

ANNEXURE-C

DAV PUBLIC SCHOOLS, ODISHA-ZONE			
Half-Yearly Exam:2023-24 SUBJECT-ECONOMICS		CLASS-XII	
MARKING SCHEME		SET-1	
Q.No	Value Points	Marks Allotted	Page No.
1.	(a) I and II	1	2.4
2.	(a)Individuals, International organisations	1	2.4
3.	(b) Real flow, Nominal flow	1	2.2.3
4.	(a) Both the statement are true	1	2.1
5.	(a) Factor income from abroad	1	2.3/1.2
6.	(b) Payments to technical consultants abroad	1	2.4
7.	(d) Old age pension	1	2.2.3
8.	(b) APC	1	4.3
9.	(c) Currency held by the public and demand deposits with commercial banks	1	3.2.2
10.	(b) 3,200 crores	1	4.33
11.	<p>NNP at MP=NNP at FC+NIT =Rs.(850+150) crore=Rs.1000 crore</p> <p>GNP at MP=GDP at MP+NFA =Rs.(1,100+100) crore=Rs.1,200 cr</p> <p>Depreciation=GNP at MP-NNP at MP =Rs.(1200-1000) crore =Rs.200 crores</p>	1 1 1	2.1,2.2
12.	<p>CRR is the minimum reserves which commercial banks must maintain as per the instructions of Central bank.</p> <p>Formula of Money multiplier = $1/CRR$</p> <p>Credit creation = Money multiplier x initial deposit</p> <p>Numerical example</p> <p>Thus, it is proved there exists an inverse Relationship between CRR and credit creation.</p> <p style="text-align: center;">OR</p> <p>Medium of exchange</p> <p>Measure of value</p> <p>Store of value</p> <p>Standard of deferred payment</p> <p>(Any three with explanation)</p>	1 1 1 3	3.3.2 3.1
13.	<p>At equilibrium level, $AD=AS$</p> <p style="text-align: center;">$Y=C+I$</p> <p>$Y=$ autonomous consumption+ $MPC(Y)+I$</p> <p>$Y= 200+0.5Y+400$</p> <p>$0.5Y=600$</p> <p>$Y= 600/0.5$</p> <p>$Y= Rs 1200$ Crores</p> <p>So, the economy is not in Equilibrium</p>	1 1 1 1	4.4
14.	Open market operation refers to the selling and purchasing of the treasury bills and government securities by the central bank of any country in order to regulate	1	3.3.2

	<p>money supply in the economy.</p> <p>It is one of the most important ways of monetary control that is exercised by the central banks.</p> <p>Under the system the central bank sales securities in the market when it wants to reduce the money supply in the market.</p> <p>This policy is also known as the contractionary monetary policy.</p> <p>Situation of inflation and deflation to be explained,</p>	1	
		1	
		1	
15.	<p>Components of Expenditure method: PFCE, GDPC, GFCE, (X-M) (with explanation)</p> <p style="text-align: center;">OR</p> <p>Meaning Numerical example Two alternative ways</p>	1×4	2.2
		1	4.6
		1	
		1+1	
16.	<p>(A)</p> <ul style="list-style-type: none"> • Equilibrium is attained when ex-ante AD = ex-ante AS • Diagram • Two disequilibrium cases: AD > AS • Planned inventory will fall below the desired level • To bring back the inventory at the desired level, the producers will expand the output. • More output means more income and more employment. • Rise in output means a rise in AS and a rise in income means a rise in AD. • Both continue to rise till they reach equilibrium and AD becomes equal to AS. <p>AD < AS (similar explanation to be given) (Applicable for both alternatives)</p> <p style="text-align: center;">OR</p> <p>(B) Same type of explanation with respect to saving and investment curves</p>	1+1+2+2	4.3
		1+1+2+2	
17.	<p>(a)</p> <p>(i) GVAMP by sector A = sales + Δ stock - IC = 1000 + (50 - 100) - 500 = 450 Crores</p> <p>(ii) GVAMP by sector B = sales + Δ stock - IC = 2000 - 200 - 600 = 1200 Crores</p> <p>(b) NNPFCE = GVAMP buy sector A + GVAMP - Dep. - NIT + NFIA = 450 + 1200 - 180 - 120 + 20 = 1370 Crores</p>	1.5	2.2.1
		1.5	
		3	
18.	(d) III, IV, II, I	1	1.3
19.	(c) high import tariffs, reduced import quota	1	2.34
20.	(a) Prof. P.C. Mahalanobis	1	2.34
21.	(b) Both A and R are true but R is not the correct explanation of A	1	5.6

