16	27		
	PRIMARY	23	15	60	54		
		India	China	India	China		
	SECTOR	% Share			employment		
32	Compare the stru	icture of growth l	oetween India an	d China		4	
	Do you think the na public sector under			s in improving the	performance of		
31	What is import su	ubstitution policy	•	oduced in India	?	4	
30	What are Fiscal p	oolicy reforms? E	xplain.			4	
29	Why are regular areas?	salaried employe	<mark>es mo</mark> re in urban	areas than in ru	ral	3	
	Distinguish betw						
28	What is meant by	National Food	for work progr	amme ?		3	
20	areas/urban area	/	C				
27	Green Revolutio		nployment oppo	ortunities for ··	·····.(rural	1	
26	India was depend					1	
	manufactured	(agricu	lture tools/ Elec	tronic items)			
25	grains/textiles) Positive impact of	-			3	1	
24	Main objective of	of green revolution	on was to be self	sufficient in	(food	1	
	These banks pro	ovided loans to	farmers on easy	y terms.			
	(viii) Financial r		•		ative societies.		
	demand for labo						
	(vii) Due to mult	-		chemical fertil	izers, the		
	this, their standa		• • • •				
	(vi) Green Revo				masses. Due to		
	pumping sets.	lution had brou	aht prosperity t	o rural paopla	Increased		
	which manufact	tured agricultur	al tools like trad	ctors, engines, t	hreshers and		
	(v) Green Revol	ution had positi	ve effect on de	velopment of in	ndustries,		
	(iv) Per hectare	productivity of	all crops had in	ncreased due to	better seeds.		
	commercial crops or cash crops such as sugarcane, cotton, jute, oilseeds and potatoes.						
(iii) This Strategy was also directed to increase the production of							
	n of						
	(ii) The Green r (HYV) cereals,	evolution was c			g Varieties		
	(::) The C	arra1	and in -1 - 1	II: - k X7: 11'	Variation		

	What are the factors responsible for land degradation?	
34	State, giving valid reasons whether the following statements are true or	2+2
	false.	+2
	(a)India was a backward economy before British rule.	
	(b)On-the-job Training is not a source of human capital formation.	
	(c) Coal is as a nonrenewable resource of energy	

