

CBSESample Papers

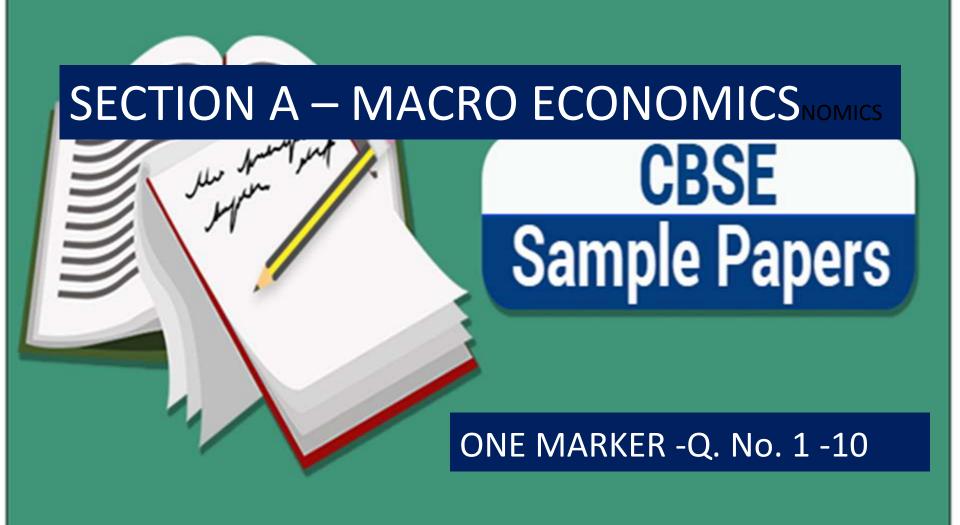
SAMPLE QUESTION PAPER (2022-23) ECONOMICS (030)

CLASS 12

TIME: 3 HOURS M.M. – 80

GENERAL INSTRUCTIONS:

- 1. This question paper contains two sections: Section A Macro Economics Section B Indian Economic Development
- 2. This paper contains 20 Multiple Choice Questions type questions of 1 mark each.
- 3. This paper contains 4 Short Answer Questions type questions of 3 marks each to be answered in 60 to 80 words.
- 4. This paper contains 6 Short Answer Questions type questions of 4 marks each to be answered in 80 to 100 words.
- 5. This paper contains 4 Long Answer Questions type questions of 6 marks each to be answered in 100 to 150 words.



1. Read the following statements carefully:
Statement 1: The consumption curve is an upward sloping straight line curve due to the direct relationship between income and consumption and the assumption of constant Marginal Propensity to Consume.
Statement 2: Aggregate Demand curve and Consumption curve are parallel to each other.
In the light of the given statements, choose the correct alternative from the following:

- a) Statement 1 is true and statement 2 is false.
- b) Statement 1 is false and statement 2 is true.
- c) Both statements 1 and 2 are true.
- d) Both statements 1 and 2 are false.

- 2. 'Owing to the Russia-Ukraine crisis, the world is experiencing rising crude prices due to supply-side issues.' Identify the most likely impact on the Balance of Payment situation of the Indian economy from the following:
- a) Production of cars in India will rise.
- b)Production and sale of cycles in India will rise.
- c) Inflow of US Dollars in India will rise.
- d)Outflow of US Dollars from India will rise.

is an institution that accept deposits for lending purposes. (Fill up the blank with correct alternative) a)Commercial Banks b)Life Insurance Corporation c)Reserve Bank of India d)Government of India

4. Read the following statements carefully:

Statement 1: Export of financial services by India will be recorded on credit side of current account.

Statement2: Foreign Direct Investments in India will be recorded on credit side of capital account.

In the light of the given statements, choose the correct alternative:

- a) Statement 1 is true and statement 2 is false
- b) Statement 1 is false and statement 2 is true
- c) Both statements 1 and 2 are true.
- d) Both statements 1 and 2 are false.

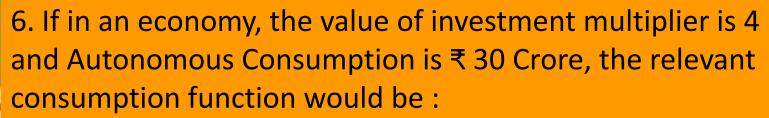
- 5. Read the following statements carefully:
- Statement 1 Net investment is a stock concept.
- Statement 2 Capital is a flow concept.
- In the light of the given statements, choose the correct alternative from the following:
- a) Statement 1 is true and statement 2 is false.
- b)Statement 1 is false and statement 2 is true.
- c) Both statements 1 and 2 are true.
- d)Both statements 1 and 2 are false.

