

**Roll No.**

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Candidates must write the Set No on the title page of the answer book.

## **SAHODAYA PRE BOARD EXAMINATION – 2025-26**

- ◆ Please check that this question paper contains **10** printed pages.
- ◆ Set number given on the right-hand side of the question paper should be written on the title page of the answer book by the candidate.
- ◆ Check that this question paper contains **34** questions.
- ◆ Write down the Serial Number of the question in the left side of the margin before attempting it.
- ◆ 15 minutes time has been allotted to read this question paper. The question paper will be distributed 15 minutes prior to the commencement of the examination. The students will read the question paper only and will not write any answer on the answer script during the period. Students should not write anything in the question paper.

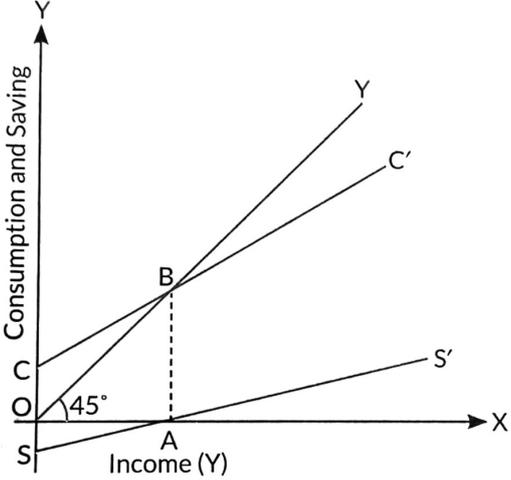
### **CLASS – XII**

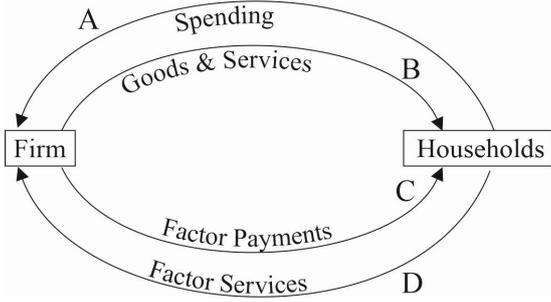
### **SUBJECT – ECONOMICS (030)**

**Time Allowed: 3.00 Hrs.****Maximum Marks: 80****General Instructions:****Read the following instructions carefully and strictly follow them:**

- I. This question paper contains 34 questions. All questions are compulsory
- II. This question paper contains two sections:  
Section A – Macro Economics  
Section B – Indian Economic Development
- III. This paper contains 20 Multiple Choice Questions type questions of 1 mark each.
- IV. This paper contains 4 Short Answer Questions type- I questions of 3 marks each to be answered in 60 to 80 words.
- V. This paper contains 6 Short Answer Questions type-II questions of 4 marks each to be answered in 80 to 100 words.
- VI. This paper contains 4 Long Answer Questions type questions of 6 marks each to be answered in 100 to 150 words.
- VII. Attempt all parts of a question together.

**SECTION – A**  
**MACRO ECONOMICS**

1.	<p>Average Propensity to Consume is _____ at point B and Average Propensity to Save is _____ at Point A.</p>  <p style="text-align: center;">(A) 0,1                      (B) 1,1                      (C) 1,0                      (D) 0,0</p>	1
2.	<p>Net Domestic Product at factor cost = ₹ 100 crore, Capital Consumption = ₹ 30 crore, Subsidies = ₹ 15 crore and Single-use Producer Goods = ₹ 185 crore, then "Gross Value of Output at market prices" is :</p> <p>(A) ₹ 300 crore                      (B) ₹ 330 crore (C) ₹ 130 crore                      (D) ₹ 230 crore</p>	1
3.	<p>"Irfaan (a student) borrows ₹ 80,000 to finance his college fee. He plans to begin repaying the loan six months after his graduation, making payments over a span of ten years".</p> <p>Based on above text, identify the indicated function of money.</p> <p>(A) Medium of exchange                      (B) Unit of Account (C) Standard of Deferred Payments                      (D) Store of Value</p>	1
4.	<p>Read the following statements carefully and choose the correct alternative from the following:</p> <p><b>Statement 1:</b> Depreciation of domestic currency may lead to a rise in exports.</p> <p><b>Statement 2:</b> Due to the depreciation of Indian National Rupees (₹), purchasing power of US Dollar (\$) may increase.</p> <p>(A) Statement 1 is true and Statement 2 is false. (B) Statement 1 is false and Statement 2 is true. (C) Both statements 1 and 2 are true. (D) Both statements 1 and 2 are false.</p>	1

