

Time : 3 Hours
Maximum Marks : 80

ECONOMICS

CBSE

Sample Question Papers

1

Self Assessment Paper

General Instructions :

1. This question paper contains two parts :
Part A : Macro Economics (40 marks)
Part B : Indian Economic Development (40 marks).
2. All questions in both sections are compulsory. Marks for questions are indicated against each question.
3. Question No. 1-10 and 18-27 (including two Case Based Questions) are very short answer questions carrying 1 mark each. They are required to be answered in one word or one sentence each.
4. Case Based Questions (CBQ's) are Question No. 7-10 and Question No. 25-27.
5. Question No. 11-12 and 28-29 are short answer questions carrying 3 marks each. Answers to them should not normally exceed 60-80 words each.
6. Question No. 13-15 and 30-32 are also short answer questions carrying 4 marks each. Answers to them should not normally exceed 80-100 words each.
7. Question No. 16-17 and 33-34 are long answer questions carrying 6 marks each. Answers to them should not normally exceed 100-150 words each.
8. Answers should be brief and to the point and the above word limit be adhered to as far as possible.
9. There is no overall choice. However, an internal choice has been provided in 2 questions of one mark, 2 questions of three marks, 2 questions of four marks and 2 questions of six marks. Only one of the questions have to be attempted.
10. In addition to this, separate instructions are given with each section and question, wherever necessary

PART – A

1. Which agency is responsible for issuing ₹ 1 currency note in India?
(i) Ministry of Finance
(ii) Ministry of Home Affairs
(iii) Reserve Bank of India
(iv) State Bank of India

[1]

OR

Demand deposits are not _____ tenders.

- (i) Illegal
- (ii) Legal

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(iii) Royal

(iv) Fictitious

[1]

[AI] 2. Disinvestment by government means:

(i) Selling of its fixed capital assets

(ii) Selling of shares of public enterprises held by it

(iii) Selling of its buildings

(iv) All of the above

[1]

[AI] 3. The formula to calculate Primary deficit is _____.

(i) Primary Deficit = Fiscal Deficit + Revenue Deficit

(ii) Primary Deficit = Fiscal Deficit + Interest Payments

(iii) Primary Deficit = Fiscal Deficit – Revenue Deficit

(iv) Primary Deficit = Fiscal Deficit – Interest Payments

[1]

4. Which one of the following is not a Capital expenditure?

(i) Loans advanced by World Bank

(ii) Construction of School buildings

(iii) Repayment of loans

(iv) Tax Receipts

[1]

5. Match the items in Column A to those in Column B and choose the correct option:

Column A		Column B	
a.	Import of Shipping services	(i)	Accommodating Items
b.	Export of Machinery	(ii)	Invisible Items
c.	Borrowings from IMF	(iii)	Visible Items
d.	Foreign aid	(iv)	Unilateral Transfer

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

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

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

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

[1]

6. Import of machinery is reflected in the _____ account of balance of payment.

(i) Current

(ii) Capital

(iii) Fiscal

(iv) Revenue

[1]

Read the following passage and answer Questions 7-10 on the basis of the same:

The economy is said to be in equilibrium when the aggregate demand is equal to the aggregate supply. In order to maintain the equilibrium level the Reserve Bank of India uses its credit creation tools like bank rate, open market operations, CRR, SLR etc to increase or decrease the aggregate demand so that it reaches the level of aggregate supply to bring the economy back to the equilibrium point. These credit control policies helps the commercial bank to create credit through deposits and loans and reserves.

When the aggregate demand is greater the inventories fall, so the government needs to decrease the consumption and increase its expenditure of production and the RBI needs to decrease the money supply with the help of the Commercial Bank. The reverse happens in the case when aggregate demand is lesser than the aggregate supply.

[AI] 7. When aggregate demand is greater than aggregate supply, inventories

(i) fall

(ii) rise

(iii) do not change

(iv) first fall, then rise

[1]

Sample Question Papers

- AI** 8. Aggregate demand can be increased by :
- increasing bank rate
 - selling government securities by Reserve Bank of India
 - increasing cash reserve ratio
 - none of the above
- [1]
9. If the aggregate demand rises, the government needs to:
- Decrease Consumption
 - Decrease Expenditure
 - Decrease Taxes
 - All of the above
- [1]
10. Credit creation in commercial banks is determined by:
- Cash Reserve Ratio.
 - Statutory Liquidity Ratio.
 - Initial Deposits.
 - All of the above.
- [1]
- AI** 11. Are the following entered (i) On the credit side or debit side and (ii) In the Current Account or Capital Account in the Balance of Payments Account? You must give reason for your answer.
- Investment from Abroad.
 - Transfer of funds to relatives Abroad.
- [3]

OR

Explain three sources of demand for foreign exchange and three sources of supply of foreign exchange.

