

MOCK TEST PAPER 1

(Questions)

Based on the Latest Sample Paper issued by CBSE for Class XII Examination

ECONOMICS

Time Allowed: 3 hours

Max. Marks: 80

General Instructions

- Same as given in Sample Question Paper-1 (Solved).

SECTION A

MACROECONOMICS

- If legal reserve ratio is 20%, value of money multiplier will be
(Fill in the blank with the correct answer) (1)
- With a rise in national income, welfare of the people
(Increases / decreases / remains unchanged)
(Fill in the blank with correct alternative) (1)
- Define money supply. (1)

OR

- What are time deposits?
- State whether the following statement is true or false:
'Fiscal deficit = Revenue deficit - Interest payments' (1)
 - means raising the value of the country's currency under fixed exchange rate regime.
(Fill in the blank with correct answer) (1)
 - Which of the following is not a function of Foreign Exchange Market.
(Choose the correct alternative)

- Transfer function
 - Saving function
 - Credit function
 - Hedging function (1)
- Salaries paid by the government to its employees is considered as expenditure in a government budget.
(Fill in the blank with correct alternative) (1)
 - Match the terms and statements in Column I and Column II and choose the correct pair:

Column I	Column II
(a) Ratio of increase in income caused by increase in investment	(i) Investment multiplier
(b) Ratio of change in saving over change in income	(ii) Money multiplier
(c) Ratio of change in consumption over change in income	(iii) Saving function
(d) Ratio of change in income over change in consumption	(iv) Investment function

- Which one of the following will lead to increase in aggregate demand.
(Choose the correct alternative) (1)

- (a) Decrease in bank rate
 (b) Increase in bank rate
 (c) Increase in cash reserve ratio
 (d) Selling of securities by RBI in open market (1)
10. Define involuntary unemployment. (1)
11. Distinguish between stock and flow. (3)

OR

- What are capital goods? How are they different from consumption goods.
12. Find national income from the following:
 Autonomous investment = ₹ 100 crore
 Marginal propensity to consume = 0.80
 Investment = ₹ 50 crore (3)
13. How can budgetary policy be used to reduce inequalities of income? (4)
14. Giving reasons, state whether the following statements are true or false:
 (i) Current account of balance of payments records only export and import of goods and services.
 (ii) Foreign investments are recorded in capital account of balance of payment. (4)
15. Currency is issued by the Central Bank, yet we say that Commercial Banks create money. How is this money creation by Commercial Banks likely to affect the national income? Explain. (4)

OR

- How does a Central Bank influence credit creation by Commercial Banks through 'open market operations'? Explain. (4)
16. In an economy the equilibrium level of income is ₹ 12,000 crores. The ratio of marginal propensity to consume and marginal propensity to save is 3 : 1. Calculate the additional investment needed to reach a new equilibrium level of ₹ 20,000 crores. (6)

OR

- $C = 100 + 0.4Y$ is the consumption function of an economy where C is consumption expenditure and Y is national income. Investment expenditure is 1100. Calculate:
 (i) Equilibrium level of national income.
 (ii) Consumption expenditure at equilibrium level of national income. (6)

17. Calculate national income: (6)
- | | (₹ in crores) |
|--|---------------|
| (i) Net factor income to abroad | (-) 50 |
| (ii) Net indirect taxes | 800 |
| (iii) Net current transfers from rest of the world | 100 |
| (iv) Net imports | 200 |
| (v) Private final consumption expenditure | 5,000 |
| (vi) Government final consumption expenditure | 3,000 |
| (vii) Gross domestic capital formation | 1,000 |
| (viii) Consumption of fixed capital | 150 |
| (ix) Change in stock | (-) 50 |
| (x) Mixed income | 4,000 |
| (xi) Scholarship to students | 80 |
- (6)

SECTION B

INDIAN ECONOMIC DEVELOPMENT

18. WTO was established in the year
 (Choose the correct alternative)
 (a) 1950 (b) 1990
 (c) 1995 (d) 1985 (1)
19. State whether the following statement is true or false:
 'Poverty line has been defined as the monthly per capita expenditure of rupees 816 for urban areas.'
 (1)
20. refers to a state of unemployment in which more people are engaged in work than are actually required.
 (Fill in the blank with correct answer)
21. Seasonal unemployment mainly occurs in sector.
 (Fill in the blank with correct answer.) (1)
22. programme was started in China with the objective of industrialisation.
 (Choose the correct alternative)
 (a) The great leap forward
 (b) The great proletarian cultural revolution
 (c) One child policy
 (d) None of these (1)

23. economic system is followed by China.
(Fill in the blank with correct alternative) (1)
24. From the terms and statements given in Columns I and II, choose the correct pair.