<p>5.</p>	<p>On the basis of the figure given below, identify the type of flow indicated by B and D. (Choose the correct alternative).</p>  <p><u>Alternatives:</u></p> <p>(A) Real flow (B) Money flow (C) Nominal Flow (D) National flow</p>	<p>1</p>												
<p>6.</p>	<p>In case of an underemployment equilibrium, which of the following alternative is not true?</p> <p>(A) Aggregate demand is equal to Aggregate supply. (B) There exists an excess production capacity in the economy. (C) Resources are not fully and efficiently utilised. (D) Resources are fully and efficiently utilised.</p>	<p>1</p>												
<p>7.</p>	<p>Read the following statements carefully and choose the correct alternative from the following:</p> <p><b>Statement 1:</b> Net Factor Income from Abroad is positive when income earned from abroad is less than income paid to abroad.</p> <p><b>Statement 2:</b> Net Factor Income from Abroad is negative in a closed economy as such economy does not deal with the rest of the world sector.</p> <p><u>Alternatives:</u></p> <p>(A) Statement 1 is true and Statement 2 is false. (B) Statement 1 is false and Statement 2 is true. (C) Both statements 1 and 2 are true. (D) Both statements 1 and 2 are false.</p>	<p>1</p>												
<p>8.</p>	<p>On the basis of the given information, Money Supply (M1) would be ₹ _____ crore.</p> <table border="1" data-bbox="199 1467 1348 1668"> <thead> <tr> <th>S. No.</th> <th>Components</th> <th>Amount (in ₹ crore)</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Currency held by the Public</td> <td>300</td> </tr> <tr> <td>(ii)</td> <td>Net Demand Deposits with Commercial Banks</td> <td>240</td> </tr> <tr> <td>(iii)</td> <td>Net Time Deposits with Commercial Banks</td> <td>200</td> </tr> </tbody> </table> <p>Options:</p> <p>(A) 540 (B) 760 (C) 655 (D) 740</p>	S. No.	Components	Amount (in ₹ crore)	(i)	Currency held by the Public	300	(ii)	Net Demand Deposits with Commercial Banks	240	(iii)	Net Time Deposits with Commercial Banks	200	<p>1</p>
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<p>9.</p>	<p>Read the following statements Assertion (A) and Reason (R). Choose the correct option from those given below:</p> <p><b>Assertion (A):</b> Acquisition of a domestic (Indian) company by a foreign (Australian) company will be recorded on the credit side of the capital account in the balance of payments.</p> <p><b>Reason (R):</b> It leads to an inflow of foreign exchange into the domestic economy through FDI.</p>	<p>1</p>												