[3]

12. What are Non-Monetary Exchanges? Give an example. Explain their impact on use of Gross Domestic Product as an index of welfare of the people.
- [3]
- AI** 13. "Through its budgetary policy government allocates resources in accordance with the requirements of the country." Do you agree with the given statement? Justify your answer with valid reason.
- [4]
14. What role of RBI is known as 'lender of last resort'?
- [4]
- AI** 15. Given a consumption curve, outline the steps required to be taken in deriving a saving curve from it. Use diagram.
- [4]

OR

- AI** 'An economy is operating at under-employment level of income'. What is meant by the given statement? Discuss one fiscal measure and one monetary measure to tackle the situation.
- [4]
16. Giving Reasons classify the following as Revenue Expenditure or Capital Expenditure:
- Grants in Aids given to other countries.
 - Expenditure incurred on the foreign visit by the Prime Minister.
 - Expenditure due to the Covid-19.
 - Expenditure on building an expressway.
 - Expenditure on defence procurement.
 - Expenditure on collection of fines.
- [6]
17. (a) Calculate National Income

Sl. No.	Items	(₹ in crores)
(i)	Net domestic capital formation	150
(ii)	Government final consumption expenditure	300
(iii)	Net factor income from abroad	(-) 20
(iv)	Private final consumption expenditure	600
(v)	Depreciation	30
(vi)	Net exports	50
(vii)	Net indirect taxes	90
(viii)	Net current transfers from rest of the world	40

[4]

(b) State the formula for the calculating the following:

(i) Net National Product at Factor Cost.

(ii) Net Domestic Product at Market Price.

[2]

OR

(a) How does negative externalities affect the welfare of the people? Explain by taking an example.[3]

(b) Government spends on child immunization programme. Analyse its impact on Gross Domestic Product and Welfare of the people.

[3]

PART – B

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

Assertion (A) : Absolute Poverty is prevalent in Developed Economies

Reason (R) : Most Developed Economies are Industrialised Economy.

Alternatives:

(i) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)

(ii) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A)

(iii) Assertion (A) is true but Reason (R) is false.

(iv) Assertion (A) is false but Reason (R) is true.

[1]

OR

19. Under _____ (Structural/Cyclical/Disguised/Fictional) type of unemployment, marginal product gained by employing one additional unit of labour is zero.

[1]

19. Identify the correct sequence of alternatives given in Column II by matching them with respective terms in Column I

[1]

Column A		Column B	
a.	Study Group formed by Planning Commission for Poverty	(i)	2005
b.	'Task Force on Projections of the Minimum Needs and Effective Consumption Demand'	(ii)	1962
c.	Mahatma Gandhi National Rural Employment Guarantee Act	(iii)	2014
d.	Jan DhanYojana	(iv)	1979

Choose the correct alternative:

(a) (ii), (iii), (iv), (i)

(b) (iii), (ii), (i), (iv)

(c) (i), (ii), (iii), (iv)

(d) (ii), (iv), (i), (iii)

[1]

20. _____ (Demonetisation/Depreciation/Devaluation) is the process of detaching a currency from its status or legal tender in the country.

[1]

21. The portion of agricultural produce which is sold in the market by the farmers is called _____ (Marketable Deficit/Marketable Surplus/Marketed goods).

[1]

22. Identify the items that have been correctly paired from Column A to that of Column B:

Column A		Column B	
a.	Main occupation of Pakistan	(i)	Agriculture
b.	Main industry of Pakistan	(ii)	Fruits
c.	Country which became basis for Special Economic zone in India	(iii)	India
d.	Seventh largest country in the world	(iv)	China

[1]

Sample Question Papers

- (i) a – (i)
- (ii) b – (ii)
- (iii) c – (iii)
- (iv) d - (iv)

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

- (i) Great Proletarian Cultural Revolution
- (ii) Great Leap Forward campaign
- (iii) Introduction of Economic Reforms
- (iv) First five year plan

Choose the correct alternative:

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

[1]

Read, the following hypothetical Case Study, carefully and answer the question numbers 24 - 27 on the base of the same.

Growth and Development is the main focus of the Indian Economy at the current situation. In order to develop the government can borrow the money from the world bank, IMF and IBRD or any other international Banks like ADB. The money so taken as loan can be focused on both the development of infrastructure and urbanisation plan. If we talk about the sectoral contribution on the growth of the GDP of an economy, we can see that the Tertiary sector plays a very important part. But as the tertiary sector doesn't lead to much of employment and does not create as much jobs as the secondary and primary sector, India is experiencing a condition called Jobless Growth. Development of industries and technology needs to be done in India, so that there is more employment generation and the economy develops with a long term prospective.