Read the following figure carefully and choose the correct pair from the alternatives given below:

Alternatives:

- a) Output, Production
- b) Value added, Production
- c) Output, Disposition
- d) Wealth, Development

rs



- a) C=30+0.75 Y
- b) C=(-)30+0.25Y
- c) C=30-0.75Y
- d) C=30-0.25Y

OR

If increase in National Income is equal to increase in consumption, identity the value of Marginal Propensity to Save :

- a) Equal to unity
- b) Greater than one
- c) Less than one
- d) Equal to zero

- 7. Money supply in India may increase if,

 (Choose the correct alternative)
- 1. Reserve Bank of India(RBI) injects more money in circulation
- 2. the commercial banks expand their credit operation
- 3. tax rates are reduced by the Central Government
- 4. Reserve Bank of India increases the Bank Rate Alternatives:
- a) 1,2 and 3 are correct
- b) 2,3 and 4 are correct
- c) 1,3 and 4 are correct
- d) 1,2 and 4 are correct

Crore. a)

8. Suppose, following data is presented, for an imaginary economy: (all figures in ₹ '000 Crore)

Year	Visible Exports	Visible Imports
2010	280	240
2020	580	460

Identify, which of the statement about the period 2010 to 2020 is correct?

- a) Improvement in balance of trade
- b) Increase in trade deficit
- c) Improvement in balance in invisibles items
- d) Deterioration of balance of trade

OR

The following information is given for an imaginary country:

Current Account Amount	(in ₹'000 Cro	re)
Visible Exports	100	
Visible Imports	150	
Invisible Exports	70	
Invisible Imports	30	
Net current transfer balance	15	
Balance on current account will be	_ of ₹	thousand
deficit, 10 b) surplus,5 c) deficit, 5 d) surplus, 10		

9. Read the following statement -Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion (A): Ex-post Investments represent planned Investments; whereas exante Investments represent actual level of investments.

Reason (R): At equilibrium level, Ex-ante Savings and Ex-ante Investments are always equal.

Alternatives:

- a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).
- c) Assertion (A) is true but Reason (R) is false.
- d) Assertion (A) is false but Reason (R) is true.

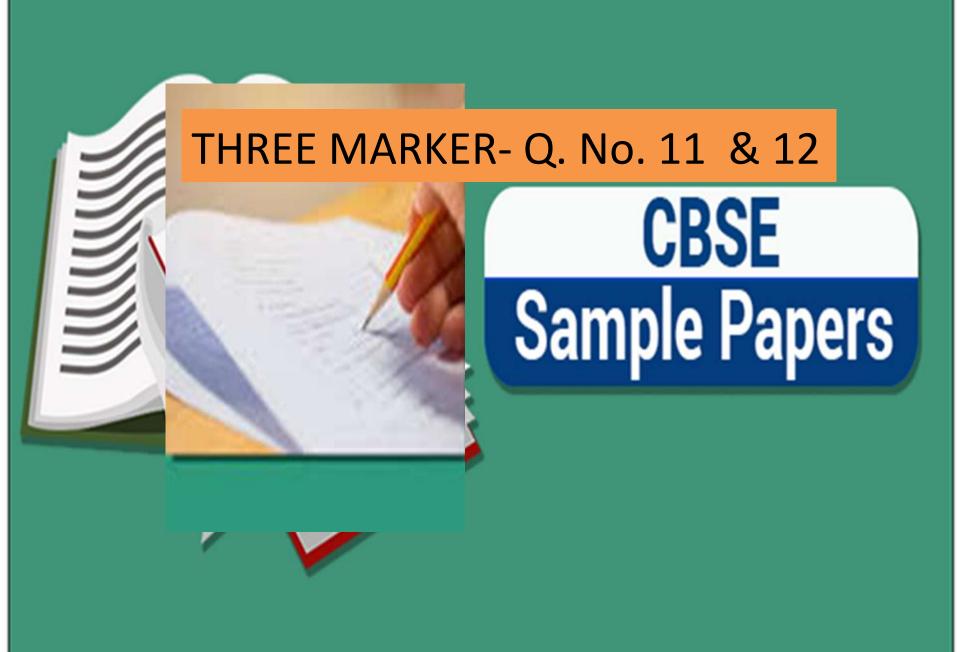
10. Read the following statement -Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion (A): Saving curve makes a negative intercept on the vertical axis at zero level of income.

Reason (R): Saving function refers to the functional relationship between saving and income.

Alternatives:

- a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).
- c) Assertion (A) is true but Reason (R) is false.
- d) Assertion (A) is false but Reason (R) is true.



