



INDIAN SCHOOL SOHAR
UNIT TEST 1 (2019 – 2020)
ECONOMICS (030)

STD: - XII

Date: - 19/05/ 2019

Max Marks: - 50

Duration: 2Hrs

General Instructions:-

- 1) All questions in both the sections are compulsory. However, there is an internal choice in some questions.
- 2) Questions 1- 2 and 8 - 9 are very short questions carrying 1 mark for each part.
- 3) Questions 3 and 10 are short answer questions carrying 3 marks each. Answer to them should not exceed 75 words each.
- 4) Questions 4 - 5 and 11 - 12 are also short answer questions of 4 marks each. Answer to them should not exceed 90 words each.
- 5) Questions 6 -7 and 13 - 14 are long answer questions of 6 marks each. Answer to them should not exceed 150 words each.
- 6) Answer should be brief and to the point and the above word limit should be adhered to as far as possible.

SECTION A: INDIAN ECONOMIC DEVELOPMENT

1. Major contributor to the GDP of the country on the eve of independence was from [1]
 - a. Tertiary sector
 - b. Primary sector
 - c. Secondary sector
 - d. Both primary and secondary sector
2. The main objective of the Tenth five year plan was [1]
 - a. Development of agriculture
 - b. Decrease in poverty
 - c. Industrial development
 - d. Literacy
3. Define the discriminatory tariff policy followed by the British in India. What was the two-fold motive behind the systematic de industrialization followed by the British in India? [3]
4. Define economic planning. How is plan objective different from planning objective? Give any three points of differentiation [4]
5. Market forces solve all basic problems of the economy in an economic system. Identify the economic system. Explain three other characteristics of this system. [4]
6. A. Introduction of railways in India was considered as one of the most important contribution of [6]

British rule in India. How did it positively affect the Indian economy?

B. Explain the three main types of land tenure systems introduced by the British in India.

7. Agriculture is the backbone of the Indian economy. It is ridden by many problems that has kept the productivity of agriculture very low. Explain the problems faced by agriculture in India that is responsible for low productivity. [6]

OR

The five-year plans been successful in protecting the domestic industries from foreign competition. Explain other areas which have been positively impacted by the economic planning in India from 1950 – 1990.

SECTION B: MACRO ECONOMICS

8. Which of the following affects national income? [1]
- Goods and Services tax
 - Corporation tax
 - Subsidies
 - None of the above

9. Suppose in an imaginary economy GDP at Market Price in a particular fiscal year was ₹ 4,000 crores, National Income was ₹ 2,500 crores, Net Factor Income paid by the economy to Rest of the World was ₹ 400 crores and the value of Net Indirect Taxes is ₹ 450 Crores. Estimate the value of consumption of fixed capital for the economy from the given data. [1]

10. State any three precautions that must be taken into consideration while estimating National income by value added method. [3]

11. What is meant by compensation of employees? Briefly discuss any three elements of compensation of employees. [4]

OR

Explain how 'distributions of gross domestic product' and 'non-monetary exchanges' are limitations as a measure of economic welfare.

12. What do you mean by the problem of double counting? How can you avoid the problem of double counting? [4]

OR

Discuss briefly, the circular flow of income in a two-sector economy with the help of a suitable diagram.

13. Differentiate between [6]
- National income at constant prices and National income at current prices

B. Domestic income and national income

C. Consumption of fixed capital and capital loss

14. Calculate value of output, intermediate consumption, NVA at FC

[6]

		In ₹ Cr
1	Purchase of raw material from domestic market	400
2	Increase in the unsold stock	60
3	Import of raw materials	120
4	Domestic sales	1200
5	Replacement of fixed capital	50
6	Power charges	20
7	Export	200
8	Import of machinery	40
9	Value added taxes	10
10	Subsidies	30
11	Goods used for self-consumption	10

*****THE END *****