

CLASS XII

SAMPLE PAPER

ECONOMICS

MARKS:- 40

TIME:75 MINUTE

- 1) How is primary deficit calculated? (1)
- 2) State the two sources of supply of foreign exchange.(1)
- 3) Distinguish between devaluation and depreciation of domestic currency.(3)
- 4) Distinguish between : (4)
 - a. Capital receipts and revenue receipts
 - b. Direct tax and indirect tax.
- 5) Indian economy 75 percent of the increase in income is spent on consumption .investment is increased by Rs 1000 crore. Calculate: (4)
 - a. Total increase in income
 - b. Total increase in consumption expenditure.
- 6) Distinguish between autonomous and accommodating transactions of balance of payments accounts. (3)
- 7) Giving reasons state whether the following statements are true or false: (2)
 - a. Average propensity to save is always grater than zero.
 - b. Value of investment multiplier varies between zero and infinity.
- 8) The price of 1 US dollar has fallen from Rs 50 to Rs 48.has the Indian currency appreciated or depreciated?(1)
- 9) Distinguish between the current account and capital account of BOP .is import of machinery recorded in current account or capital account? Give reason for your answer. (4)
- 10) State the law of supply, what is meant by the assumption 'other thing remains constant' on which the law is based?(4)
- 11) Give two examples of complementary goods.(1)
- 12) MPS of an economy is 0.3 and the income increase from Rs 6000 crore to Rs 9000 crore calculate the following : (4)
 - a. MPC
 - b. Additional investment
 - c. Multiplier
 - d. Change in income if investment changes by Rs 100 crore.
- 13) What is meant by inferior goods in economics? (1)
- 14) Given below is the consumption function in an economy: (4)
$$C=100 +0.5Y$$

With the help of a numerical example show that in this economy as income increase APC will decrease.

- 15) Giving reason categories the following in to revenue expenditure and capital expenditure: (4)
- Subsidies
 - Grants given to state govt.
 - Repayments of loans
 - Construction of school building.

Grewal tutorials

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