

Lions School, Mirzapur
Half Yearly Examination – 2020-21

Class : 12

Duration : 3 Hrs

Sub. : Economics (030)

Max. Marks. : 80

Note : All the questions are compulsory. Marks are indicated against each questions.

Section – A (Macro Economics)

- Q. 1 Operating surplus includes 1
(a) Wages (b) Mixed income (c) rent (d) all of these
- Q. 2 Money is defined as 1
(a) Commonly accepted measure of value (b) a store of value
(c) a standard of deferred payment (d) all of these
- Q. 3 The function of money which facilitates borrowing and lending transactions 1
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(a) a store of value (b) a standard of deferred payment
(c) a unit of value (d) a medium of exchange
- Q. 4 Components of money supply 1
(a) Coins (b) Paper Currency
(c) demand deposits (d) all of these
- Q. 5 In consumption function $C = \bar{C} + by$, b represents 1
(a) autonomous consumption (b) savings
(c) MPC (d) MPS
- Q. 6 What do you mean by fiat money? 1
- Q. 7 Who are producers of money? 1
- Q. 8 If MPC is 0.2, how much new investment is required to increase national income by ₹ 800 crore? 1
- Q.9 What is meant by progressive tax? 1
- Q.10 What does zero primary deficit mean? 1
- Q.11 Elaborate 'Economic growth as objective of government budget. 3

Q.12 Calculate value of output from the following data:

3

- (a) Subsidy ₹ 10 Crore
- (b) Intermediate consumption ₹ 1150 crore
- (c) Net addition to stock ₹ -13 crore
- (d) Depreciation ₹ 80 crore
- (e) Indirect Tax (GST) ₹ 20 crore
- (f) Net value added at factor cost ₹1250 crore

Q.13 Explain the credit creation role of commercial banks with the help of numerical example. 4

Q.14 An economy is in equilibrium. From the following data calculate MPS. 4

- (i) Income ₹ 10,000
- (ii) Autonomous Consumption ₹ 500
- (iii) Consumption Expenditure Rs. 8,000

Or

Calculate investment expenditure from the following data about an economy which is in equilibrium.

National Income = 1000, MPS = 0.25, Autonomous consumption expenditure = 200.

Q.15 Distinguish between revenue expenditure and capital expenditure in government budget. Give an example of each. 4

Q.16 Explain the concept of deflationary gap with the help of a diagram. What is its impact on output, employment and price level in the economy. 6

Q.17 From the following data, calculate Gross National Product at Market Price by (a) Income method (b) Expenditure method 6

S.N.	Particulars	(in crores)
A	Mixed income of self employed	400
B	Compensation of employees	500
C	Private Final consumption expenditure	900
D	Net factor income from abroad	-20
E	Net Indirect Taxes	100

F	Consumption of Fixed Capital	120
G	Net domestic capital formation	280
H	Net export	-30
I	Profit	350
J	Rent	100
K	Interest	150
L	Government Final consumption expenditure	450

Or

How should the following be treated in estimating national income of a country? Give reasons.

- Taking care of aged parents
- Payment of corporate tax
- Expenditure on providing police service by the government
- Addition to stocks during a year
- Purchase of taxi by a taxi driver
- Bonus paid to employees.

Section – B (Indian Economy)

- Q.18 Poverty line divides the population as poor and 1
- Rice
 - Very poor
 - Non poor
 - All the above
- Q.19 Government organization that regulates education sectors 1
- NCERT
 - ICMR
 - UGC
 - both (a) and (c)
- Q.20 Which of the following is a non institutional source of rural credit? 1
- Cooperative Societies
 - Commercial Banks
 - Money Lenders
 - RRBs
- Q.21 Credit taken for a period of 15 years is 1
- Short term credit
 - Medium term credit
 - Long term credit
 - All of these
- Q.22 Mention the motives behind the systematic deindustrialization by the British rule in India. 1
- Q.23 Who formulated Plans in India? 1
- Q.24 Name the poverty alienation programs for self employment. 1

- Q.25 Name some sources of human capital formation. 1
- Q.26 What is jobless growth? 1
- Q.27 Define cyclical unemployment. 1
- Q.28 What do you understand by drain of Indian wealth during the colonial period? 3
- Q.29 What is vicious circle of poverty? 3
- Q.30 How does expenditure on health promotes human capital formation? 4

Or

Brain drain is a serious bottleneck in human capital formation and growth process in India.comment.

- Q.31 While subsidies encourages farmers to use new technology, they are a huge burden on government finances. Discuss the usefulness of subsidies in the light of this fact. 4
- Q.32 Define conventional farming and its benifits. 4
- Q.33 Discuss measures undertaken by the government to solve the problem of unemployment in India. 6

Or

Discuss the workforce scenario under formal and informal sector.

- Q.34 Explain in brief the positive impact of LPG policies on Indian Economy. 6