	<p><u>Alternatives:</u></p> <p>(A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).</p> <p>(B) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).</p> <p>(C) Assertion (A) is true, but Reason (R) is false.</p> <p>(D) Assertion (A) is false, but Reason (R) is true.</p>																						
10.	<p>An increase in the Bank Rate generally indicates that the:</p> <p>(A) Market rate of interest is likely to fall.</p> <p>(B) Central Bank is no longer making loans to commercial banks.</p> <p>(C) Central Bank is following an easy money policy.</p> <p>(D) Central Bank is following a tight money policy.</p>	1																					
11.	<p>Calculate the value of "Change in Stock" from the following data:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Sl No</th> <th style="width: 60%;">Items</th> <th style="width: 30%;">Amount (in ₹ Crore)</th> </tr> </thead> <tbody> <tr> <td>i.</td> <td>Sales</td> <td>400</td> </tr> <tr> <td>ii.</td> <td>Net Value Added at factor cost (<math>NVA_{FC}</math>)</td> <td>200</td> </tr> <tr> <td>iii.</td> <td>Subsidies</td> <td>10</td> </tr> <tr> <td>iv.</td> <td>Change in Stock</td> <td>?</td> </tr> <tr> <td>v.</td> <td>Depreciation</td> <td>40</td> </tr> <tr> <td>vi.</td> <td>Intermediate Consumption</td> <td>100</td> </tr> </tbody> </table>	Sl No	Items	Amount (in ₹ Crore)	i.	Sales	400	ii.	Net Value Added at factor cost ( $NVA_{FC}$ )	200	iii.	Subsidies	10	iv.	Change in Stock	?	v.	Depreciation	40	vi.	Intermediate Consumption	100	3
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12.	<p>"An increase in credit creation capacity of commercial banks has direct impact on the money supply in an economy". Discuss the given statement.</p> <p style="text-align: center;"><b>OR</b></p> <p>"The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI), recently increased the Repo Rate by 50 basis points. The Rate stands today at 5.40%, whereas Reverse Repo Rate was left unchanged at 3.35%."</p> <p>(I) Identify the two monetary policy measures and their nature mentioned in the above text. (1)</p> <p>(II) Elaborate the likely economic rationale behind the increase in Repo Rate by the Monetary Policy Committee. (2)</p>	3																					
13.	<p>(I) "Final goods are those goods which are consumed only by the households." Defend or refute the given statement with a valid argument. (2)</p> <p>(II) 'Natural calamities in the hill states of India have led to massive destruction of capital assets'. Identify the type of loss (depreciation or capital loss) indicated in the aforesaid statement, Give valid reasons in support of your answer. (2)</p> <p style="text-align: center;"><b>OR</b></p> <p>"GDP doesn't give a clear indication of economic welfare of a country". Defend or refute the statement with any two valid reasons.</p>	4																					



<b>SECTION – B</b>		
<b>INDIAN ECONOMIC DEVELOPMENT</b>		
18.	<p>Read the following extract carefully:</p> <p>"After years of financial stress, the Government of India approved the disinvestment of Air India. In 2021, Tata Sons acquired 100% ownership of the airline. The aim was to reduce the burden on the government and improve efficiency through private sector participation. Similarly, in 2022, the government launched India's biggest IPO by partially selling its stake in LIC, raising significant capital while retaining majority control."</p> <p>Identify the type of disinvestment in each case and choose the correct option:</p> <p>(A) Air India – Strategic Sale; LIC – Minority Sale            (B) Air India – Minority Sale; LIC – Strategic Sale            (C) Both – Strategic Sale            (D) Both – Minority Sale</p>	1
19.	<p>Out of the following statements, which one is correct?</p> <p>(A) Suez Canal was opened in 1769            (B) The first official census was conducted in the year 1881            (C) TISCO was incorporated in 1807            (D) Battle of Plassey was fought in 1747</p>	1
20.	<p>Identify, which of the following are associated with the problem of human capital formation in India?</p> <p>i) Brain drain            ii) Low academic standards            iii) Rising population            iv) Changes in social outlook</p> <p><u>Alternatives:</u></p> <p>(A) i and ii                      (B) ii and iii                      (C) i, ii and iii                      (D) i and iv</p>	1
21.	<p>Read the following statements Assertion (A) and Reason (R). Choose the correct option from those given below:</p> <p><b>Assertion (A):</b> The Self Help Groups have emerged to fill the gap in the formal credit system. It came up as the micro-credit programme.</p> <p><b>Reason (R):</b> The SHGs promote thrift in small proportions by a minimum contribution from each member. From this pooled money, credit is provided to the needy member.</p> <p><u>Alternatives:</u></p> <p>(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 but 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.</p>	1