22.	(b) B- II	1	6.14
23.	(c) Statement 1 is true and Statement 2 is false.	1	7.36
24.	(d) self-employment	1	7.34
25.	(b) disguised employment	1	7.32
26.	(c) 6%	1	7.6
27.	(d) devaluation	1	3.3
28.	<ul style="list-style-type: none"> • Restrictive policies of commodity production, trade and tariff policies pursued by the colonial government adversely affected the structure, composition and volume of India's foreign trade. • India became an exporter of primary products and importer of finished goods. • Britain's monopoly controlled over India's foreign trade i.e more than half of the entire trade. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • During the colonial period, the occupational structure across different sectors showed little sign of change • Agricultural sector-70-75% of workforce • Manufacturing sector-10% • Service sector-15% to 20% • Growing regional variation was noticed. • Parts of the then Madras Presidency witnessed a decline in the dependency of the workforce in the agricultural sector. • There has been an increase in the share of work force in agriculture in states like Orissa, Rajasthan and Punjab. 	<p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p>	<p style="text-align: center;">1.5</p> <p style="text-align: center;">1.7</p>
29.	a) Land reform (Institutional reforms) b) Green revolution (Technological reforms) (explanation with respect to negative aspects)	1.5 1.5	2.3
30.	The given image shows the concept of deforestation (With explanation)	4	9.3
31.	<p style="text-align: center;">Challenges for Human capital formation:</p> <ul style="list-style-type: none"> • Insufficient resources • Serious inefficiencies • Brain drain • Lack of proper manpower and planning <p style="text-align: center;">OR</p> <p style="text-align: center;">Importance of Human capital formation:</p> <ul style="list-style-type: none"> • Effective use of physical capital • Higher productivity • Inventions, innovations and technological improvement • Modernization of attitudes 	<p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p> <p style="text-align: center;">1</p>	<p style="text-align: center;">5.8</p> <p style="text-align: center;">5.8</p>
32.	a) False, <ul style="list-style-type: none"> • It provides alternative avenues of sustainable livelihood. • Also helps in raising their level of income. 	1	6.12

	<ul style="list-style-type: none"> • Change in cropping pattern results in improving the fertility of the soil, thereby, increasing the yield of the crops. <p>b) True,</p> <ul style="list-style-type: none"> • It has the potential to predict areas of food security and vulnerability, to prevent or reduce the likelihood of an emergency. • It circulates information regarding emerging technologies and its applications, prices, weather and soil conditions for growing different crops, etc. 	1 1 1	6.5
33.	<p>a)</p> <ul style="list-style-type: none"> • Quality of consumption of high-income group has increased. • Economic growth has not trickled down to the poorer section of the society. • Vital sectors like agriculture and industry which provide livelihood to millions has not benefitted much by reforms, there by increased income disparities. <p>b) Reasons for Economic Reforms are</p> <ul style="list-style-type: none"> • Failure of PSUs • Inflationary pressures • deficit in BOPs <p>(Any other valid point with explanation) OR</p> <p>Navaratna status: Helped them to achieve greater managerial and operational autonomy.</p> <ul style="list-style-type: none"> • Increased their profits. • Expanded in global markets and improved their performances. <p>b) Reasons for Demonetization:</p> <ul style="list-style-type: none"> • To combat corruption • To curb black money • To channelize savings into the formal financial system • To create a cashless economy 	3 3 3 3	3.27 3.24 3.26 3.25
34.	<p>a) Import substitution:</p> <ul style="list-style-type: none"> • Policy of substitution of imports by domestic production. • Savings of precious foreign exchange • Growth of domestic industries • Achieving self-reliance. <p>b) Measures to achieve Import substitution:</p> <ul style="list-style-type: none"> • Tariffs – tax on imported goods • Quotas – Minimum limit set on import of a commodity by the domestic producer. 	4 2	2.15 2.15