

Total No. of Printed Pages—8

HS/XII/A.Com/Ec/NC/20

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ECONOMICS

(New Course)

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

(**Introductory Macroeconomics**)

(Marks : 40)

1. The wear and tear of capital is called
 - (a) net investment
 - (b) gross investment
 - (c) depreciation
 - (d) All of the above 1

2. The number of times a unit of money changes hands during the unit period is called
 - (a) velocity of circulation of money
 - (b) high-powered money
 - (c) legal tender money
 - (d) money multiplier 1

3. Ex-ante investment means
 - (a) the value of planned consumption
 - (b) the value of planned investment
 - (c) the method of calculating national income
 - (d) None of the above 1

(3)

4. Revenue deficit is referred to the excess of
- (a) revenue expenditure over revenue receipt
 - (b) gross fiscal deficit over net interest liabilities
 - (c) total expenditure over total receipt
 - (d) revenue receipt over revenue expenditure 1
5. When imports exceed exports, there is a
- (a) trade surplus
 - (b) trade deficit
 - (c) trade balance
 - (d) All of the above 1
6. What is a flexible exchange rate? 1
7. Mention the components of a budget. 1
8. What is marginal propensity to consume? 1
9. Define money. 1

Or

Calculate the value of money multiplier if cash reserve ratio (CRR) is 20%.

(4)

10. What is high-powered money? 1

11. Distinguish between stocks and flows with examples. 3

Or

Find nominal GDP if real GDP = ₹ 240 and price index = 120.

12. What are the measures of money supply? 3

13. What is meant by full employment? Distinguish between voluntary unemployment and involuntary unemployment.

1+3=4

Or

Calculate autonomous consumption expenditure from the following data when the economy is in equilibrium :

National income (Y) = ₹ 1,200 crore

Marginal propensity to consume (MPC) = 0.8

Investment expenditure (I) = ₹ 100 crore

14. Distinguish between : 4

(a) Revenue expenditure and Capital expenditure

(b) Revenue receipt and Capital receipt

15. Distinguish between : 4

(a) Balance of trade and Balance of payments

(b) Devaluation and Depreciation of currency

16. Explain the expenditure method of calculating national income. 6

(5)

17. What is meant by propensity to consume? Explain the concept with the help of a suitable diagram. 1+5=6

Or

Explain the working of the investment multiplier with the help of a table. 6

PART—B

(**Indian Economic Development**)

(*Marks : 40*)

18. Adoption of new technology is called

- (a) modernization
- (b) liberalization
- (c) privatization
- (d) globalization

1

19. Integrating the domestic economy with the economies of other countries is known as

- (a) liberalization
- (b) globalization
- (c) privatization
- (d) None of the above

1

- 20.** The data on poverty is made available to the public by
- (a) Planning Commission
 - (b) National Commission
 - (c) State Commission
 - (d) District Commission 1
- 21.** The ratio which is used for analyzing the employment situation in the country is derived from
- (a) world-population ratio
 - (b) worker-population ratio
 - (c) cash-reserve ratio
 - (d) statutory-liquidity ratio 1
- 22.** The Great Leap Forward (GLF) campaign initiated in 1958 aimed at _____ the country. 1
- (a) industrializing
 - (b) privatizing
 - (c) globalizing
 - (d) All of the above
- 23.** Mention the three elements of the New Economic Policy, 1991. 1

(7)

24. Define poverty line. 1

25. Mention the two major sources of human capital in a country. 1

26. What is infrastructure? 1

27. What is Human Development Index? 1

Or

What is infant mortality rate?

28. Explain three problems of Indian agriculture. 3

Or

Give three merits of GST.

29. Explain the effects of economic development on the environment. 3

30. What are the benefits of organic farming? 4

31. What measures would you suggest to solve the problem of unemployment in India? 4

Or

Explain how human capital can promote economic development.

(8)

32. Bring out a comparison between India and China on the basis of—

(a) GDP growth;

(b) human development indicators. 2+2=4

33. Distinguish between absolute poverty and relative poverty. Briefly explain any four poverty alleviation programmes adopted in the country. 2+4=6

34. What are the main goals of Five-Year Plans? Explain. 6

Or

Define small-scale industry. Explain how they help in promoting rural development. 1+5=6

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