

ECONOMICS (HUMANITIES/COMMERCE GROUP)

CLASS – XII

2021-22

Time Allowed: 3 Hrs

Theory: 80 Marks

Internal Assessment including Project Work: 20 Marks

Marks Total: 100 Marks

STRUCTURE OF QUESTION PAPER

There will be 12 Questions in all. All Questions will be compulsory. (Use of simple calculator will be allowed for Numerical questions)

Section A (Introductory Macro Economics)

Question No. 1 consists of 9 sub parts (i to ix) carrying 1 mark each. Objective type questions may include questions with one word to one sentence answer/fill in the blank/true or false/multiple choice type questions/Numerical questions.

9*1=9

Question No. 2 consists of 2 sub parts (i to ii) carrying 2 marks each. In which sub part (i) will be theoretical and sub part (ii) will be a numerical question. Answer to theoretical question should be in about 30-35 words.

2*2=4

Question No. 3 consists of 3 sub parts (i to iii). In which sub part (i) and (ii) will be theoretical questions and sub part (iii) will be a numerical question. (Attempt any 2 questions out of 3 questions). Each question will carry 4 marks. Answer to the theoretical question should be in about 60-70 words.

2*4=8

Question No. 4 consists of 2 sub parts (i to ii). In which sub part (i) will be numerical from Unit No. 1 (with complete internal choice) and sub part (ii) will be theoretical questions (with complete internal choice). Each question will carry 6 marks. Answer to the theoretical questions should be in about 150-200 words.

2*6=12

Total Marks of Section A (Introductory Macro Economics): 33 Marks

Section B (Indian Economic Development)

Question No. 5 consists of 9 sub parts (i to ix) carrying 1 mark each. Objective type questions may include questions with one word to one sentence answer/fill in the blank/true or false/multiple choice type questions.

9*1=9

Question No. 6 consists of 2 sub parts (i to ii) carrying 2 marks each. All questions will be theoretical. Answer to each question should be in about 30-35 words.

2*2=4

Question No. 7 consists of 3 sub parts (i to iii) (Attempt any 2 questions out of 3 questions). Each question will carry 4 marks. Answer to each question should be in about 60-70 words.

2*4=8

Question No. 8 consists of 2 sub parts (i to ii). In both sub parts there are two theoretical questions with complete internal choice. Each question will carry 6 marks. Answer to each question should be in about 150-200 words.

2*6=12

Total Marks of Section B (Indian Economic Development): 33 Marks

Section C (Statistics for Economics)

Question No. 9 consist of 2 sub parts (i to ii) carrying 1 mark each. Objective type questions may include questions with one word to one sentence answer/fill in the blank/true or false/multiple choice type questions/Numerical questions.

2*1=2

Question No. 10 consists of 2 sub parts (i to ii) carrying 2 marks each. In which sub part (i) will be a theoretical question and sub part (ii) will be a numerical question and there will be complete internal choice between these two questions. Answer to the theoretical question should be in about 30-35 words.

1*2=2

Question No. 11 consists of 2 sub parts (i to ii) carrying 4 marks each. In which sub part (i) will be a theoretical question and sub part (ii) will be a numerical question and there will be complete internal choice between these two questions. Answer to the theoretical question should be in about 60-70 words.

1*4=4

Question No. 12 consists of 2 sub parts (i to ii) carrying 6 marks each. In which sub part (i) will be a theoretical question and sub part (ii) will be a numerical question and there will be complete internal choice between these two questions. Answer to the theoretical question should be in about 150-200 words.

1*6=6

Total Marks of Section C (Statistics for Economics): 14 Marks

SYLLABUS

Part A: Introductory Macroeconomics

Unit 1: National Income and Related Aggregates

What is Macro Economics? Classical and Keynesian views about Macro Economics. Scope, Importance and Limitations of Macro Economics. Concept of Equilibrium: Partial Equilibrium and General Equilibrium. Basic concepts in Macro Economics: consumption goods, capital goods, final goods, intermediate goods, stock and flow variables, etc.

Circular flow of income and output (two sector economy model). Real flow and Monetary flow. Concept of Injections and withdrawals in Circular flow of Income and Output.

Aggregates related to National Income: Gross National Product (GNP), Net National Product (NNP), Gross and Net Domestic Product (GDP and NDP) - at market price, at factor cost.

Methods of calculating National Income - Value Added or Product method, Expenditure method, Income method with numerical questions.