11. Suppose in a hypothetical economy there are only two Firms A and B, Firm A sold goods for ₹ 2,000 to Firm B and purchased goods for ₹ 1,000. Firm B exported goods for ₹ 2,500 and had domestic sales of ₹ 1,500. Calculate Net Domestic Product at market price, if consumption of fixed capital is ₹ 200.

12. Explain, how exchange rate is determined under a free market exchange rate system.

OR

Distinguish between autonomous and accommodating transactions in Balance of Payments Accounts.



13. If an economy plans to increase its income by ₹ 2,000 crore and the Marginal Propensity to Consume is 75%. Estimate the increase in investment required to achieve the targeted increase in income.



14. As per the following news published in The Economic Times on 26th December, 2021: 'Reserve Bank of India has sold government securities worth ₹ 8,710 crore in the secondary market, over the last four weeks, to drain out excessive liquidity'.

Identify the likely cause and the consequences behind, this type of action plan of the Reserve Bank.



15. Read the following text carefully, discuss briefly the relevant function of the Central Bank, indicated:

Recently, Reserve Bank of India (RBI) conducted a statutory inspection for supervisory evaluation against a Commercial Bank. The commercial bank was imposed with stringent penalties, owing to deficiencies in regulatory compliances.

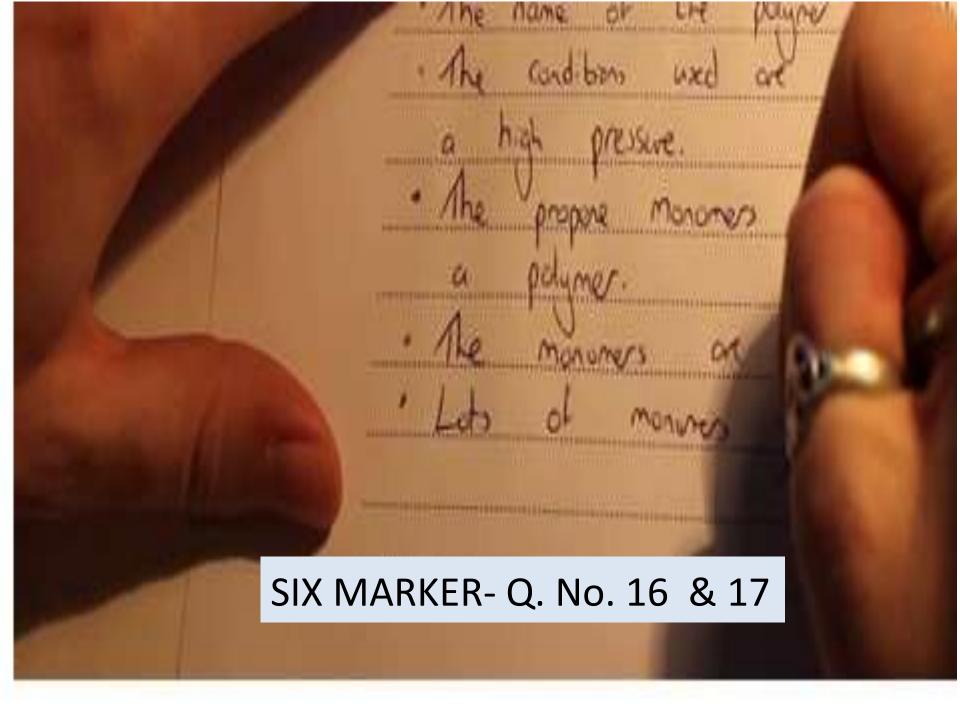
As per the Central Bank, the inspection revealed non-compliances vis-à-vis different directions issued by RBI, on the following fronts:

