

Brain International School

Class –XII

Subject-Economics

Revision Assignment

SECTION A

(MACRO ECONOMICS)

Q.1. Read the following statements carefully:

Statement 1: Ex-post savings and Ex-post investments are equal at all levels of income.

Statement 2: Under the effective demand principle, the equilibrium output is equal to ex-ante Aggregate Demand (AD).

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.

Q2. Identify, which of the following is not considered as 'Normal Resident of India'?

- (a) An Indian citizen working in USA embassy located at New Delhi
- (b) An Indian official working in Indian embassy in China.
- (c) An Indian diplomat visiting Canada for a summit.
- (d) An Indian working in an American Company located in New York for a period of more than 1 year.

Q3. In a hypothetical economy, if entire additional income is consumed, the value of investment multiplier would be _____

(Fill up the blank with correct alternative)

- (a) One (1)
- (b) Between zero (0) and one
- (c) Zero (0)
- (d) Infinity (∞)

Q4. If in an economy the Balance of Trade is showing a deficit of 200 crore and the value of import is 900 crore, then the value of exports would be _____ crore

(Fill up the blank with correct alternative)

- (a) 200
- (b) 1100
- (c) 700
- (d) 900

Q.5. "Mr Sahotra borrowed funds from bank for purchasing a new house." From the above statement, identify the indicated function of money:

- (a) Medium of exchange (b) Store of value
 (c) Unit of account (d) Standard of deferred payments

Q6. From the given table, identify that level of income, where Average Propensity to Save (APS) becomes zero: (Choose the correct alternative)

Income (Crore)	0	50	100	200	300	400
Consumption (Crore)	50	75	100	150	200	250

- (a) 50 (b) 100 (c) 200 (d) 0

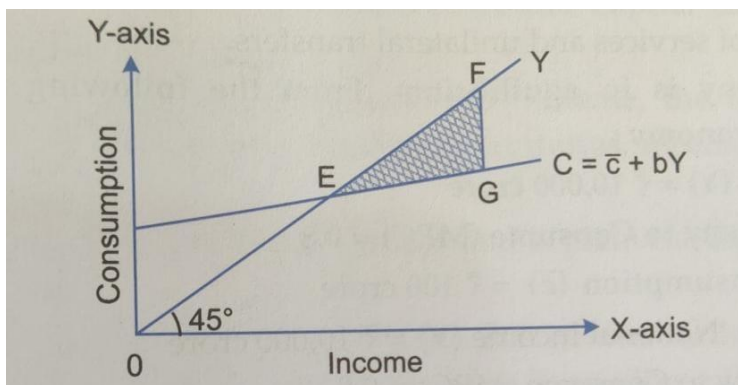
Q.7. If in an economy the initial deposits are 4,000 crore and Reserve Ratio (RR) is 10%. The value of total deposit created would be crore. (Fill up the blank with correct alternative)

- (a) 4,000 (b) 40,000 (c) 2,000 (d) 20,000

Q8. From the following, identify the correct reasons that may affect the supply of foreign exchange in an economy:

- I. Purchase of land in England by an Indian.
 - II. Foreign tourists visiting Taj Mahal.
 - III. Donation of \$ 500 million from Microsoft.
 - IV. Indian students going to Australia for studies.
- (a) I and II (b) II and IV (c) II and III (d) I and IV

Q9. Identify, what does the shaded area (ΔEFG), in the given figure indicate?



I. Consumption > Income

II. Saving = Zero (0)

III. Consumption < Income

IV. Saving < Zero (0)

(a) I and II

(b) II and III

(c) III and IV

(d) I and IV

Q10. The measurement of Balance of Payments deficits is based on _____ transactions. (Fill up the blank with correct alternative)

(a) Autonomous

(b) Accommodating

(c) Current account

(d) Capital account

Q11. (a) Calculate Net Value Added at Factor Cost (NVA_{fc}) from the following data :

S. No.	Particulars	Amount (₹ in lakh)
(i)	Fixed capital goods (expected life span - 5 years)	15
(ii)	Domestic sales	200
(iii)	Change in stock	(-) 10
(iv)	Exports	10
(v)	Single use producer goods	120
(vi)	Net indirect taxes	20

Or

From the following data, estimate the value of Net Indirect Taxes (NIT):

S. No.	Particulars	Amount (₹ in crore)
(i)	Net National Product at Market Price (NNP _{MP})	1,400
(ii)	Net Factor Income from Abroad	(-) 20
(iii)	Gross National Product at Factor Cost (GNP _{FC})	1,300
(iv)	Consumption of Fixed Capital	100

Q12. "Trade Deficit must exist, if a country is facing situation of Current Account Deficit (CAD)." Defend or refute the above-mentioned statement with valid arguments. (3)

Q13. Suppose, the Indian Government decides to boost public investments with a defence project of 40,000 crore. Explain the likely impacts of the given situation on the Income, Employment and Output of the economy, assuming all other factors constant. (4)

Q14. Elaborate the 'Banker's Bank and Supervisor' function of the Reserve Bank of India. (4)

Q15. (a) Suppose an economy is in equilibrium. From the following data, calculate Investment Expenditure in the economy:

(i) National Income = 40,000 crore

(ii) Marginal Propensity to Consume (MPC) = 0.5

(iii) Autonomous Consumption ((C)) = 100 crore

Or

(b)"With the objective to correct deflation, Reserve Bank of India may decrease the Bank rate."
Discuss the rationale behind the step taken by the Reserve Bank of India (RBI).

