KENDRIYA VIDYALAYA NO. 1 ARMAPUR KANPUR FIRST PRE BOARD Examination - 2020-21

Subject - Economics

Time - 3 Hours Class - XII M.M.- 80

General Instruction:

- 1. This question paper contains two parts:
 - Part A Macro Economics (40 marks)
 - Part B Indian Economics Development (40 marks)
- 2. Marks for questions are indicated against each question.
- 3. Question No. 1-10 and Question No. 18-27 (including two case based questions) are 1 mark questions and are to be answered in one word/sentence.
- 4. Case based questions (BQ's are Question 7-10 and Question No. 24-27.
- 5. Question No. 11-12 and 28-29 are 3 marks question and are to be answered in 60-80 words each.
- 6. Question No. 13-15 and Question No. 30-32 are 4 marks questions and are to be answered in 80-100 words each.
- 7. Question No. 16-17 and Question No. 33-34 are 6 marks questions and are to be answered in 100-150 words each.
- 8. Answer should be brief and to be point and the word limit be adhered to as far as possible.

(PART A: MACRO ECONOMICS)

		(
1.	Study of general price level is a subject matter of :				
	(a)	Macroeconomics	(b)	macroeconomics	
	(c)	both (a) and (b)	(d)	none of these	
			Or		
	Inco	ome of the family is the exan	nple of which varial	ole	
	(a)	stock	(b)	flow	
	(c)	Both stock and flow	(d)	none of these	
2.	Whi	ich of the following is not a tr	ransfer payment?		1
	(a)	Interest on national debt	(b)	Retirement pensions	
	(c)	Old-age pensions	(d)	donations	
3.	Sup	ply of money is a :			
	(a)	flow variable	(b)	stock variable	
	(c)	real flow	(d)	none of these	
4.	Recovery of loan is areceipt. (Revenue/Capital)				1
5.		leads to a rise in suppl	v of foreian current	cv. (Devaluation/Revalu	ation) 1

6.		From the set of statements given in column I and column II, choose the correct pair of statements :						
	Column I			Column II				
	(a)	Progressive tax	(i)	Rate of tax	decrease wi	th an increase in		
	(b)	Revenue Expenditure	(ii)	Impacts ass government	•	tatus of the		
	(c)	Wealth tax	(iii)	An Indirect t	ax			
	(d)	Revenue deficit	(iv) (v)	Revenue Ex Private good	-	Revenue receipts		
	(e)	Defence of the country		3 3 3				
		ad the following news re same :	port a	and answer	question 7	-10 on the basis of		
	the rele Kar dep	rs. Also it reduced the Casl first time in over seven yea ease ₹ 1.37 lakh crores ac nt Das predicited a big glob pends how India responds to se core inflation. (The Eco	rs. CR cross t al rece o the s	RR for all bank he banking s ession and sa situation Aggr	s was cut b ystem. RBI id India will egate dema	y 100 basis points to governor Dr. Shakti not be immune. It all nd may weaken and		
7.		in Repo rate by RBI is likel		the de	emand for g	_		
	the	economy. (Increase/decre	ase)		-	1		
7. 8.	the Dec	economy. (Increase/decre	ase)	I lead to		1		
	the Dec (a)	economy. (Increase/decre crease in Cash Reserve Ra fall in aggregate demand	ase) atio wil	l lead to(b)	 rise in age	1 1 gregate demand		
8.	the Dec (a) (c)	economy. (Increase/decre crease in Cash Reserve Ra fall in aggregate demand No change in aggregate	ase) atio wil	l lead to (b) nds (d)	rise in agg	1 1 gregate demand eral price level.		
	the Dec (a) (c) The	economy. (Increase/decre crease in Cash Reserve Ra fall in aggregate demand	ase) atio wil demar	I lead to (b) nds (d) regate Demad	rise in agen fall in gen I exceeds th	1 gregate demand eral price level. e Aggregate Demad		
8.	the Dec (a) (c) The req gap The	economy. (Increase/decre crease in Cash Reserve Ra fall in aggregate demand No change in aggregate of e differences by which actual uired to establish full empl	ase) atio wil demar al Aggr	I lead to (b) nds (d) regate Demac nt equilibrium	rise in agen fall in gen lexceeds the is know as	1 gregate demand eral price level. e Aggregate Demad (inflationary		
8. 9.	the Dec (a) (c) The req gap The	economy. (Increase/decre crease in Cash Reserve Ra fall in aggregate demand No change in aggregate of differences by which actual uired to establish full employ/deflationary gap)	ase) atio wil demar al Aggr oymer	I lead to (b) nds (d) regate Demac nt equilibrium er key nesian t	rise in age fall in gen I exceeds th is know as	1 gregate demand eral price level. e Aggregate Demad (inflationary 1 ome and employment		
8. 9.	the Dec (a) (c) The req gap The in a	economy. (Increase/decre crease in Cash Reserve Ra fall in aggregate demand No change in aggregate of differences by which actual uired to establish full employ/deflationary gap) e impact of "Excess Demandan economy are:	ase) atio wildemare al Aggroymer "unde	I lead to (b) nds (d) regate Demac nt equilibrium er key nesian t	rise in age fall in gen l exceeds th is know as neory of inco	1 gregate demand eral price level. e Aggregate Demad (inflationary 1 ome and employment 1 ice level.		
8. 9.	the Dec (a) (c) The req gap in a (a)	economy. (Increase/decre crease in Cash Reserve Ra fall in aggregate demand No change in aggregate of e differences by which actual uired to establish full emplo/deflationary gap) e impact of "Excess Demandan economy are: decrease in income outpo	ase) atio will demar al Aggr oymer " unde	I lead to (b) nds (d) regate Demacent equilibrium er key nesian to the ployment and the ployment an	rise in age fall in gen l exceeds the is know as neory of inco	1 gregate demand eral price level. e Aggregate Demad (inflationary 1 ome and employment 1 ice level.		
8. 9.	the Dec (a) (c) The req gap The in a (a) (b)	economy. (Increase/decrease in Cash Reserve Rafall in aggregate demand No change in aggregate deferences by which actualized to establish full employ/deflationary gap) impact of "Excess Demandan economy are: decrease in income output decrease in nominal income	ase) atio will demar al Aggr oymer " unde ut, em me, bi	I lead to (b) nds (d) regate Demacent equilibrium er key nesian to the ployment and	rise in age fall in gen l exceeds the is know as neory of income general prince	gregate demand eral price level. e Aggregate Demad (inflationary tome and employment fice level. out.		