Unit 2: Determination of Income and Employment

Aggregate Demand- Aggregate Supply and their components. Consumption function, Saving function, Investment function. Propensity to consume and propensity to save (average and marginal). Short-run equilibrium output. Meaning of full employment and involuntary unemployment.

Investment multiplier and its mechanism.

Problems of excess demand and deficient demand.

Measures to correct excess and deficient demand through Monetary and Fiscal policies of the government along with the instruments of monetary and fiscal policies.

Unit 3: Money and Banking

Money – Barter System of Exchange: Meaning and Limitations. Money: Meaning, Importance and Functions of Money. Concept of Supply of Money and its measurement. Banking: Meaning and Functions of Commercial Banks. Meaning and functions of Central bank (example of the Reserve Bank of India). Control of Credit by Central Bank through quantitative and qualitative measures.

Unit 4: Government Budget and the Economy

Government Budget - meaning, objectives and components. Classification of receipts - revenue receipts and capital receipts; tax: meaning and types of taxes; classification of expenditure – revenue expenditure and capital expenditure, planned expenditure and non-planned expenditure, developmental and non-developmental expenditure.

Measures of government deficit – revenue deficit, fiscal deficit, primary deficit their meaning.

Unit 5: Foreign Exchange Rate and Balance of Payments

Foreign exchange rate - Meaning of fixed and flexible rates and methods of their determination along with their advantages and limitations. Foreign Exchange market-Meaning and Functions.

Balance of Payments- Meaning and components. Various types of accounts in Balance of Payment. Deficit in Balance of Payment: Meaning and measures to correct it.

Part B: Indian Economic Development

Unit 6: Development Experience (1947-90) and Economic Reforms since 1991

A brief introduction of the state of Indian economy on the eve of independence.

Five Year Plans and NITI Aayog; Rational behind the adoption of five years economic plans, common goals of five-year economic plans with their success and failures. NITI AAYOG; A brief introduction, structure, objectives and its working.

Agriculture: Meaning, Importance, main features, problems and policies of agriculture (institutional aspects and new agricultural strategy).

Industry: Meaning, Importance, problems and policies for industrial development (industrial licensing, etc.).

Economic Reforms since 1991: Features of Liberalisation, Privatization and Globalisation (LPG policy) and measures adopted in this policy of LPG. A critical evaluation of LPG Policy.

Unit 7: Current challenges faced by Indian Economy

Poverty- absolute and relative. Causes of Poverty, suggestions to solve the problem of poverty from India and main programmes for poverty alleviation: A critical assessment.

Unemployment: Meaning, types and causes, suggestions to solve the problem of unemployment from India. Main programmes for the solution of the problem of unemployment from India.

Rural development: Key issues - credit and marketing - role of cooperatives; agricultural diversification; - organic farming

Human Capital Formation: How people become resource; Role of human capital in economic development; Growth of Education Sector in India.

Infrastructure: Meaning and Types: Energy and Health: Problems and Policies: A critical assessment.

Sustainable Economic Development: Meaning, Effects of Economic Development on Resources and Environment, including global warming. Concept of Pollution: Types and suggestions to solve the problem of pollution.

Part C: Statistics in Economics

Unit 8: Correlation and Index Numbers

Coefficient of Correlation – meaning and properties. Methods for the measurement of coefficient of correlation: scatter diagram method, Karl Pearson's method (only by direct method) (two variables ungrouped data) Spearman's rank correlation (in case of untied ranks only).

Index Numbers - Meaning, methods of constructing; Unweighted Index (Simple aggregative and simple average of price relative method). Weighted Index Numbers (Weighted aggregative methods including only Laspeyre's, Pasche's and Fisher's Index Numbers). Wholesale price index, Consumer price index and index of industrial production. Uses of index numbers; Inflation and index numbers.

Developing Project in Economics

The students may be encouraged to develop projects, as per the suggested project guidelines. Case studies of a few organisations/outlets may also be encouraged. Under this the students will do only ONE comprehensive project using concepts from Part A, B and C of their syllabus.

