

# CLASS XII

## SAMPLE PAPER

### ECONOMICS

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#### **Sehgal Economics Classes By Ravi Sir-Test Series - 4 -Full Syllabus Test-Class-XII** **One Markers:-**

Q.1. Subsidy implies :-

- (a) Selling the product to the govt. at higher prices.  
(b) Selling the product below the cost of production.  
(c) Selling the product at loss. (d) Selling the product at cost plus indirect taxes.

Q.2. Aggregate demand can be increased by:

- (a) Selling government securities by RBI (b) Increasing bank rate  
(c) Increasing CRR (d) None of the above

Q.3. 45 degree in the context of equilibrium income is a :-

- (a) line of reference (b) line of identity (c) line of equality between AD-AS (d) both a & c

Q.4. Zero primary deficit alarm the government to tighten its belt'. State true/false. Give reason.

Q.5. Which of the following is not a limitation of credit creation:-

- (a) Requirement of huge cash reserves by the country  
(b) Requirement of huge cash reserves by the commercial banks.  
(c) Free from any control of Central Bank  
(d) Free from any impact from market/business conditions.

Q.6. Who has the authority to issue 50 currency notes?

- (a) Planning Commission (b) RBI (c) Finance Ministry (d) None

Q.7. The Indian government is trying to attract FDI. Which objective of the government is achieved by this?

- (a) Economic stability (b) Redistribution of income  
(c) Economic growth (d) Managing public enterprises

Q.8. If MPC : MPS is 1:4 and the autonomous consumption is Rs.100. Estimate Break Even level of income.

Q.9. Determine M1 from the following:

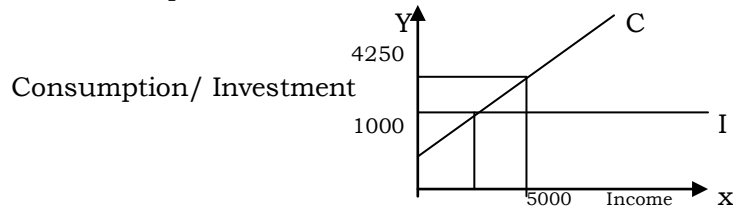
- (a) Currency held with the public : Rs. 5,60,000 (b) Time Deposits : Rs. 6,10,000

- (c) Demand deposits with banks : Rs. 4,10,000                      (d) Other deposits with RBI : Rs.40,000

Q.10. Define Forward Market.

**Three Markers:-**

Q.11. Break even point is at Income of Rs.2500. Find APS at Income of Rs. 6000.



Q.12. How the following should be treated in estimation of national income? Give reason.

- (a) Expenditure by firm on payment of fees to a repair mechanic,  
 (b) Payment of corporate tax.    (c) School fee paid by a household.

**Four Markers:-**

- Q.13. (A) What are official reserve transactions? Explain their importance in the BOP.  
 (B) How is the rising demand for Indian goods in USA market likely to impact the exchange rate between the Indian rupee and US Dollar?

Q.14. RBI has issued currency worth Rs. 10 lac in circulation, out of which citizens hold Rs 5 lac in hand deposit the rest with banks.

- (a) What is the money supply in India if required reserves equal to 10% of deposit for banks?  
 (b) What is the total money creation?

- Q.15. (A) In the budget govt. increases GST on sin goods. What possible objective is the government trying to achieve? Explain  
 (B) A firm had an inventory of Rs. 800 at the beginning of the year. During the year, the firm has produced goods of worth Rs. 5000 and sold goods of worth Rs. 4000. Calculate the closing stock as well as change in Inventory for the year.

**Six Markers:-**

Q.16.(A) An Indian student went to America for education. But after completing his education he got a job in America and is living in America since past 3 years. So will not he be still called as Indian resident? Give reason.

(B). Given the following data find the values of operating surplus and net exports:

- |                                   |        |  |        |
|-----------------------------------|--------|--|--------|
| (a) Wages and Salaries            | : 2400 | (b) National Income                    | : 4200 |
| (c) Net Factor Income from Abroad | : 200  | (d) Gross Domestic Capital Formation   | : 1100 |
| (e) Mixed Income of Self Employed | : 400  | (f) Private Final Consump. Expenditure | : 2000 |
| (g) Net Indirect Taxes            | : 150  | (h) Govt. Final Consump. Expenditure   | : 1000 |
| (i) Consumption of Fixed Capital  | : 100  | (j) Profits                            | : 500  |

Q.17. Distinguish between excess demand and deficient demand. State two measures by which these can be corrected.

### **PART-B-INDIAN ECONOMIC DEVELOPMENT**

#### **One Markers:-**

Q.18. Which state of India is associated with 'Appiko Movement'?

Q.19. Who is known as architect of Indian Planning?

Q.20. .... is the Indicator used by experts to gauge the number of people dying prematurely due to a particular disease as well as the no. of years spent by them in a state of disability

Q.21. What is the share of service sector in terms of output in Pakistan?

Q.22 . Spread of railway network during colonial times helped in preventing the occurrence of famines in the country. How?

Q.23. Prior to 1991, physical controls were imposed by the government with a view to increase tax revenue. State true or false. Give reason.

Q.24. Arrange the following in chronological order and choose the correct alternative.

(i) Industrial policy resolutions

(ii) Demographic transition

(iii) Disinvestment policy

(iv) Formation of WTO

Choose the correct alternative:

(a) i,ii,iii,iv

(b) iv,i,iii,iv

(c) ii,i,iii,iv

(d) ii,iv,iii,i

Q.25 Match the following and write the correct answer:

(a) Golden Revolution

i) 1960-2012

(b) NABARD

ii) 1969

(c) Operation flood

iii) 1991-2003

(d) Social banking and multi agency approach

iv) 1982

Q.26. Life expectancy in India is lower than that of China. What in your opinion is desirable to achieve a higher life expectancy?

Q.27. What is the full form of TANWA?

#### **Three Markers:-**

Q.28. Traditional handicrafts industries got setback during British period. What could be the possible reasons behind it? Q.29. How can 'Ayushman Bharat Scheme' be helpful in the alleviation of poverty?

#### **Four Markers:-**

Q.30. "Education System in India is a big challenge today". Explain.

Q.31. Is it correct to say that poverty has shifted from rural to urban area ? Use poverty trends to support your answer.

Q.32. What do you understand by sustainable development? Describe the main features of sustainable development.

**Six Markers:-**

Q.33. (a) What are the main deficiencies of Indian rural banking system?

(b) Give two causes of energy crisis in India, each on demand and supply side.

Q.34. (a) Analyze the role assigned to public sector in the process of development in India and Pakistan in comparison to that in China.

(b) Liberalization of Indian economy heralded shift in the approach towards management of the economy. Discuss.

## **Sehgal Economics Classes By Ravi Sir**

**Classes at Sec-9, Sec-17, Sec-21C, Sec-37**

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