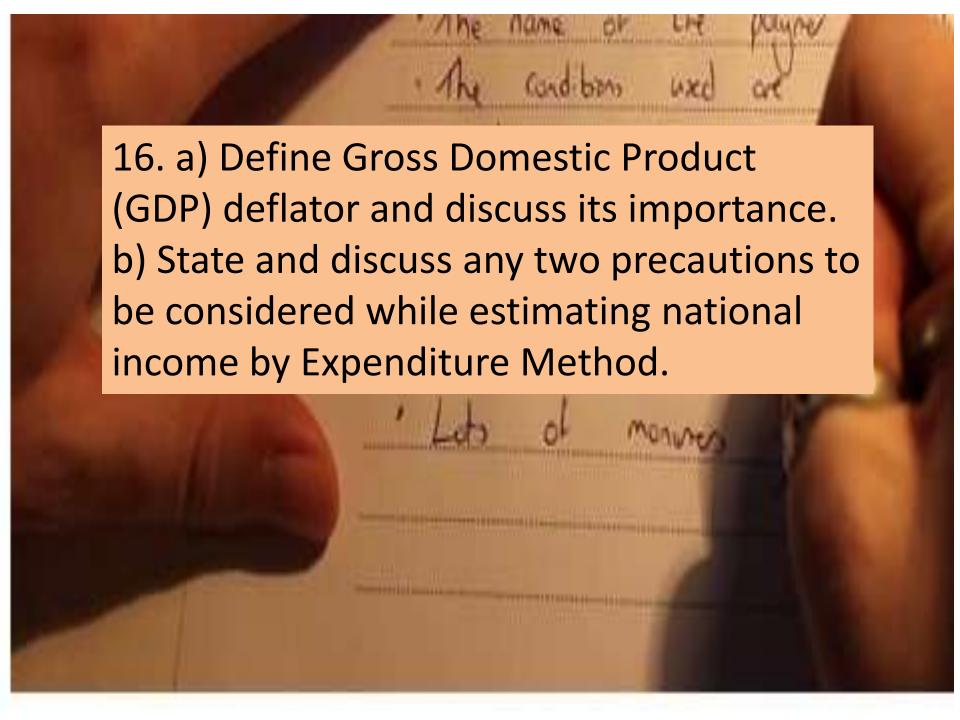
- i. ATM Card frauds
- ii. Ensuring integrity and quality of data
- iii. Loans to small borrowers (adapted/moderated -livemint.com)

OR

'Reserve Ratio and Credit Creation are inversely related.' Do you agree with the given statement? Justify your answer with a suitable numerical example.



