

Total No. of Printed Pages—8

**HS/XII/A.Com/Ec/NC/21**

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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. Which of the following measures the aggregate production of final goods and services taking place within the domestic economy during a year?
- (a) Gross Domestic Product at market price
  - (b) Gross National Product at market price
  - (c) Net Domestic Product at market price
  - (d) Net National Product at market price 1
2. Money supply in India is equal to
- (a) currency with the public
  - (b) net demand deposit with the banks
  - (c) currency with the public + net demand deposit with the banks
  - (d) None of the above 1
3. Average Propensity to Consume is equal to
- (a)  $Y - S$
  - (b)  $\frac{C}{Y}$
  - (c)  $\frac{\Delta C}{\Delta Y}$
  - (d)  $\frac{Y - S}{\Delta Y}$  1

( 3 )

4. A government budget is prepared for a fiscal year running from
- (a) 1st January to 31st December
- (b) 1st April to 31st December
- (c) 1st April to 31st March
- (d) 1st January to 30th April 1
5. Which of the following is the component of current account in the balance of payments?
- (a) Borrowing and lending
- (b) Investment
- (c) Export and import of goods and services
- (d) All of the above 1
6. What is a Commercial Bank? 1
7. What is average propensity to save? 1
8. Mention the two types of revenue receipts. 1

*Or*

Given : Fiscal deficit—₹ 2,500 crore and  
Interest payments—₹ 1,000 crore  
Calculate primary deficit.

( 4 )

9. What is balance of payments? 1
10. What is foreign exchange? 1
11. Distinguish between final goods and intermediate goods. 3

Or

Calculate real GDP if nominal GDP is ₹ 500 crore and Price Index is 120.

12. Distinguish between fixed and flexible rates of exchange. 3
13. Explain any *two* of the given functions of Central Bank : 4
- (a) Bank of Issue
- (b) Government's Bank
- (c) Banker's Bank
- (d) Control of Credit
14. Differentiate between repo rate and reverse repo rate. 4

Or

Calculate the value of Investment Multiplier if—

- (a) MPC = 0.8;
- (b) MPC = 0.5.
15. What is government budget? Give the meaning of revenue deficit and fiscal deficit. 2+2=4

( 5 )

16. Explain the circular flow of income in a two-sector model. 6
17. Explain the determination of equilibrium level of income using AD = AS approach. 6

*Or*

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

PART—B

( **Indian Economic Development** )

( *Marks : 40* )

18. LPG stands for
- (a) Liberalisation, Production and Global Co-operation
  - (b) Liberalisation, Privatisation and Globalisation
  - (c) License, Privatisation and Globalisation
  - (d) License, Permit and Goods 1
19. Indian system of medicine includes
- (a) Ayurveda
  - (b) Yoga
  - (c) Homeopathy
  - (d) All of the above 1

- 20.** The minimum calorie intake in rural areas in defining poverty line is
- (a) 2600 calories
  - (b) 2400 calories
  - (c) 2100 calories
  - (d) 2000 calories
- 1
- 21.** Diversification in agricultural activities means creating alternative employment in
- (a) non-farm sectors
  - (b) urban sectors
  - (c) rural sectors
  - (d) None of the above
- 1
- 22.** Which of the following countries introduced one-child norm in the late 1970's for controlling population growth?
- (a) India
  - (b) China
  - (c) Pakistan
  - (d) None of the above
- 1
- 23.** What is land reform? 1

( 7 )

**24.** Which programme promises hundred days of guaranteed wage employment to all rural households who volunteer to do unskilled manual work? 1

**25.** What is sustainable development? 1

*Or*

What is global warming?

**26.** What was the alternative name of Five Year Plan of Pakistan in 1956? 1

**27.** When did India announce its First-Five Year Plan? 1

**28.** Explain the institutional sources of rural credit. 3

**29.** What is Green Revolution? Mention any two achievements of the Green Revolution. 1+2=3

*Or*

Explain the classification of Industrial Policy Resolution, 1956. 3

**30.** Distinguish between : 2+2=4

(a) Physical and Human capital

*Or*

(b) Social and Economic infrastructure

( 8 )

- 31.** Explain four causes of increasing unemployment in India. 4
- 32.** Bring out a comparison between India and Pakistan on the basis of—
- (a) population;
- (b) sectoral development. 2+2=4
- 33.** What are the features of Indian agriculture on the eve of independence? Explain. 6
- Or*
- Why was economic reforms needed in India in 1991?
- 34.** What are renewable resources? Explain the factors contributing to land degradation in India. 1+5=6

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