Q16. (a)With valid reasons classify the following into capital receipt for revenue receipts of the government:

(i)Dividend received by the government from a Maharatan company.

(ii)Receipts of the government from sale of shares of a Public Sector Undertaking (PSU) in open market. (iii)Debt cleared by Sri Lanka government to the Indian Government.

Or

(b) (i)Government budget can be useful instrument in reducing in equalities in the distribution of income and wealth in an economy.

Do you agree with the given statement? Present valid arguments and favour of your answer.

(ii)State the meaning and formula of fiscal deficit.

Q17. (a) "In the past few decades, Indian economy has been fairly benefited by positive externalities created by rapid rise in infrastructure." Justify the given statement with valid arguments .

(b)State the steps pertaining to the estimation of national income by value added method.

SECTION B

(INDIAN ECONOMIC DEVELOPMENT)

Q18. Read the following statements -Assertion (A) and Reason(R). Choose one of the correct alternatives given below:

Assertion (A): License Permit Raj was a major obstacle for growth of private sector

Reason(R): Private sector wasted huge amount in obtaining licenses, rather than on improving the product quality and international competitiveness.

(a)Both Assertion (A) and Reason(R) are true, and R (Reason) is the correct explanation of Assertion (A).

(b) Both Assertion (A) and Reason(R) are true but R (Reason) 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.

Q19. Identify which of the following alternative indicates towards incorrect components combination of Agriculture Marketing system?

- (a) Assembling, Storage, Processing, Packaging
- (b) Production, Assembling, Processing, Grading
- (c) Assembling, Processing, Packaging, Transportation
- (d) Processing, Packaging, Grading, Distribution

Q20. Read the following statements carefully:

Statement 1: China has used the market mechanism to create additional social and economic opportunity for its citizen

Statement 2: In China, social infrastructure credit by the government what positive results in human development indicators.

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.

Q21. Read the following statements carefully:

Statement 1 : As per National Sample Survey Organisation, NSSO unemployment is a situation in which all those who, owing to lack of work, are not working , but seeking work from prospective employers express they are willingness to work under the prevailing condition of work and remuneration

Statement 2: Disguised unemployment is generally a massive problem in the highly populated country like India.

In 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.

Q22. Under the British rule, commercialization of agriculture resulted in shifting of agriculture production from _____ crops to _____ crops.

(Fill up the blanks with correct alternative)

- (a) Cash, Food (b) Cotton, Jute
(c) Food, Cash (d) Jute, Food

Q23. Economic reforms were introduced in the year _____ in India and in the year _____ in Pakistan. (Fill up the blanks with correct alternative)

- (a) 1978, 1988 (b) 1988, 1978
(c) 1978, 1991 (d) 1991, 1988

Q24. Micro credit programmes play a vital role in ensuring an overall development of the rural economy as they _____ (Choose the correct alternative to fill up the blanks)

- (a) provide financial support
(b) lead to women empowerment
(c) enhance the reach of formal credit system

Alternatives:

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

Q25. _____ may be defined as the measure of the extent of demographic participation in the social and political decision – making :

- (a) Economic indicator (b) Liberty indicator
(c) Health indicator (d) Demographic indicator

Q26. Read the following statements carefully:

Statement 1: The nature of unemployment problem in India is uni-faceted.

Statement 2: Worker -Population ratio is an indicator used for analyzing the employment situation in a country.

In 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.

Q27. From the set of the events given in Column I and corresponding facts given in Column II, choose the correct pair of statements:

<i>Column I</i>	<i>Column II</i>
(A) Adoption of mixed economic system	(i) The common development policy of India and China
(B) Introduction of economic reforms in China	(ii) Imposed by World Bank
(C) Great Leap Forward Campaign	(iii) Focussed on massive industrialisation
(D) First Five Year Plan of Pakistan	(iv) Announced in 1953

Alternatives:

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

Q28. (A) "During the colonial period, a number of socio-economic indicators were in a dilapidated state."

List any three such indicators that led to the worsening of India's demographic profile.

Or

(B) "The pre-independent India's occupational structure experienced growing regional variation."

Justify the above statement with valid explanation.

Q.29. "Ravya was initially working as an office clerk in a firm. In the pursuit to attain, a higher position and income, she attended a few on-the-job training sessions. These sessions contributed positively to her skills and expertise."

Explain the impact of Ravya's decision on human capital formation.