Guidelines for Project Work in Economics (Class 12th)

The objectives of the project work are to enable learners to:

- Probe deeper into theoretical concepts learnt in XI
- Analyse and evaluate real world economic scenarios using theoretical constructs and arguments
- Demonstrate the learning of economic theory
- Follow up aspects of economics in which learners have interest
- Develop the communication skills to argue Logically

The expectations of the project work are that:

- Learners will complete ONE project and will work on one topic of Moral Values and try to imbibe those values along with the Project Work in each academic session.
- Project should be of 1000 words (excluding diagrams & graphs), preferably hand-written
- It will be an independent, self-directed piece of study

Role of the teacher

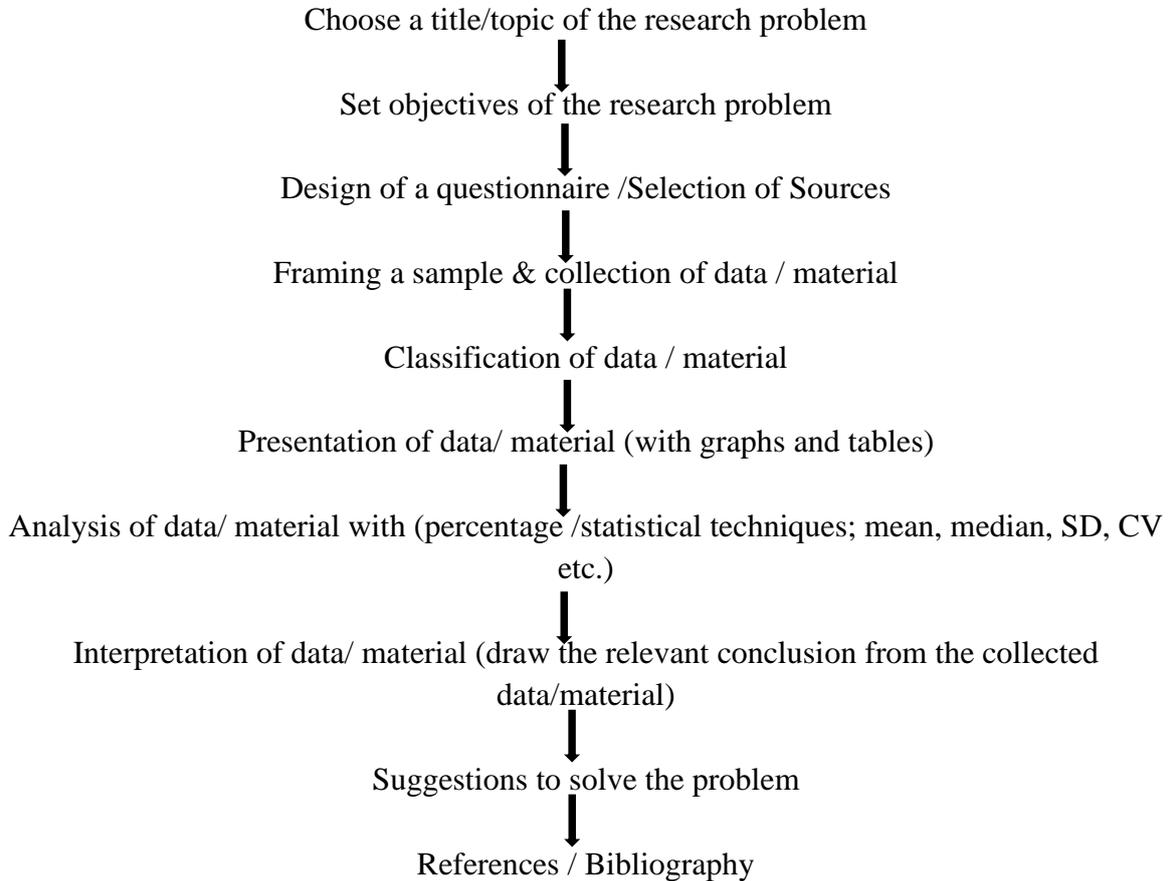
The teacher plays a critical role in developing thinking skills of the learners. A teacher should:

- Help each learner select the topic based on recently published extracts from the news media, government policies, RBI bulletin, NITI Aayog reports, IMF/World Bank reports etc., after detailed discussions and deliberations of the topic.
- Play the role of a facilitator and supervisor to monitor the project work of the learner through periodic discussions
- Guide the research work in terms of sources for the relevant data.

- Educate learner about plagiarism and the importance of quoting the source of the information to ensure authenticity of research work
- Prepare the learner for the presentation of the project work
- Arrange a presentation of the project file

Scope of the project

Learners may work upon the following lines as a suggested flow chart:



Expected Checklist

- Introduction of topic/title
- Identifying the causes, consequences and/or remedies
- Various stakeholders and effect on each of them
- Advantages and disadvantages of situations or issues identified
- Short-term and long-term implications of economic strategies suggested in the course of research.
- Validity, reliability, appropriateness and relevance of data used for research work and for presentation in the project file.
- Presentation and writing that is succinct and coherent in project file
- Citation of the materials referred to, in the file in footnotes, resources section, bibliography etc.