22.	<p>Identify, which of the following is the correct formula for calculating 'Worker-Population Ratio'?</p> <p>(A) <math>\frac{\text{Total Labour Force}}{\text{Total Population}} \times 100</math>                      (B) <math>\frac{\text{Total Workers}}{\text{Total Population}} \times 100</math></p> <p>(C) <math>\frac{\text{Total Population}}{\text{Total Labour Force}} \times 100</math>                      (D) <math>\frac{\text{Total Population}}{\text{Total Workers}} \times 100</math></p>	1										
23.	<p>Read the following text carefully:</p> <p>Employment can be classified into different categories depending on the nature of work and status of workers. According to the official classification, workers in India can be broadly divided into three categories:</p> <div style="text-align: center;"> <table border="1" style="margin: auto;"> <tr> <td colspan="3">Classification of Workers in India</td> </tr> <tr> <td style="width: 33%; text-align: center;">Self-employed</td> <td style="width: 33%; text-align: center;">Regular Salaried Employees</td> <td style="width: 33%; text-align: center;">Casual Wages Labourers</td> </tr> </table> </div> <p>In the light of the given text, which of the following is correct about casual wage labourers?</p> <p>(A) They run their own enterprises with the help of family labour.  (B) They work on a regular wage or salary in organized sector.  (C) They are engaged in daily wage employment, often without job security.  (D) They are partners in a firm and share profits.</p>	Classification of Workers in India			Self-employed	Regular Salaried Employees	Casual Wages Labourers	1				
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24.	<p>In an economy, when the rate of resource extraction is lower than the rate of regeneration of the resource, the environment may operate _____ .</p> <p>(A) Within its carrying capacity                      (B) Beyond its absorptive capacity  (C) Beyond its carrying capacity                      (D) Beyond its aesthetic capacity</p>	1										
25.	<p>Match the terms given in Column-I with the given related statements in Column-II.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Column-I</u></th> <th style="text-align: center;"><u>Column-II</u></th> </tr> </thead> <tbody> <tr> <td>A. Livestock</td> <td>i) Apex body to coordinate all financial institutions in rural areas.</td> </tr> <tr> <td>B. Horticulture</td> <td>ii) Increased stability in income.</td> </tr> <tr> <td>C. NABARD</td> <td>iii) India emerged as world leader in producing a variety of fruits.</td> </tr> <tr> <td>D. Operation Flood</td> <td>iv) Milk production increased by more than eight times.</td> </tr> </tbody> </table> <p><u>Alternatives:</u></p> <p>(A) A-iii, B-ii, C-i, D-iv                      (B) A-i, B-iv, C-iii, D-ii  (C) A-ii, B-iii, C-i, D-iv                      (D) A-i, B-ii, C-iii, D-iv</p>	<u>Column-I</u>	<u>Column-II</u>	A. Livestock	i) Apex body to coordinate all financial institutions in rural areas.	B. Horticulture	ii) Increased stability in income.	C. NABARD	iii) India emerged as world leader in producing a variety of fruits.	D. Operation Flood	iv) Milk production increased by more than eight times.	1
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26.	<p>Agriculture marketing does not comprise of _____ .</p> <p>(A) Transportation of the produce to the market place for sale.</p> <p>(B) Grading of the produce according to the quality.</p> <p>(C) Storage of the produce for sale in future.</p> <p>(D) Credit taken to meet expenditure on agriculture.</p>	1								
27.	<p>Read the following statements carefully and choose the correct alternative from the following:</p> <p><b>Statement 1:</b> Density of population of India is more than that of China and Pakistan.</p> <p><b>Statement 2:</b> In all the three countries (India, China and Pakistan), service sector contributes the highest share to GVA.</p> <p><u>Alternatives:</u></p> <p>(A) Statement 1 is true and Statement 2 is false.</p> <p>(B) Statement 1 is false and Statement 2 is true.</p> <p>(C) Both statements 1 and 2 are true.</p> <p>(D) Both statements 1 and 2 are false.</p>	1								
28.	<p>"China's population decline in a significant demographic shift, driven by a combination of factors including changes in population policies." Discuss the rationals behind fall in population of China as compared to India and Pakistan.</p>	3								
29.	<p>"Recently Indians have drifted away from the traditional knowledge and practices and caused large scale damage to environment". Explain how, adopting the traditional practices can be helpful in achieving the objective of sustainable development?</p> <p style="text-align: center;"><b>OR</b></p> <p>(B) Distinguish between Disguised and Seasonal unemployment with suitable examples.</p>	3								
30.	<p>"British rule adversely hampered the Industrial sector of India." Do you agree with this view? Give reasons in support of your answer.</p> <p style="text-align: center;"><b>OR</b></p> <p>(B) Refer to the given information carefully.</p> <table border="1" data-bbox="248 1554 836 1765"> <thead> <tr> <th>Sector</th> <th>Share of workforce %</th> </tr> </thead> <tbody> <tr> <td>Primary</td> <td>75%</td> </tr> <tr> <td>Secondary</td> <td>10%</td> </tr> <tr> <td>Tertiary</td> <td>15%</td> </tr> </tbody> </table> <p>Answer the following questions based on the data and your understanding.</p> <p>i) Give your opinion on what this table reflects about the economy? Name and define the concept. (2)</p> <p>ii) Mention the possible reasons for the high share of primary sector in employment. (2)</p>	Sector	Share of workforce %	Primary	75%	Secondary	10%	Tertiary	15%	4
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31.	<p>(I) Explain the Great Leap Forward campaign as initiated by China. (3)</p> <p>(II) Define liberty indicator. Give an example. (1)</p>	4								