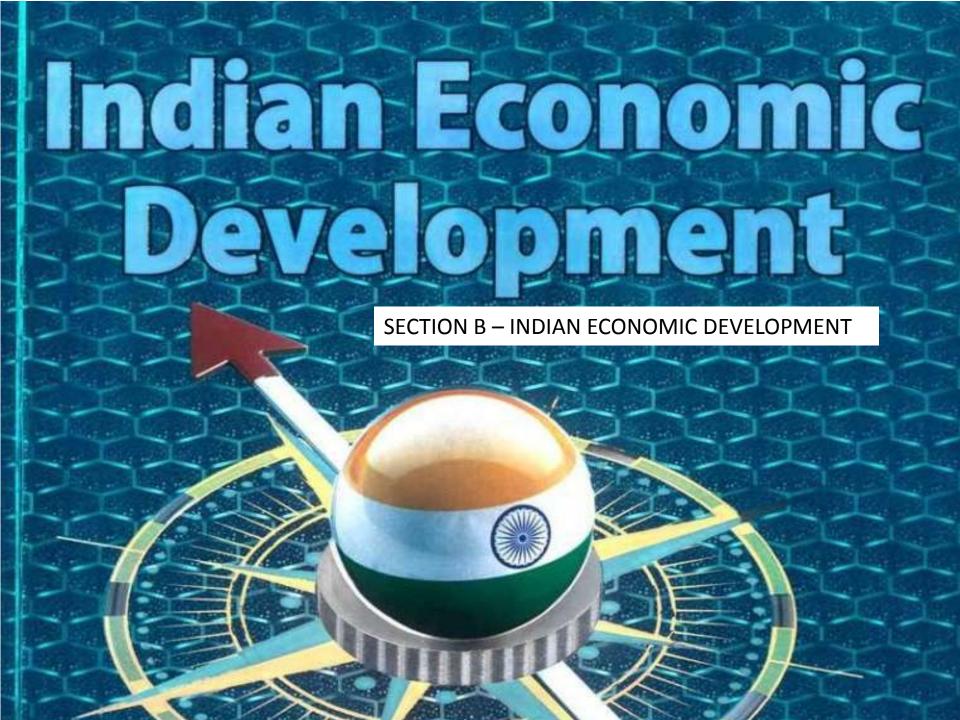


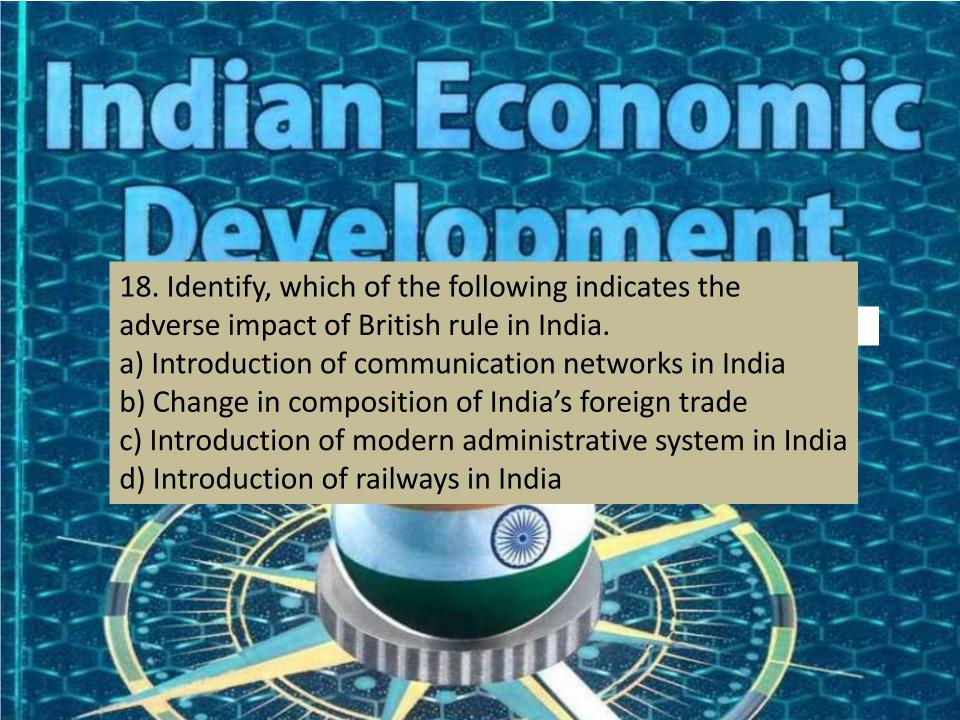


- 17. a) Compare the trends depicted in the figures given below:
- b) Elaborate the objective of 'allocation of resources' in the Government budget.

OR

- a) Distinguish between revenue receipts and capital receipts of the government, with suitable examples.
- b) Distinguish between direct and indirect taxes, with suitable examples.







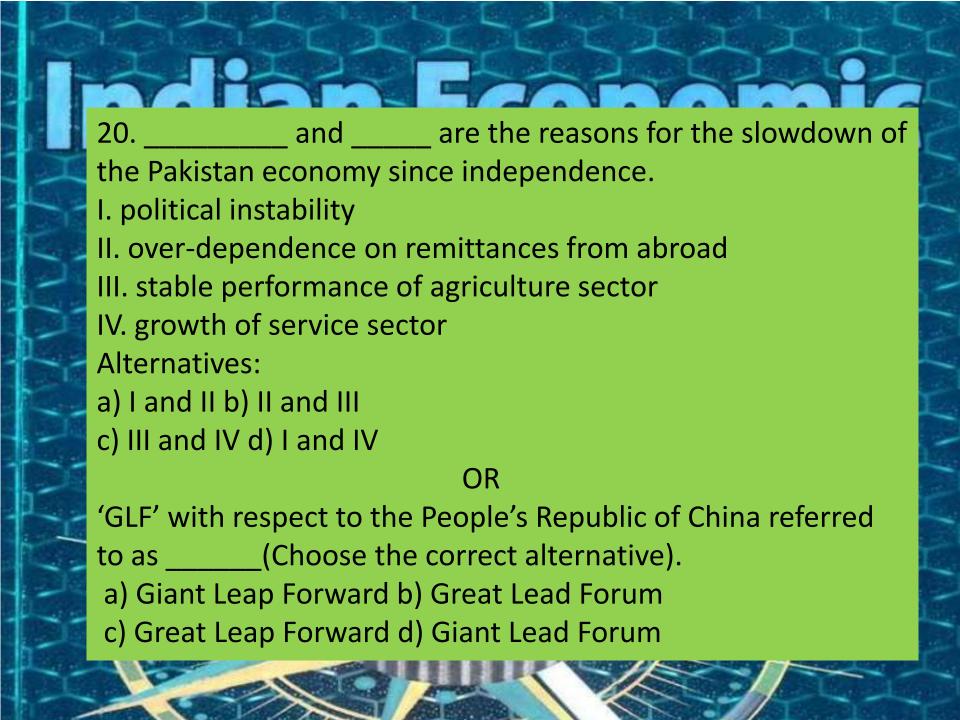
- 19. ____committee was set up for the development and promotion of small scale industries in India.
- a) Karve b) Tapas Majumdar
- c) Mahalanobis d) TRYSEM