Column I	Column II
(a) Prime Minister	(i) Governor of RBI
(b) Subsidy	(ii) Money value of goods and services reduced in the economy
(c) Quota	(iii) Quantity of goods that can be imported
(d) Tariff	(iv) Taxes imposed on domestic services

(1)

25. Arrange the following events in chronological order and choose the correct sequence:

- (i) India's independence
- (ii) Introduction of railways in India
- (iii) Setting up of planning commission
- (iv) Opening of Suez Canal

Choose the correct alternative:

- (a) (ii), (iv), (i), (iii) (b) (iii), (iv), (ii), (i)
- (c) (iv), (iii), (ii), (i) (d) (i), (ii), (iv), (iii) (1)

26. means proneness to fall ill.

(Fill in the blank with correct answer) (1)

OR

Infrastructure associated with energy, transportation and communication is known as infrastructure.

(Fill in the blank with correct answer) (4)

27. Match the following and arrange them in a correct sequence:

Column I	Column II
(A) Setting up of TISCO	(i) 1921
(B) The year of great divide in India	(ii) 1907
(C) New economic policy of India	(iii) 1948
(D) Establishment of GATT	(iv) 1991

(1)

28. Explain why calorie-based norm is not adequate to identify the poor? (3)
29. Education is considered to be an important input for the development of a nation. How? (3)

OR

Draw in the favour of the need for different forms of government intervention in education and health sectors. (3)

30. Discuss how import substitution can protect domestic industry? Also briefly state that how private sector regulated under the IPR 1956. (4)
31. Critically appraise some of the shortfalls of the industrial policy adopted by the British Colonial administration. (4)

OR

Discuss the demographic condition of India under the colonial rule. (4)

32. Compare and contrast India and China's sectoral contribution towards GDP in the recent past. Also comment on trends in output growth in different sectors of India and China in the recent past. (4)
33. Compared to the 1970s, there has hardly been any change in the distribution of workforce across various industries. Comment. (6)

OR

Define worker population ratio. Analyse the following table and comment on the participation of people in employment in India. (6)

Worker Population Ratio in India (2011-12)

Sex	Worker Population Ratio		
	Total	Rural	Urban
Men	54.4	54.3	54.6
Women	21.9	24.8	14.7
Total	38.6	39.9	35.5

34. Discuss the various challenges faced by the power sector in India. (6)



MOCK TEST PAPER 2

(Questions)

Based on the latest Sample Paper issued by CBSE for Class XII Examination

ECONOMICS

Time Allowed: 3 hours

Max. Marks: 80

General Instructions

- ♦ Same as given in Sample Question Paper-1 (Solved).

SECTION A

MACROECONOMICS

1. What is meant by real gross domestic product? (1)
2. State whether the following statement is true or false:
'Autonomous investment refers to the investment which depends on the profit expectations.' (1)
3. If marginal propensity to consume is greater than marginal propensity to save, the value of the multiplier will be
(Choose the correct alternative)
(a) greater than 2 (b) less than 2
(c) equal to 2 (d) equal to 5 (1)
4. What will be the change in income if $MPC = 0.8$ and change in investment is ₹1,000 crore?
(Choose the correct alternative)
(a) ₹ 8,000 crores (b) ₹ 5,000 crores
(c) ₹ 3,000 crores (d) ₹ 2,000 crores (1)
5. Define deficient demand in macroeconomics.
OR
What is meant by aggregate supply?
6. Which one of the following is an indirect tax?
(a) Profit tax (b) Wealth tax
(c) Custom duty (d) Gift tax (1)
7. is not a revenue receipt.
(Fill in the blank with the correct alternative)
(a) Recovery of loans
(b) Profits of public enterprises
(c) Foreign grants
(d) Wealth tax (1)
8. Money supply includes
(Fill in the blank with the correct alternative)
(a) All deposits in banks
(b) Only demand deposits in banks
(c) Only time deposits in banks
(d) Currency with banks (1)
9. Foreign exchange transactions dependent on other foreign exchange transactions are known as
(Fill in the blank with correct alternative)
(a) Current account transactions
(b) Capital account transactions
(c) Autonomous transactions
(d) Accommodating transactions (1)
10. Other things remaining the same, when in a country the market price of foreign currency falls, national income is likely to
(Increase / decrease / remain unchanged)
(Fill in the blank with correct answer)

11. Explain how distribution of gross domestic product is its limitation as a measure of economic welfare. (3)
 12. Explain the changes that take place in an economy when aggregate demand is less than aggregate supply. (3)
- OR**
- Give the meaning of the following:
- (a) Autonomous consumption
 - (b) Full employment (3)
13. 'Government budget can be helpful in bringing economic stabilisation in the economy.' Explain how? (4)
 14. Explain why there is an inverse relationship between price of foreign currency and its demand. (4)
 15. Explain the components of legal reserve ratio. (4)

OR

Explain the store of value function of money. How has it solved the related problem created by barter? (4)

16. In an economy, $S = -100 + 0.6Y$ is the saving function, where S is saving and Y is national income. Calculate:
 - (i) Equilibrium level of national income.
 - (ii) Consumption expenditure at equilibrium level of national income. (6)

OR

Complete the following table:

Income	Savings	Average Propensity to Consume	Marginal Propensity to Consume
0	-40	—	—
50	-20	—	—
100	0	—	0.6
150	30	0.8	—
200	50	—	—

