



# INDIAN SCHOOL MUSCAT

## SECOND PERIODIC TEST

### ECONOMICS

CLASS: XII

Sub. Code: 030

Time Allotted: 50 mts.

29.05.2022

Max. Marks: 20

#### GENERAL INSTRUCTIONS:

- It is a subjective paper consisting of 9 questions overall.
- 1 marks questions are Very Short Answer Type and must be answered as one word or one sentence.
- 3 marks questions are Short Answer Type and must be answered within 40-60 words
- 4 marks questions are Short Answer Type and must be answered within 70-80 words

#### SECTION A (MACRO ECONOMICS)

1. Which of the following statement is not correct? 1
  - a) Money supply expands when RBI reduces the bank rate.
  - b) The sale of government security by commercial bank is called Bank rate
  - c) The central bank of a country is a controller of money supply
  - d) Change in cash reserve has impact in Money supply of the country
2. Define the term repo rate. 1
3. Explain the concept of Margin requirement as credit control measure of central bank. 3

#### SECTION B (INDIAN ECONOMIC DEVELOPMENT)

4. The Long term measures intended to transform the economy are called ----- 1
5. Read the following statements - Assertion (A) and Reason (R). Choose one of the correct alternatives given below: 1

**Assertion (A):** In 1991, RBI devalued the Indian Rupee against the foreign currencies

**Reason(R):** Market is allowed to determine exchange rate in India after 1991.

From the given alternatives choose the correct one:

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

- 6. Why and how was private sector regulator under Industrial policy 1956? 3
- 7. Give an account of trade and investment reforms of 1991. 3

**OR**

The new economic reforms changed the role of RBI as a facilitator. Justify this statement.

- 8. Give an account of Institutional reforms of early years of planning in India. 3
- 9. Write the benefits and drawbacks of the first face of green revolution in India. 4

**OR**

Explain the goals of five year plan in India.

**End of the Question Paper**



# INDIAN SCHOOL MUSCAT

## SECOND PERIODIC TEST

### ECONOMICS

CLASS: XII

Sub. Code: 030

Time Allotted: 50 mts.

29.05.2022

Max. Marks: 20

#### GENERAL INSTRUCTIONS:

- It is a subjective paper consisting of 9 questions overall.
- 1 marks questions are Very Short Answer Type and must be answered as one word or one sentence.
- 3 marks questions are Short Answer Type and must be answered within 40-60 words
- 4 marks questions are Short Answer Type and must be answered within 70-80 words

#### SECTION A (MACRO ECONOMICS)

1. Define the term reverse repo rate. 1
2. Which of the following statement is not correct? 1
  - a) Money supply expands when RBI reduces the bank rate.
  - b) The loan value of property is called Margin.
  - c) The central bank of a country is a controller of money supply
  - d) Change in cash reserve has impact in Money supply of the country
3. Explain the concept of open market operation as credit control measure of central bank. 3

#### SECTION B (INDIAN ECONOMIC DEVELOPMENT)

4. The short term measures intended to correct disequilibrium in balance of payment is called -- 1  
-----.
5. Read the following statements - Assertion (A) and Reason (R). Choose one of the correct alternatives given below: 1

**Assertion (A):** In 1991, RBI devalued the Indian Rupee against the foreign currencies

**Reason(R):** Market is allowed to determine exchange rate in India after 1991.

From the given alternatives choose the correct one:

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

6. Give an account of trade and investment reforms of 1991. 3

**OR**

The new economic reforms changed the role of RBI as a facilitator. Justify this statement.

- 7. Why and how was private sector regulator under Industrial policy 1956? 3
- 8. What were the reasons for the slow progress of land reform measures in India? 3
- 9. Write the benefits and drawbacks of the first face of green revolution in India. 4

**OR**

Explain the goals of five year plan in India.

**End of the Question Paper**



# INDIAN SCHOOL MUSCAT

## SECOND PERIODIC TEST

### ECONOMICS

CLASS: XII

Sub. Code: 030

Time Allotted: 50 mts.

29.05.2022

Max. Marks: 20

#### GENERAL INSTRUCTIONS:

- It is a subjective paper consisting of 9 questions overall.
- 1 marks questions are Very Short Answer Type and must be answered as one word or one sentence.
- 3 marks questions are Short Answer Type and must be answered within 40-60 words
- 4 marks questions are Short Answer Type and must be answered within 70-80 words

#### SECTION A (MACRO ECONOMICS)

- Which of the following statement is not correct? 1
  - Money supply expands when RBI reduces the bank rate.
  - The loan value of property is called Margin.
  - The central bank of a country is a controller of money supply
  - Change in cash reserve has impact in Money supply of the country
- Define the term Ban rate. 1
- Explain the concept of open market operation as credit control measure of central bank. 3

#### SECTION B (INDIAN ECONOMIC DEVELOPMENT)

- Write two objective of Direct tax reforms of India in 1991. 1
- Read the following statements - Assertion (A) and Reason (R). Choose one of the correct alternatives given below: 1

**Assertion (A):** In 1991, RBI devalued the Indian Rupee against the foreign currencies

**Reason(R):** Market is allowed to determine exchange rate in India after 1991.

From the given alternatives choose the correct one:

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

- 6. Why and how was private sector regulator under Industrial policy 1956? 3
- 7. What were foreign trade reforms that India followed during the first seven five year plans? 3
- 8. Give an account of trade and investment reforms of 1991. 3

**OR**

The new economic reforms changed the role of RBI as a facilitator. Justify this statement.

- 9. Write the benefits and drawbacks of the first face of green revolution in India. 4

**OR**

Explain the goals of five year plan in India.

**End of the Question Paper**