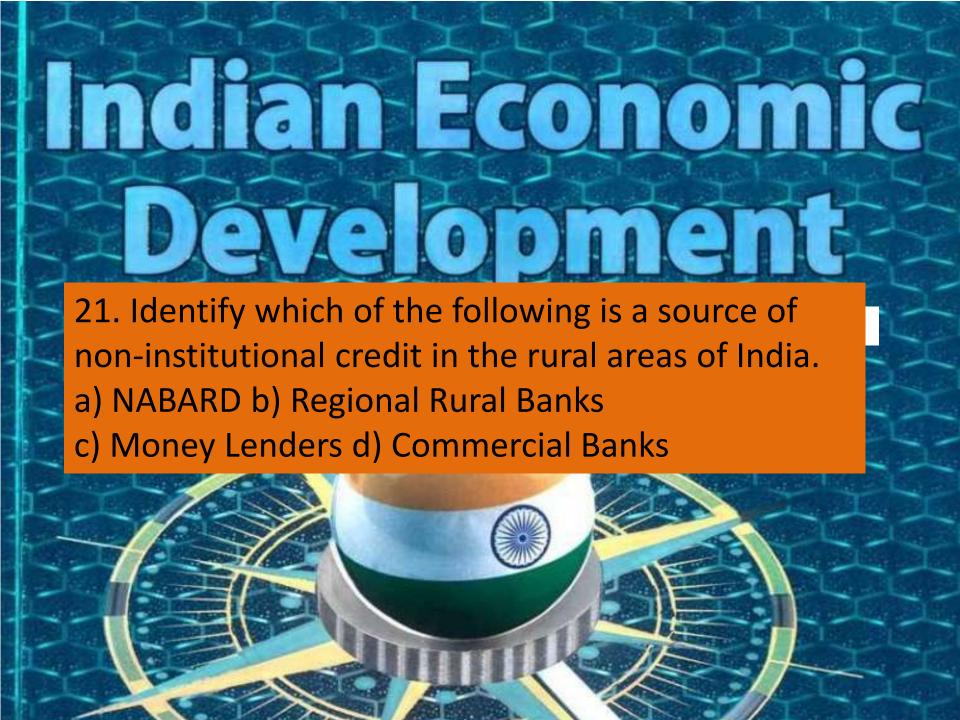
OR

First Industrial Policy Resolution of Independent India was announced in the year_____

(Fill in the blank with the correct alternative)

a) 1947 b) 1948 c) 1951 d) 1956







22. From the set of the events given in column I and corresponding facts given in Column II, choose the correct pair of statement:

COLUMN I

i Dual Pricing

ii Setting up of Special Economic Zones in China

iii Commune System

iv Great Proletarian Cultural Revolution

Alternatives:

- a) i A
- b) ii B
- c) iii C
- d) iv D

COLUMN II

A Economic Reforms of 1991

B To attract foreign Direct Investment

C Backyard based Industrial production

D Collective Farming





23. Read the following statements carefully.

Statement 1: On-the-job trainings help to bridge a gap between theoretical concepts and practical experiences.

Statement 2: On-the-job trainings update the employees, with the latest changes in their work field.

In the light of the given statements, choose the correct alternative:

- a) Statement 1 is true and statement 2 is false
- b) Statement 1 is false and statement 2 is true
- c) Both statements 1 and 2 are true
- d) Both statements 1 and 2 are false



24. Read the following statements carefully.

Statement 1: Both India and Pakistan initiated their economic reforms without any external pressures.

Statement 2: Pakistan has successfully implemented the SEZ policy and reaped its benefits using the Export Promotion policy.

In the light of the given statements, choose the correct alternative:

- a) Statement 1 is true and statement 2 is false
- b) Statement 1 is false and statement 2 is true
- c) Both statements 1 and 2 are true
- d) Both statements 1 and 2 are false



- 25. ______is not a cause for environmental degradation.
- a) Waste management

b) Deforestation

c) Global warming

d) Guarding green cover

OR

_____ is not the strategy for Sustainable Development.

(Choose the

correct alternative)

- a) Use of bio-gas
- c) Use of thermal power

- b) Use of solar power
- d) Use of hydel power



26. Read the following statement -Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion (A): Unemployment and poverty are inseparable twins.

Reason(R): Unemployment is the root cause of all socio-economic evils.

Alternatives:

- a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).
- c) Assertion (A) is true but Reason (R) is false.
- d) Assertion (A) is false but Reason (R) is true.

Indian Economic

27. Read the following statement -Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion (A): In the late 1970s, China's population growth rate had sharply declined.