Q.30. "In the late 1970s, China introduced the One-child policy that led to arrest in the population coupled with skewed sex ratio."

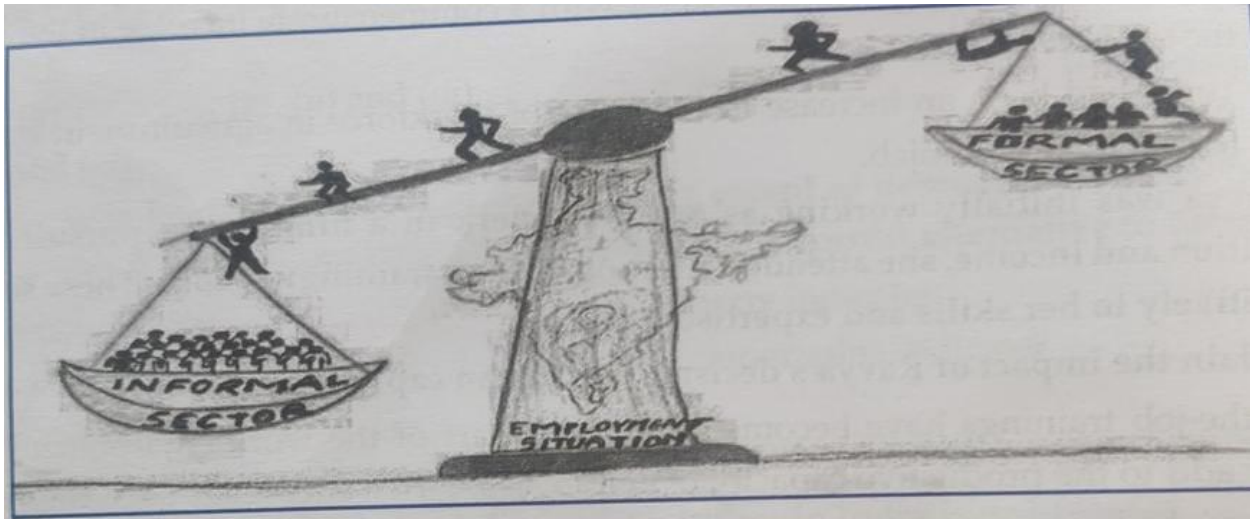
Justify the given statement with valid arguments in support of your answer.

Q31. (A) State and elaborate whether the following statements are true or false, with valid arguments

(i) Agricultural marketing is a process that ensures the transportation of various agricultural commodities only.

(ii) Jan-Dhan Yojana has been a crucial step for financial resource mobilisation in the Indian economy.

Q32.



Identify the situation depicted in the given image. Suggest the impact of the indicated situation, on the Indian economy.

Q33. (A)(i) Green revolution transformed India from a subsistent food grain economy to a food surplus economy.” Justify the statement, giving reasons in support of your answer.

(ii) ”In order to protect domestic industries, India followed the regime of registration on imports.”

Briefly outline and discuss such steps taken by the government to promote substitution policy.

Or

(B)(1) ”In India, after 1947 land reforms were introduced on a large scale.” In the light of the given statement, discuss any one such land reform.

(2) ”In the post-reform period, the Government of India decided to retain profit-making Public Sector Undertakings (PSUs). It provided a special status to PSUs to enable them to expand in the global market.

Do you agree with the given statement? Give valid reasons in support of your answer

Q34. Read the following text carefully:

Sustainable development is the development that meets the ne needs of the present, without compromising the ability of future generations to meet their own seeds. India is critical in determining the success in a pursuit to achieve sustainable development. The Union Budget 2023 presented by Finance Minister Nirmala Sitharaman builds on India's commitment to lead the global action against climate change, preserve biodiversity and support sustainable development

The government has accelerated the pace of Green Growth as India is facing the grave reality of depleting natural resources, limited supply of water, minerals, and fossil fuels. In a bid to counter the climate threat, India has committed to achieving net zero by 2070; released a low-carbon,

development strategy, and introduced the concept of LIFE (Lifestyle for Environment) to promote responsible consumption.

The Green Growth actions include several pointed measures that would facilitate the much needed steady decarbonisation of Indian industries, reduce dependency on fossil fuel imports and establish technology and market leadership in this sunrise sector. For instance:

The allocation of ₹ 35,000 crore of priority capital investment towards achieving net zero by 2070 and clean energy transition ensures the country's energy security.

The outlay of 19,700 crore for the Green Hydrogen Mission will mobilise a green hydrogen production capacity of 5 metric million tonnes by 2030.

Moreover, to encourage the optimal use of wetlands, enhance biodiversity, carbon stock, eco - tourism opportunities and income generation for local communities, the Amrit Dharohar scheme will be implemented three years.

On the basis of the given text and common understanding, answer the following questions:

(a) Define sustainable development.

(b) Briefly elaborate, any two reasons behind the objective of Green Growth being set up by the Indian Government.