12. Find Net Value Added at factor cost :

 Items
 ₹ in Lakh

 (i) Sales
 100

 (ii) Closing stock
 20

 (iii) Excise
 15

 (iv) Opening Stock
 10

 (v) Depreciation
 12

 (vi) Intermediate Consumption
 50

Or

If the Real GDP is $\overline{\tau}$ 520 and Nominal GDP is $\overline{\tau}$ 650, Calculate the price index (base = 100).

- **13.** An economy is in equilibrium. From the following data, calculate investment expenditure:
 - (i) Marginal Propensity to consume = 0.9
 - (ii) Autonomous consumption = 200
 - (iii) Level of income = 10,000
- 14. With the help of suitable diagram derive saving curve from consumption curve.State the steps taken in the process of derivation.
- Differentiate between Revenue Receipts and Capital Receipts. Write two examples of each.

Or

What are the components of Net Factor Income from Abroad.

16. Explain the following:

6

3

(i) Revenue Deficit

(ii) Fiscal Deficit (iii) Primary Deficit

Or

List three items each of Current Account and Capital Account of each of the balance of payments account.

17. Given the following data. Find the missing value of "Private Final Consumption.Expenditure' and 'Operating Surplus:

-	Items	₹ in Lakh
(i)	National income	50,000
(ii)	Net indirect taxes	1,000
(iii)	Private final consumption expenditure	?
(iv)	Gross domestic capital formation	17,000
(v)	Profits	1,000
(vi)	Government final consumption expenditure	12,500
(vii)	Wages and Salaries	20,000
(viii)	Consumption of fixed capital	700
(ix)	Mixed income of self-employed	13,000
(x)	Operating surplus	?
(xi)	Net factor income from abroad	500
(xii)	Net exports	2,000