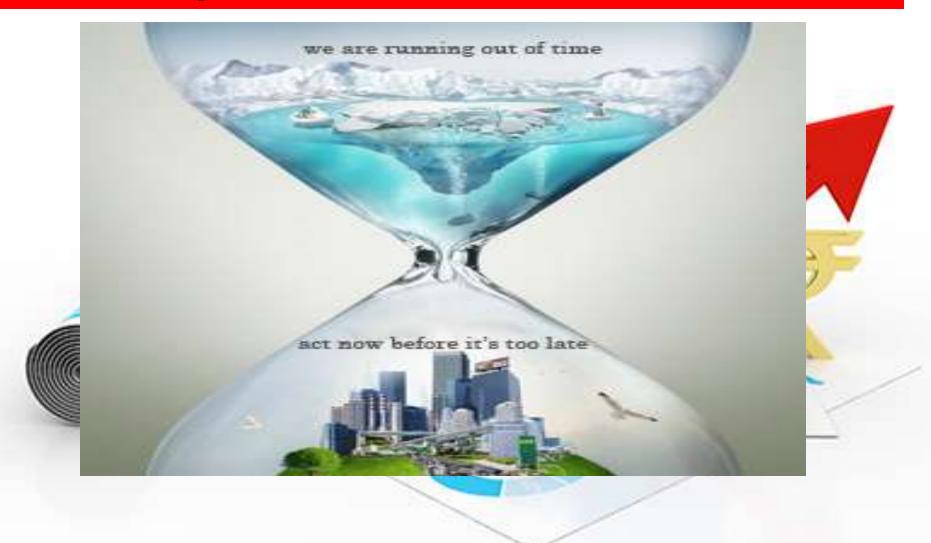
Reason(R): China has witnessed an increase in the proportion of elderly people owing to stringent family planning programmes.

Alternatives:

- a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct
- explanation of Assertion (A).
- c) Assertion (A) is true but Reason (R) is false.
- d) Assertion (A) is false but Reason (R) is true.

THREE MARKER- Q. No. 11 & 12

28. Interpret the given picture on account of current environmental challenges.



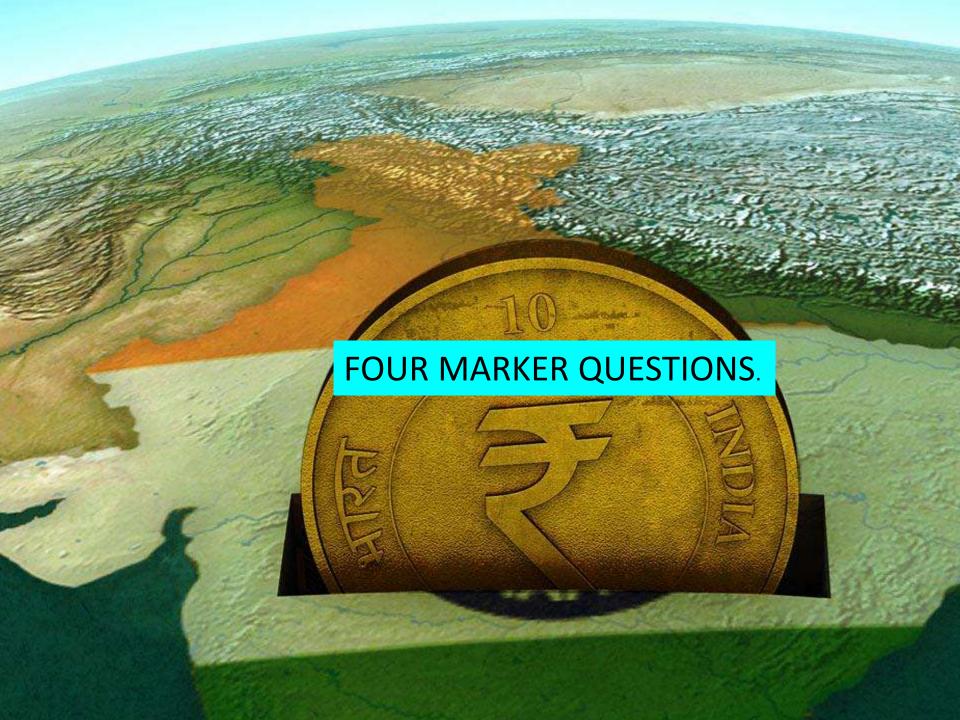
29. Defend or refute the following statement with valid explanation:

