

CBSE Class 12 Economics 2022 - Set 58/5/2



Question Paper

Conducted by the Central Board of Secondary Education (CBSE)

Time Allowed: 2 Hours

Maximum Marks: 40

General Instructions

- (i) This question paper contains 13 questions.
- (ii) All questions are compulsory, subject to the internal choices provided. Attempt all parts of a question together.
- (iii) Where an internal choice is provided, attempt only one alternative.
- (iv) The paper contains five 2-mark questions, five 3-mark questions and three 5-mark questions, including case/source-based questions.
- (v) Answer 2-mark questions in 30–50 words, 3-mark questions in 50–80 words and 5-mark questions in 80–120 words.

Questions

1. 'Consumption function curve of an involuntary unemployed workers start from some positive level on Y-axis even at zero level of Income.'

Justify the given statement.

2. 'Health is a yardstick of human well-being.'

Justify the given statement with valid explanation.

3(a). "In an economy, the autonomous consumption is ₹ 100 and Marginal Propensity to Consume (MPC) is 0.6. If the equilibrium level of Income is 2,000, then the autonomous investment is ₹ 300."

Justify the statement with valid calculation.

OR

3(b). An Economy is in equilibrium, calculate the Marginal Propensity to Save (MPS) from the following :

(i) National Income (Y) = ₹ 4,400

(ii) Autonomous Consumption ($\bar{C}$) = ₹ 1,000

(iii) Investment Expenditure (I) = ₹ 70

4(a). Distinguish between Factor Cost and Market Price.

OR

4(b). Distinguish between Factor Income and Transfer Income.

5(a). 'Ram is able to get work only for two hours in a day. Rest of the day, he is looking for work.' Is he unemployed ? What kind of job could person like Ram be doing ?

OR

5(b). Compare and analyse the sector-wise trends in employment, based on following information :

Trends in Employment (Sector-wise)

Sector	1999-2000	2011-12
Primary sector	60.4	48.9
Secondary sector	15.8	24.3
Tertiary sector	23.8	26.8
Total	100	100

6. 'Infrastructure facilities boost production.' Do you agree ? Explain.

7(a). Giving valid reasons, explain how the following would be treated while estimating domestic income ?

(i) Payment made by a Japanese tourist for goods purchased in India.

(ii) Broker's commission on the sale of second hand goods.

OR

7(b). "Gross Domestic Product (GDP) as an indicator of welfare loses its significance if the distribution of income turns unequal."

Justify the given statement with valid reason.

8. Define 'liberty indicator' with the help of an example and state its importance.

9. "The Government has raised the exemption limit for the payment of Income tax from ₹ 2 lakh to ₹ 2.5 lakh."

If the situation of deficient demand is prevailing in the economy, what will be the impact of this action taken by the Government ?

10. Briefly explain any two similar developmental strategies opted by India and Pakistan for their respective developmental path.

11. 'Investment multiplier and Marginal Propensity to Save are indirectly related to each other.'

Explain with the help of numerical example.

12(a)(I). From the following data, calculate the value of operating surplus :

S.N o.	Items	Amount in (₹ crore)
(i)	Royalty	10
(ii)	Rent	70
(iii)	Interest	25
(iv)	Net domestic product at factor cost	500
(v)	Profit	50
(vi)	Dividends	20

12(a)(II). Distinguish between 'Fixed Investment' and 'Inventory Investment'.

OR

12(b)(I). From the following data, calculate the value of compensation of employees (COE) :

S.N o.	Items	Amount in (₹ crore)
(i)	Old age pension	1,250
(ii)	Wages and salaries in cash	49,500
(iii)	Rent free accommodation to employees	13,500
(iv)	Employer's contribution to provident fund	8,900
(v)	Payment of life insurance premium by the employees	3,000
(vi)	Contribution to provident fund by employees	35,600

OR

12(b)(II). Distinguish between Real Gross Domestic Product (GDP) and Nominal Gross Domestic Product (GDP).

13. Read the following text carefully and answer question number 13(a) and 13(b) given below :

Green investment and sustainability are priorities in public policy. India has emerged as a global leader at the front of the climate change. India has pledged to seek solutions for the future.

Government schemes and policies such as Swachh Bharat Mission, Pradhan Mantri Awas Yojana, Smart Cities, Deen Dayal Upadhyay Gram Jyoti Yojana among other, all contribute towards achieving sustainable development goals.

The government has contributed to maintain economic growth by introducing and implementing various policies and measures relating to sustainable development, climate change, energy efficiency and air pollution.

Pradhan Mantri Ujjwala Yojana Scheme, has actively contributed to cleaner air. It has resulted in drastic reduction of respiratory diseases and ultimately death as per recent medical report.

The Jal Jeevan Mission was launched with the objective of achieving water security. We have seen 68 per cent decline in the size of population of various animal species and amphibian over the last 60 years. The issue of green house gases and rising temperature of the earth are a global concern. India is one of those countries that will be affected by the over 2 degree celsius rise in global temperature.

'India has already taken a lot of steps in the area of innovation and development of different production methodologies which are environmentally friendly in the long run.'

Source : *The Economic Times*; Oct. 27, 2021

13(a). State and discuss any two steps involved in attaining sustainable development in India.

13(b). From the given text, state any two factors which challenged the carrying capacity of the environment.

- End of Question Paper -