AI 24. What do you mean by the term "Jobless Growth"?

[1]

- (i) If economic growth is driven by better technology failing to improve the rate of participation in economy, such a growth is called 'Jobless Growth'
- (ii) If economic growth is driven by better technology and also improves the rate of participation in economy, such a growth is called 'Jobless Growth'
- (iii) If economic growth is driven by obsolete technology and due to which the participation is less, such a growth is called 'Jobless Growth'
- (iv) If economic growth is driven by obsolete technology but there is an improvement in the rate of participation in economy, such a growth is called 'Jobless Growth'

25. Urban people are mainly engaged in the

- (i) Primary sector
- (ii) Service sector
- (iii) Training
- (iv) Agriculture

[1]

26. What is the full form of IMF?

- (i) International Makers Fund
- (ii) International Monetary Fund
- (iii) Inter Monetary Fund
- (iv) Intergovernmental Money fund

[1]

27. Economy cannot develop without _____. (Employment Growth/Sustainable Development/Industrial development).

[1]

AI 28. At the time of independence, agricultural production in India received a major setback. Discuss the main reasons of the setback.

[3]

OR

Why do Small Scale Industries need protection from government?

[3]

- AI** 29. Is accelerated growth a sufficient condition to ensure removal of poverty within a reasonable period? [3]
30. What is meant by 'food for work' programme? [4]

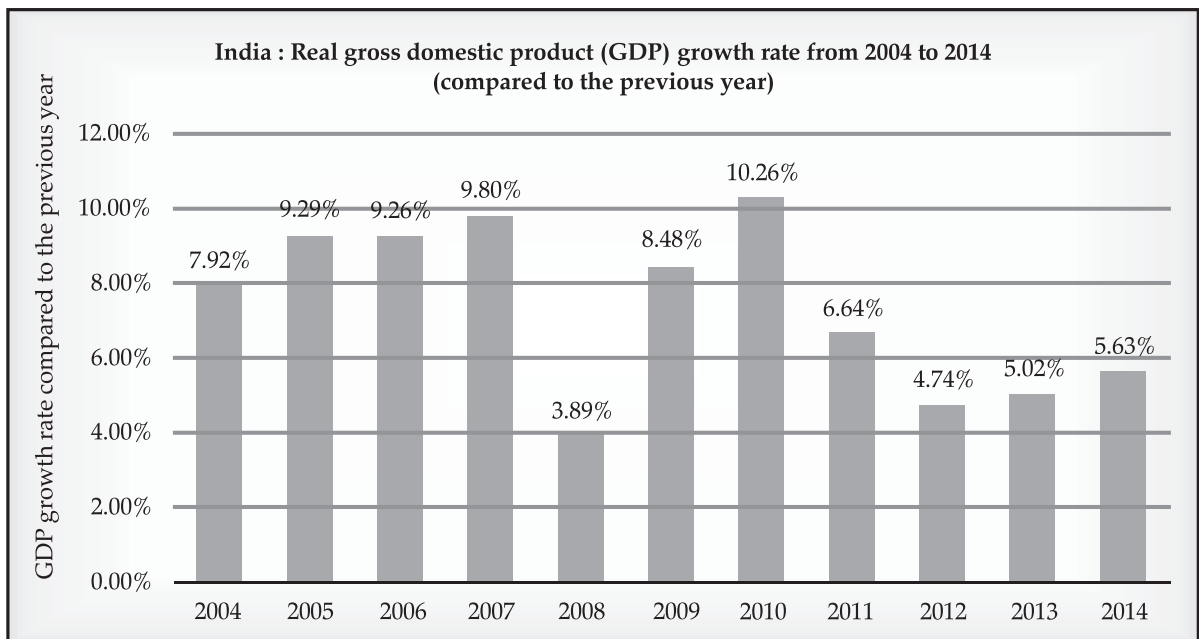
OR

Write about the various crops and production under diversification of agriculture? [4]

31. What is the important implication of the 'one child norm' in China? [4]
- AI** 32. 'The opening up of the Indian Economy has led to a rapid increase in Foreign Direct Investments and Foreign Exchange Reserves of the country'. Defend or refute the given statement. [4]
33. What is seasonal unemployment? Suggest measures for reducing this kind of unemployment in India. [6]

OR

- AI** Read the following Graph and answer the questions that follows:



- (a) What can you say about the Economic Development trend of the country? [1]
- (b) How are Human Capital and Economic Development related to each other? [5]
34. What measures have been taken for the globalisation of Indian economy? [6]

Finished Solving the Paper ?
Time to evaluate yourself !
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OR

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