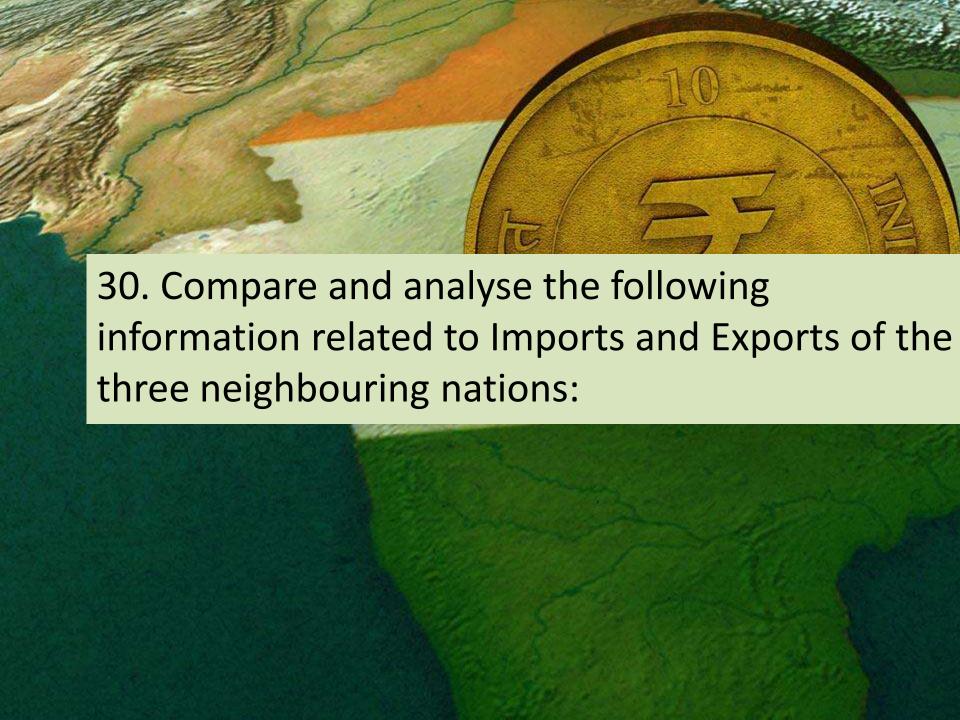
'Disguised unemployment is a common form of unemployment in rural India'

OR

Critically evaluate the role of rural banking system in the process of rural development in





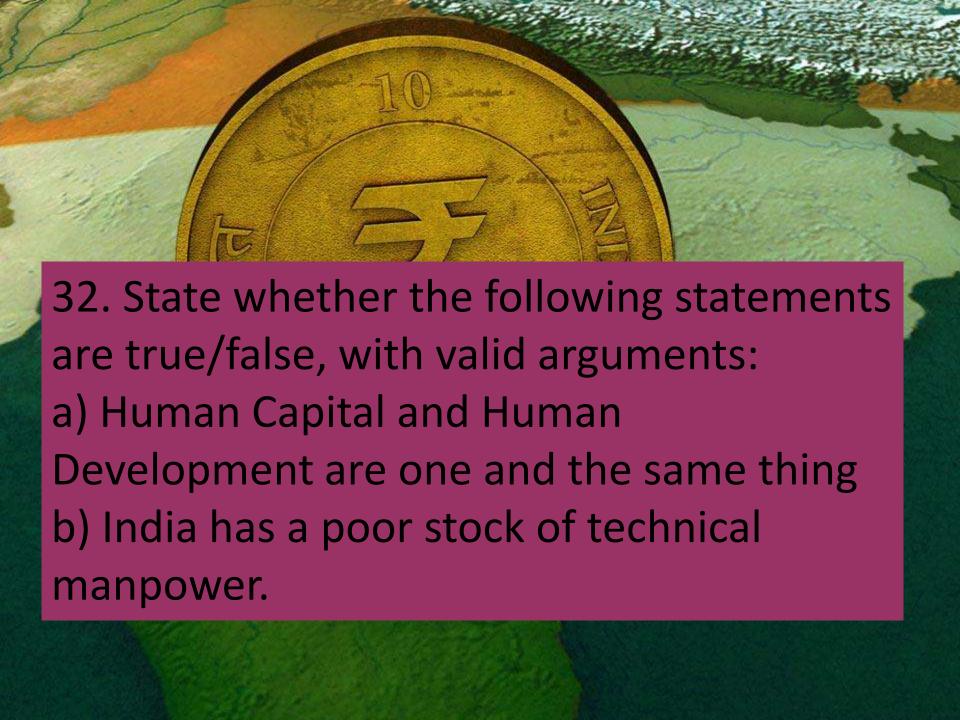




- 31. a) Name any one Maharatana company.
- b) 'Land ceiling promotes equity.' Support the given statement with valid explanation.

OR

Discuss briefly, how institutional reforms (land reforms) have played a significant role in transforming Indian agriculture.





- 33. a) Define agricultural marketing.
 - b) Discuss briefly the importance of micro-credit programmes in rural development.
 - c) Enlist any two problems faced by farmers in the initial years of organic farming.

OR

- a) "India has failed to implement the recommendations of Education Commission of 1964 -66." Give valid arguments in support of the given statement.
- b) 'Casual wage work is the major source of employment in rural India '. Defend or refute the given statement with valid reason.



- 34. a) Why was Green revolution implemented and how did it benefit the farmers?
 - b) Justify the following statement with valid explanation:

'Green revolution enabled the government to procure sufficient food grains to build its stocks that could be used during time of shortage'.

