

AMIT ECONOMICS CLASSES

kanpur

CLASS 12 - ECONOMICS ECONOMICS BOARD 2020 GUESS PAPER

Time Allowed: 3 hours Maximum Marks: 80

General Instructions:

of Rs. 1600 cores.

1- ATTEMPT ALL THE QUESTIONSVERY IMPORTANT TO UNDERSTAND EACH AND EVERY QUESTION

2- TRY TO COMPLTE THE 6 MARKER FIRST THEN 4 MARKER AND IT IS NOT NECESSARY THAT YOU HAVE TO FOLLOW A PARTICULAR SEQUENCE ... YOU CAN FIRST ATTEMPT ALL THE 6 MARKERS FROM BOTH THE SECTIONS CONTINUOUSLY.

MACRO ECONOMICS

1.	Vhich of the following will you include while estimating domestic product of India?		
	a) Salaries paid to Koreans working in the Indian embassy in Korea	b) Rent received by resident Indian from his property in Singapore.	
	c) Salaries of Indians working in Japanese Embassy in India	d) Profits earned by branch of American bank in India.	
2.	M1 in the money stock in India refers to:		[1]
	 a) Currency plus demand deposits plus other deposits with the RBI. 	b) Total post office deposits.	
	c) Post office saving deposits.	d) Time deposits with banks.	
3.	The slope, 'b' indicates		[1]
	a) APC	b) APS	
	c) MPS	d) MPC	
4.	Components of public expenditure is		[1]
	a) Revenue and capital expenditure	b) budget and capital expenditure	
	c) Revenue and budget expenditure	d) investment and capital expenditure	
5.	Point out a demerit of flexible exchange rate		[1]
	a) None	b) Wide fluctuations do not affect foreign trade	
	c) Wide fluctuations promotes foreign trade	d) Wide fluctuations hamper foreign trade	
6.	Calculate money multiplier, if initial deposit of	of Rs. 200 cores lead to creation of total deposits	[1]

	a) 4.0	b) 3.0	
	c) 6.0	d) 8.0	
7.	S = -a + (1 - b) Y is a		[1]
	a) Linear function of the level of Savings and Consumption expenditure	b) Algebraic function of the level of Savings and capital expenditure	
	c) Algebraic function of the level of Savings	d) Algebraic function of the level of Savings and Investment expenditure	
8.	An example of a direct tax is		[1]
	a) Entertainment tax	b) VAT	
	c) Income Tax	d) Sales tax	
9.	If mpc = 0.8 income multiplier will be		[1]
	a) 2.0	b) 4	
	c) 5	d) 3	
10.	Investment is a		[1]
	a) Non economic concept	b) Stock concept	
	c) Hypothetical concept	d) Flow concept	
11.	Explain the bankers' bank function of the Central Bank.		[3]

- 12.
- Give the meaning of revenue deficit, fiscal deficit and primary deficit. [3]
- Distinguish between devaluation and depreciation of domestic currency. 13.
- Explain the underemployment and full employment equilibrium with the help of diagram. 14.
- 15. Calculate
 - i. Gross Domestic Product at Market Price and
 - ii. Factor Income from Abroad, from the following data.

S.no.	Contents	(Rs. in crores)
(i)	Profits	500
(ii)	Exports	40
(iii)	Compensation of Employees	1,500
(iv)	Gross National Product at Factor Cost	2,800
(v)	Net Current Transfers from Rest of The World	90
(vi)	Rent	300
(vii)	Interest	400
(viii)	Factor Income to Abroad	120
(ix)	Net Indirect Taxes	250
(x)	Net Domestic Capital Formation	650

[4]

[4]

[4]

(xi)	Gross Fixed Capital Formation	700
(xii)	Change in Stock	50

- (i) How will you treat the following while estimating the national income of India? Give 16. reasons
- [6]

- a. Payment of interest on borrowings by the general government.
- b. Increase in prices of the shares of a company.
- c. Government expenditure on sanitation.
- d. Growing vegetable in a kitchen garden of the house
- (ii) From the following about firm 'Y', calculate Net Value Added at Market Price by it:

Items	In Thousands
(i) Sales	300
(ii) Depreciation	20
(iii) Net indirect taxes	30
(iv) Purchase of intermediate products	150
(v) Closing Stock	200
(vi) Purchase of machinery	100
(vii) Opening Stock	210

- 17. Explain the role of the following in correcting deficient demand in an economy.
- [6]

- i. Open market operations
- ii. Bank rate.

INDIAN ECONOMIC DEVELOPMENT

18. What was the condition of agriculture at the time of independence [1]

- a) Low dependence on monsoon
- b) Low level of productivity

c) High use of Fertilizers

- d) High level of technology
- 19. It is a conscious design to shape the socio-economic processes in order to achieve an objective [1]

a) Economic planning

b) Economic development

c) Economic growth

d) Economic infrastructure

20. LPG stands for [1]

- a) Liberalisation, Performance, Growth
- b) Liberalisation, Privatisation,
 - Globalisation
- c) Liberalisation, Privatisation, Growth
- d) Liberalisation, Performance,
 - Globalisation
- 21. Which state has lowest percentage of population living below poverty line?

[1]

a) Kerala

b) Punjab

c) Haryana

- d) Goa
- 22. Which of the following is an example of a preventive medicine?

[1]

	a) Spread of health literacy	b) Vaccination	
	c) All of these	d) Medical intervention during illness	
23.	is a system of farming that maintains	s, enhances and restores the ecological balance.	[1]
	a) Agriculture	b) None of the given	
	c) organic farming	d) Cooperative farming	
24.	Who of the following is expected to have mo	ost stable income?	[1]
	a) Self-employed	b) Informal sector employee	
	c) Regular salaried employee	d) Casual wage laborer	
25.	One of the following is renewable source of energy		[1]
	a) Solar energy	b) Oil	
	c) Natural gas	d) Coal	
26.	Carrying capacity implies		[1]
	 a) Generation of wastes should remain within the absorption capactity of the environment 	b) Both option 2) and 3)	
	c) Resource extraction should remain below the rate of resource regeneration.	d) None	
27.	The term PPP signifies		[1]
	a) Common currency	b) None	
	c) Both	d) Common prices	
28.	If railways were constructed for selfish motives but as side effects did something good for India, can it be called a contribution by the British?		[3]
		OR	
	Why does Indian Farmer need credit?		
29.	Give any one merit and one demerit of a soc	•	[3]
	Why are children not included in working p	OR	
30.	Why has the industrial sector performed poorly in the reform period?		[4]
		OR	
	China's rapid industrial growth can be traced back to its reforms in 1978. Do you agree? El		idate.
31.	What is poverty? Is there a definite way to it		[4]
	What is Dlanning Commission? What are its	OR	
32.	What is Planning Commission? What are its Explain briefly two main sources of human		[4]
33.	What problems are being faced by the powe	•	[6]
34.	'Today development has become a burden on nature/environment'. Comment.		[6]