

Total No. of Printed Pages—8

HS/XII/A.Com/Ec/22

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ECONOMICS

Full Marks : 80

Time : 3 hours

The figures in the margin indicate full marks for the questions

General Instructions :

- (i) All questions in both the Parts are compulsory.
- (ii) Marks for questions are indicated against each question.
- (iii) Question Nos. **1–5** and **18–22** are objective-type questions carrying 1 (one) mark each.
- (iv) Question Nos. **6–10** and **23–27** are very short answer-type questions carrying 1 (one) mark each. Answers to them should be in one sentence each.
- (v) Question Nos. **11, 12, 28** and **29** are short answer-type questions carrying 3 (three) marks each. Answers to them should normally not exceed 60 (sixty) words each.
- (vi) Question Nos. **13–15** and **30–32** are also short answer-type questions carrying 4 (four) marks each. Answers to them should normally not exceed 70 (seventy) words each.
- (vii) Question Nos. **16, 17, 33** and **34** are long answer-type questions carrying 6 (six) marks each. Answers to them should normally not exceed 100 (hundred) words each.

(2)

(PART : A—OBJECTIVE)

(**Introductory Macroeconomics**)

(Marks : 40)

Choose and write the correct answer of the following
from the given alternatives : 1×10=10

1. Net investment is equal to
 - (a) gross investment + depreciation
 - (b) gross investment – depreciation
 - (c) gross investment – indirect taxes
 - (d) None of the above 1

2. Which of the following is the common accepted definition of money?
 - (a) Any good which is commonly accepted as a store of value only
 - (b) Any good which is exchanged for gold at a fixed rate
 - (c) Any good which is acceptable to a bank
 - (d) Any good which is commonly accepted as a medium of exchange 1

3. Consumption function is a functional relationship between
 - (a) income and saving
 - (b) price and consumption
 - (c) income and consumption
 - (d) consumption and saving 1

(3)

4. The difference between fiscal deficit and interest payment is
(a) revenue deficit
(b) primary deficit
(c) budget deficit
(d) capital deficit 1
5. The exchange rate which is determined by the government is known as
(a) flexible exchange rate
(b) fixed exchange rate
(c) floating exchange rate
(d) None of the above 1
6. What is macroeconomics? 1
7. What is a central bank? 1
8. What is a tax? 1
- Or
- Calculate revenue deficit, if revenue expenditure is ₹ 22,250 crore and revenue receipt is ₹ 17,750 crore.
9. What is balance of trade? 1
10. Mention the components of balance of payments. 1

(4)

11. Find C , when $\bar{C} = 200$, $MPC = 0.5$ and $Y = 1000$. 3

Or

What is deficient demand? Illustrate with the help of a diagram. 1+2=3

12. What is meant by visible and invisible items in the balance of payments account? Give two examples of invisible items. 2+1=3

13. Distinguish between (a) consumption goods and capital goods and (b) stocks and flows. 2+2=4

Or

Calculate nominal GDP, if real GDP is ₹ 200 crore and price index is 110. 4

14. Explain how bank rate is helpful in controlling credit creation of commercial banks. 4

15. What is government budget? Briefly explain any three of its objectives. 1+3=4

16. What is national income? Distinguish between gross domestic product (GDP) and gross national product (GNP). 2+4=6

17. Explain with the help of a diagram, the determination of equilibrium level of income, using saving-investment approach. 6

(5)

Or

An economy is in equilibrium. Calculate MPC from the following data : 1+2+3=6

National income (Y) = ₹ 10,000 crore

Autonomous consumption (\bar{C}) = ₹ 1,000 crore

Investment (I) = ₹ 2,500 crore

PART—B

(**Indian Economic Development**)

(Marks : 40)

18. The Industrial Policy Resolution of 1956 classified industries into

- (a) two categories
- (b) three categories
- (c) four categories
- (d) None of the above

1

19. Which of the following was the reason for the initiation of economic reforms in India?

- (a) Mounting fiscal deficit
- (b) Rise in prices
- (c) Huge deficit in balance of payments
- (d) All of the above

1

- 20.** The term used to divide people as poor and non-poor is called
(a) proverty index
(b) poverty ratio
(c) poverty line
(d) All of the above 1
- 21.** The stock of skill and expertise of a nation at a point of time is known as
(a) social infrastructure
(b) human capital
(c) physical capital
(d) None of the above 1
- 22.** Growth rate of population is highest in which of the following countries?
(a) India
(b) China
(c) Pakistan
(d) None of the above 1
- 23.** What is composition of trade? 1
- 24.** What is informal sector? 1
- Or*
- What is disguised unemployment? 1

(7)

25. What is medical tourism? 1
26. What is organic farming? 1
27. Name two indicators of Human Development Index (HDI). 1
28. Explain any two goals of India's Five-year Plan. 3
29. Explain the credit needs of farmers in India. 3

Or

What is global warming? Briefly explain two causes of global warming. 1+2=3

30. Explain the participation of people in employment in India. 4

Or

Distinguish between the following : 2+2=4

- (a) Renewable and non-renewable resources
- (b) Overuse of resources and misuse of resources

31. What is poverty? How is relative poverty different from absolute poverty? 1+3=4
32. Bring out a comparison between India and China on the basis of (a) sectoral share in output and (b) Human Development Index (HDI). 2+2=4

(8)

33. Explain the problems faced by Indian agriculture. 6

Or

Explain the main features of economic reforms undertaken in India since 1991. 6

34. Explain the role of human capital in the process of growth and development. 6

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