

BHARTIYA SHIKSHA BOARD

MARKING SCHEME

SAMPLE QUESTION PAPER 2025-26

CLASS - XII

ECONOMICS (144)

1.	(b) ₹ 3200	1
2.	increase	1
3.	(c) Excise duty	
4.	(b) Both assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)	1
5.	(B) Both the statements are false	1
6.	(c) Goods and services, factor payment	1
7.	(c) Difference between interest they charge and pay	1
8.	(d) All of these	1
9.	(c) Current account balance + Capital account Balance = Zero	1
10.	False, it is an example of Revenue expenditure as it leads to neither creation of asset nor reduces liability	1
11.	Externalities refer to benefits or harms of an activity caused by a firm or an individual, for which they are not paid or penalised. Externalities also	2

Q.No.:

Expected Answer/ Value Points

have impact on welfare but are not taken into account in GDP.

Positive externalities:- which bring positive impact on to mass of people. For example, construction of a road in village by a business man can reduce the transport cost, while computing National income cost of construction is included but not the benefit to its users

Negative externalities:- Similarly, GDP does not take negative externalities in consideration. For example:- establishment of factory is included in GDP but the pollution created by it is not included.

OR

11(B)

$$NVA_{FC} = VO - IC - Dep - NIT (IT - Sub)$$

$$= ₹ [800 - 200 - 20 - (30 - 50)] \text{ crores}$$

$$\underline{NVA_{FC} = ₹ 600 \text{ crores.}}$$

12 Through the budgetary policy, Government aims to reallocate resources in accordance with the economic (Profit maximization) and social (Public welfare)

3

Q.No.:

Expected Answer

priorities of the country. Government can influence the allocation of resources by influencing market mechanism through taxes, subsidies and direct participation in production.

13(A) The Central Bank acts as a banker to both Central as well as State Governments.

- It accepts receipts and makes payments for the government and carries out exchange, remittance and other Banking operations (4)

- It also acts as an agent to buy and sell government securities.

- As an advisor, it advises the government on various financial matters

OR

13(B) Open market operations:- It refers to buying and selling of government securities by the central bank from and to the general public. When central wants to

reduce money supply, it sells its securities which liquidity (deposits) with commercial banks.

In case money supply is to be increase (During deflation), Central Bank buys securities.

2

14.

Given, $\Delta I = ₹20,000$ crores

$$MPC = 0.8$$

We know $K = \frac{1}{1-MPC} = \frac{1}{1-0.8} = 5 \text{ times } 1$

Alternatively $K = \frac{\Delta Y}{\Delta I}$ or $5 = \frac{\Delta Y}{20,000}$

$$\Delta Y = ₹100,000 \text{ crores}$$

2

We know $MPC = \frac{\Delta C}{\Delta Y}$

or, $0.8 = \frac{\Delta C}{100,000}$

$$\Delta C = ₹80,000 \text{ crores}$$

1

So, Increase in Income is ₹100,000 crores and Increase in Consumption is ₹80,000 crores.

15 The Given statement is Defended.

1

Depreciation of home currency means fall in the value of domestic currency

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in terms of foreign currency due to the changes in demand and supply. Depreciation of domestic currency means that one dollar can be exchanged for more rupees in exports. This will lead to encourage exports.

16(a) (a) Real National Income is a better indicator because:-

(i) National income measured at constant prices truly represents the real change in physical output of a country whereas national income at current prices does not. It is useful in estimating the real growth of the economy.

(ii) Real national income enables us to make a year to year comparison of changes in the quantity of output of goods & services.

(b) (i) It is ^{Not} part of National Income of India because they are just financial transactions.

(ii) It is part of private final consumption expenditure, so is part of National Income.

iii) It is included in estimation of National Income as a part of NFIA

OR

16B(a)

OR

According to income method, national income is measured in terms of payment made to the primary factors of production.

- i) Identify all the producing sectors viz. primary, secondary and tertiary sectors
- ii) Classification of factor payments:-
 - Compensation of employees
 - Operating surplus
 - Mixed Income

(3)

(iii) Calculation of National Income

Domestic Income + NFIA

$$NNP_{FC} = COE + OS + MI + NFIA$$

(b) Basis	Final Good	Intermediate Good.
i) Meaning	<ul style="list-style-type: none"> Final Goods are of two types:- a) Consumption Goods b) Capital Good. 	<ul style="list-style-type: none"> These are used for production of other goods or for resale
ii) Production Boundary	<ul style="list-style-type: none"> These are outside Production boundary. 	<ul style="list-style-type: none"> These are within the production boundary.
iii) Included in National Income	<ul style="list-style-type: none"> These are included in national income 	<ul style="list-style-type: none"> These are not included in national income.