32.	<p>From the given picture, answer the following questions:</p>  <p>Food Corporation of India (FCI) and state agencies were holding 163.5 lakh tonnes of wheat as on 1<sup>st</sup> January, 2024.</p> <p>(I) Under the measures to improve agricultural marketing, identify the policy instrument used in this picture.</p> <p>(II) State what the Government aims to achieve through this instrument.</p>	4
33. (A)	<p>(I) "India's inward-looking trade policy during the post independence period was well supported by various tariff and non-tariff barriers." Do you agree with the given statement? Justify your answer with valid arguments. (3)</p> <p>(II) "Direct and active participation of state was considered essential in Industrial development process in period 1950-1990". Justify the given statement with valid explanation. (3)</p> <p style="text-align: center;"><b>OR</b></p> <p>(B) (I) "By opening up markets and encouraging foreign investment, reforms aims to stimulate economic activity and create jobs". Identify the type of reforms discussed in the statement and explain its objectives. (3)</p> <p>(II) Explain how Goods and Services Tax (GST) has simplified the multiplicity of taxes on goods and services. (3)</p>	6
34.	<p>Read the following article and answer the questions on the basis of the same and your general understanding:</p> <p>Human capital refers to stock of 'skill and expertise' embodied in humans. Human capital is as important as physical capital for economic development. Human capital formation is the process of adding to the stock of human capital over time. Human capital can be developed through creation of skilled, trained and efficient labour force by providing better education, health care facilities, etc. Highly skilled people can create new ideas and methods of production. Thus, expenditure on education, health and on-the-job-training are key instruments of human capital formation. Expenditure on education is one of the most important ways of enhancing and enlarging a productive workforce in the country.</p>	6

	<p>Expenditure on health can create more efficient and more productive human capital. Further, on-the-job-training helps workers to update skills. Training enhances the productivity and is expected to accelerate the process of human capital formation.</p> <p>(I) Explain any two sources of Human Capital Formation. (3)</p> <p>(II) Discuss the various ways in which Human Capital Formation can lead to the growth of the economy. (3)</p>	
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