Mode of presentation/submission of the Project

At the end of the stipulated term, each learner will present the research work in the Project File to the External and Internal examiner. The questions should be asked from the Research Work/ Project File of the learner. The Internal Examiner should ensure that the study

submitted by the learner is his/her own original work. In case of any doubt, authenticity should be checked and verified.

Some of the examples of the projects are as follows (they are not mandatory but only suggestive):

- 1) Micro and Small-Scale Industries
- 2) Goods and Services Tax and its impact on GDP
- 3) Human Developmental Index
- 4) Monetary Policy committee and its functioning
- 5) A critical analysis of the present year Government Budget
- 6) Livestock- Backbone of Rural India
- 7) Determination of Minimum Support prices in India
- 8) Digital India- A step towards the future
- 9) Vertical Farming- An alternative way of farming
- 10) Food supply channels in India
- 11) Disinvestment Policy of the Present Government
- 12) Role of RBI in controlling Money Supply in India
- 13) Currency War- Reasons and Repercussions
- 14) Alternative Fuel- The need of the hour
- 15) Bumper Production- A boon or a bane for the farmer
- 16) Health Expenditure in India- Comparison of two or more states can be done
- 17) Trends in credit availability in India
- 18) Relation between stock price index and economic health of the country

Moral Value Topics:

- 1) Self Help Groups and their working
- 2) Sarv Shiksha Abhiyan- Cost benefit Analysis
- 3) Waste Management- A need of the Hour
- 4) Make in India- The way ahead
- 5) Inclusive growth strategy
- 6) Rain water harvesting- A solution to water problem in India
- 7) Organic Farming- Back to the nature
- 8) Skill Development in India

Unit-wise Weightage to Content

Unit No.	Name of Unit	1 Mark Questions (Attempt 9 questions)	2 Mark Questions (Attempt 2 questions)	4 Mark Questions (Attempt 2 questions)	6 Mark Questions (Attempt 2 questions)
Introductory Macro Economics					
1	National Income and Related Aggregates	2			2 Numericals from this part with complete internal choice.
2	Determination of Income and Output	2	1	2	2 theoretical questions from this part with complete internal choice.
3	Money and Banking	2	1	1	
4	Government Budget and the Economy	1			
5	Balance of Payment and Foreign Exchange Rate	2			
Indian Economic Development					
Unit No.	Name of Unit	1 Mark Questions (Attempt 9 questions)	2 Mark Questions (Attempt 2 questions)	4 Mark Questions (Attempt 2 questions)	6 Mark Questions (Attempt 2 question)
6	Development Experience (1947-90) and Economic Reforms since 1991	4	1	1	2 theoretical questions from this part with complete internal choice.
7	Current Challenges Faced by Indian Economy	5	1	2	2 theoretical questions from this part with complete internal choice.
Statistics for Economics					
Unit No.	Name of Unit	1 Mark Questions (Attempt 2 questions)	2 Mark Questions (Attempt 1 questions)	4 Mark Questions (Attempt 1 questions)	6 Mark Questions (Attempt 1 question)
8	Correlation and Index Numbers	2	1 out of 2 questions (Internal choice between 1 theoretical and 1 numerical question)	1 out of 2 questions (Internal choice between 1 theoretical and 1 numerical question)	1 out of 2 questions (Internal choice between 1 theoretical and 1 numerical question)
Total		20*1 = 20	5*2 = 10	5*4 = 20	5*6 = 30

Total Theory Marks = 80

Internal Assessment Including Project Work= 20

Grand Total = 100

Pattern of Question Paper

Sr. No	Part	Total Questions	Theory Questions	Numerical Questions	Total Marks
1 Mark Questions					
1	Macro Economics	9	7	2	9
2	Indian Economic Development	9	9	-	9
3	Statistics for Economics	2	1	1	2
2 Mark Questions					
1	Macro Economics	2	1	1	4
2	Indian Economic Development	2	2	-	4
3	Statistics for Economics	1	1	1	2 (Internal choice between theoretical and numerical question)
4 Mark Questions					
1	Macro Economics	2	2	1	8 (Do any 2 questions out of 3 questions)
2	Indian Economic Development	2	2	-	8
3	Statistics for Economics	1	1	1	4 (Internal choice between theoretical and numerical question)
6 Mark Questions					
1	Macro Economics	2	1	1	12
2	Indian Economic Development	2	2	-	12
3	Statistics for Economics	1	1	1	6 (Internal choice between theoretical and numerical question)