17. Calculate 'Gross National Product at Market Price': (₹ in crores)
 - (i) Rent 100
 - (ii) Net current transfers to rest of the world 30

(iii) Social security contribution by employers	47
(iv) Mixed income	600
(v) Gross domestic capital formation	140
(vi) Royalty	20
(vii) Interest	110
(viii) Compensation of employees	500
(ix) Net domestic capital formation	120
(x) Net factor income from abroad	(-) 10
(xi) Net indirect tax	150
(xii) Profit	200
	(6)

SECTION B

INDIAN ECONOMIC DEVELOPMENT

18. collects data on poverty in India. (Choose the correct alternative)
 - (a) Niti Ayog
 - (b) NSSO
 - (c) Finance Ministry
 - (d) ICMR (1)
 19. State whether the following statement is true or false: 'Railway transport is reserved exclusively for the public sector.' (1)
 20. Name two products that are not covered by goods and services tax (GST). (1)
 21. The Industrial Policy Resolution, 1956, classified industries into categories. (Choose the correct alternative)
 - (a) 2
 - (b) 3
 - (c) 6
 - (d) 4 (1)
 22. The maximum limit of fixed investment allowed in a small scale industry is (Fill in the blank with the correct alternative) (1)
 23. is considered as the year of great divide. (Fill in the blank with correct alternative) (1)
 24. refers to the measure of the extent of demographic participation in the social and political decision-making. (Fill in the blank with correct answer) (1)
- OR**
- adopted one child policy in 1979. (Fill in the blank with correct answer) (1)

25. Contribution made by each sector of the economy to the country's GDP is known as

(Fill in the blank with correct alternative) (1)

26. Arrange the following events of China in a chronological order and choose the correct alternative:

- (i) Establishment of People's Republic of China
- (ii) Announcement of first five year plan
- (iii) The great leap forward campaign
- (iv) Introduction of economic reforms

Choose the correct alternative:

- (a) (i), (iii), (iv), (ii) (b) (i), (ii), (iii), (iv)
- (c) (ii), (iii), (iv), (i) (d) (iii), (iv), (ii), (i) (1)

26. Match the following terms and statements given in Column I and II, and choose the correct pair:

Column I	Column II
(a) Encouragement of adopting new technology	(i) Growth
(b) Increase in country's capacity to produce goods and services within the country	(ii) Equity
(c) Ensuring that benefits of economic prosperity reach the poor sections as well	(iii) Modernisation
(d) Avoiding imports of those goods which could be produced domestically itself	(iv) Self-reliance

(1)

27. Pradhan Mantri Jan-Dhan Yojana aims at

(Fill up the blank with correct answer) (1)

28. Examine the role of education in economic development of a nation. (3)

29. What do you mean by rural development. Bring out certain key issues in rural development. (3)

OR

Why is agricultural diversification essential for sustainable livelihood. (3)

30. What is meant by outsourcing? India has certain advantages which makes it favourite outsourcing destination. What are these advantages? (4)

31. What is green revolution? Why was it implemented and how did it benefit the farmers? Explain in brief. (4)

OR

Discuss the land reforms which were introduced in order to achieve the objective of equity in agriculture. (4)

32. Evaluate the key factors that led to the rapid growth in economic development in China. (4)

33. State any four pressing environmental concerns of India. (6)

OR

Discuss any four strategies for sustainable development. (6)

34. Give the classification of all economic activities into different industrial divisions. With the help of the following table, analyse the distribution of workforce by industry in India. (6)

Distribution of Workforce by Industry in India 2011-2012

Industrial Category	Place of Residence		Sex		Total
	Rural	Urban	Male	Female	
Primary Sector	64.1	6.7	43.6	62.8	48.9
Secondary Sector	20.4	35.0	25.9	20.0	24.3
Tertiary/Service Sector	15.5	58.3	30.5	17.2	26.8
Total	100	100	100	100	100

(6)

(S.K. Pal)

WINTER BREAK HOME WORK OF CLASS XII B 2019-20

ACCOUNTANCY

- 1-Prepare a project on ACCOUNTANCY for practical exam-2020
- 2-Solve C.B.S.E. Sample papers of Accountancy issued by CBSE for 2020, 2019.
- 3-Solve First Pre board question paper of Accountancy 2019-20
- 4-Solve two other sample papers of Accountancy (sample paper no-9, 10) provided through XII B group in soft copies.

BUSINESS STUDIES

1-Prepare only one project in Business Studies on any one of the following topics-

A-ELEMENTS OF BUSINESS ENVIRONMENT OR

B-PRINCIPLES OF MANAGEMENT OR

C-STOCK EXCHANGE OR

D-MARKETING MANAGEMENT (BASED ON ANY ONE PRODUCT)

2. Solve CBSE sample papers of Business studies issued by CBSE for 2020, 2019

3-Solve First Pre board question paper of Business studies 2019-20

4-Solve three other sample papers of Business studies provided through XII B group in soft copies.

NOTE:-In case of any confusion/doubts please call me on my mobile no-8795115837 (From 10:00 A.M.TO 2:00 P.M.)