		(PART - B : Indian Ed	conomic Dev	elopment)				
18.	Whi	ich was the last five year plan in l	ndia?		1			
	(a)	Eleventh Plan	(b)	Twelth Plan				
	(c)	Thirteenth Plan	(d)	Fourteenth Plan				
19.	Indi	a entered the stage of Dem	nographic Trai	nsition after the year 192	1. 1			
	(a)	fourth	(b)	Second				
	(c)	Third	(d)	First				
20.	Rea	d the following statements : A	ssertion (A)	and Reason (R). Choos	e one			
	of t	he correct alternatives given b	elow:		1			
	Ass	Assertion (A): India became an exporter of primary products and an importer of						
	finis	shed consumer and capital goods	produced in	Britain.				
		son (R): Restrictive Policies of co	•	•				
	-	by the colonial government adversely affected the structure, composition and						
		volume of India's foreign trade.						
	Alternatives :							
	(a)	Both Assertion 'A' and Reason	'R' are true	and Reason 'R' is the o	correct			
	/ L .\	explanation of Assertion 'A'	DI t	d Danas (D) is mat the				
	(b)	 Both Assertion 'A' and Reason 'R' are true and Reason (R) is not the corre explanation of Assertion (A) 						
	(c)	(c) Assertion (A) is true but Reason (R) is false						
	(d) Assertion 'A' is false but Reason (R) is true.							
21.	Identify the correct sequence of alternatives given in Column II by matching ther							
	with Column I.							
		Column I		Column II				
	A.	Planning Commission	(i)	1956				
	B.	NITIAayog	(ii)	1982				
	C.	NABARD	(iii)	1950				
	D.	Second five year plan	(iv)	2015				
22.	Out	sourcing is an off-shoot of	(Liberalisa	tion/globalisation)	1			

Or

On what basis 'Poverty Line' in India is determined?

23. "One country one tax" slogan is given for which tax?

Read the following hypothetical case study, carefully and answer the question number 24-27 on the basis of the same.

Since ages, farmers in India have taken resource to debt. In the earlier times the same was from informal sources. Since independence with the efforts of the government, formal sector has actively come into picture. Farmers borrow not only to meet their investment needs but also to satisfy their personal needs,

uncertainty of income caused by factors like crop failure caused by irregular rainfall, reduction in ground water table, locust / other pest attack etc. These reasons push them into the clutches of the private money lenders who charge exorbitant rates of interest which add to their miseries.

Various government in India, at different times for different reasons introduced debt relief /waiver schemes. These schemes are used by governments as a quick means to extricate farmers from their indebtedness, helping to resotre their capacity to invest and produce, in short to lesson the miseries of the farmers across India. The costs and benefits of such debt relief schemes are however, a widely debated topic among economists. Some economists argue that such schemes are extremely beneficial to the poor and marginalised farmers while other argue that these schemes add to the fiscal burden of the government, other believe that these scheme may develop the expectation of repeated bail outs among farmers which may spoil the credit culture among farmers.

	may open the creat suitars among raimers.
24.	Uncertainty of income for farmers in India is majorly caused by
	(irregular rainfall/unavailability of loans)
25.	Some economists argue that debt waiver schemes we extremely beneficial to the poor and marginalised farmers as these schemes reduce the burden of (indebtedness/personal expenditure)
26.	The rural banking structure in India consists of a set of multi-agency institutions1
	(RegionalRural Banks/Small Industries Development Bank of India) is expected to dispense credit at cheaper rates for agricultural purpose to farmers.
27.	(Regional Rural Banks / Land Development Banks) is the most prominent body responsible for providing loans for long term land development. 1
28.	"Since past few years National Capital New Delhi is facing severe environmental crises. What are the reason responsible for this situation? Suggest few measures to tackle the problem. 3
	Or
	How Railways moderated the impact of famines during the colonial period?

- 29. Explain any three long period goals of planning and did it benefit the farmers? 3
- 30. What is Green Revolution? Why was it implemented and did it benefit the farmers?
- **31.** Write short note on Demonetisation in India.

4

32. Compare and analyses the given data of India and China with valid argument. **4**

Demographic Indicators 2011

Country	Estimated Population (in million)	Annual Growth of population 2001-2011	Density per sq. km.	Sex Ratio (No. women per thousand men)	Urbanisation
India	1210	1.76	382	940	31.2
China	1339	0.47	143	950	51.3

Source : Census 2011, HDR 2012 and World Bank

"Atamnirbhor Bharat' had been the roots of the Indian Planning Process in the form of 'Self reliance' as an objective of Planning Process.

Do you agree with the given statement? Justify the rational of the given statement.

- **33.** Explain any six Property Alleviation Programmes adopted by government. **6**
- **34.** What is meant by globalisation of the economy? State the measures adopted by the government to promote globalisation.

Or

Read the following statements carefully. Write true and false with reason.

- (i) Women in rural areas are ready to work even at low wages why?
- (ii) "Skill India" programme launched by the government is an attempt to increase human capital formation.
- (iii) Zamindari system of land revenue gave incentives to tillers of soil to increase their productivity.