



INDIAN SCHOOL SOHAR
UNIT TEST 1 (2024 – 2025)
ECONOMICS (030) [SET1]

STD: - XII

Date: - 23/05/ 2024

MAX MARKS: - 20

TIME: 40 MINUTES

General Instructions: -

1. All questions are compulsory.
2. Answers to questions carrying 1 mark may be from one word to one sentence.
3. Answers to questions carrying 3 marks may be from 50 – 75 words.
4. Answers to questions carrying 4 marks may be about 150 words.
5. Answers to questions carrying 6 marks may be about 200 words.

1. Read the following case study carefully and answer the question that follows.

[1]

The economic policies pursued by the colonial government in India was concerned more with the protection and promotion of the economic interests of their home country than with the development of the Indian economy. Such policies transformed the country into a supplier of raw materials and consumer of finished industrial products from Britain.

India became consumers of finished industrial products from the British indicate.

- A. Growth of industries in India B. Decline of industries in India.
C. Growth of industries in India D. Both B and C

2. From the set of statements given in Column I and Column II choose the correct pair of statements.

[1]

Column I	Column II
a. Final goods	I. Goods which are used for resale in the same year
b. Intermediate goods	II. Goods which are used for investment
c. Consumption goods	III. Goods which satisfy the wants of the consumers directly.
d. Capital goods	IV. Goods which do not help in the production of other goods and services

Alternatives:

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

3. If real GDP is ₹500 crores and price index is 125 calculate nominal GDP

- A. ₹ 625 crores B. ₹ 635 crores
C. ₹ 645 Crores D. ₹ 615 Crores

4. Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative. [1]

Assertion (A): Capital goods industries are those which produce consumer goods using machines.

Reason (R): capital goods were not developed in India by the British under their rule.

Alternatives:

- A. Both Assertion (A) and Reason (R) are true Reason (R) is the correct explanation of Assertion (A).
B. Both Assertion (A) and Reason (R) are true, Reason (R) is not the correct explanation of Assertion (A).
C. Assertion (A) is true, and Reason (R) is false.
D. Assertion (A) is false, and Reason (R) is true.
5. Give a quantitative appraisal of the demographic profile of India during the colonial period. [3]

OR

Critically appraise some of the shortfalls of the industrial policy pursued by the British colonial administration.

6. Explain the main steps taken in the estimating national income through income method [3]
7. Based on the following data about an economy which constitutes only two firms, calculate. [4]
- A. Value added by firm A and B
B. Gross domestic product at factor cost

Particulars	Amount (in ₹ crores)
i. Sales by firm A	300
ii. Purchases by firm A from firm B	120
iii. Purchases by firm B from firm A	180
iv. Sales by firm B	600
v. Closing stock of firm A	60
vi. Closing stock of firm B	105
vii. Opening stock of firm A	75
viii. opening stock of firm B	135
ix. indirect taxes by both firms	90

OR

From the following data, calculate.

- A. Gross domestic product at Factor Cost
B. Factor income to abroad.

Particulars	Amount (in ₹ crores)
x. Compensation of employees	800

xi. Profits	200
xii. Dividends	50
xiii. Gross national product at market price	1400
xiv. Rent	150
xv. Interest	100
xvi. Gross domestic capital formation	300
xvii. Net fixed capital formation	200
xviii. Change in stock	50
xix. Factor income from abroad	60
xx. Net indirect taxes	120

8. A. Explain the problem of double counting in the estimation of the national income with the help of example. State two methods of avoiding it. [6]
- B. State with valid reasons, which of the following statement is true or false.
- I. Employers' contribution to social security schemes is included in the estimation of national income.
 - II. Commission received from the sale of secondhand goods is included in the estimation of national income.

OR

- A. Explain any three limitations of using GDP as a measure/index of welfare of a country.
- B. Giving reason, explain, how the following are treated in estimating National Income?
- I. Wheat grown by farmers but used entirely for family's consumption.
 - II. Earnings of shareholders from the sales of shares.
 - III. Expenditure by government on providing free education.