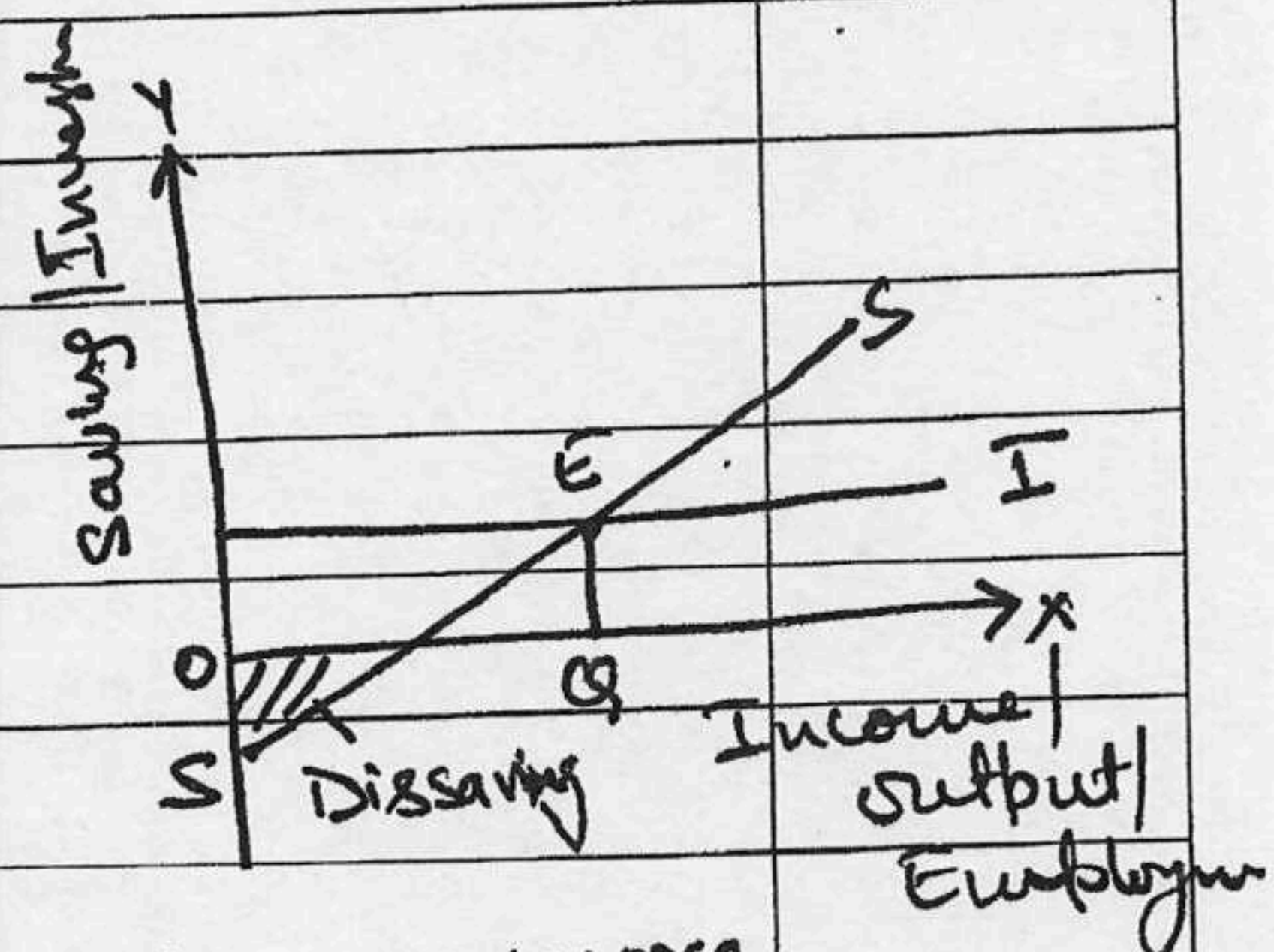
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17 (a) It refers to that level of aggregate demand which become effective because it is equal to AS ($AD=AS$). The level of aggregate demand required to achieve full employment equilibrium is called effective demand. 2

(b) At this level ex-ante savings is equal to ex-ante investment,

Since $AD = C + I$
 $AS = C + S$

Therefore if $AD = AS$
 $C + I = C + S$
 $S = I$



If $S < I$, it means that buyers are planning to consume more and save less, as a result stock starts falling and comes below the desired level. To bring back the inventory firms expand production. These levels keep rising till $AD=AS$ or $S=I$.

SECTION - B

18	(a) Mao Zedong.	1
19.	(a) Both the statements are true.	1
20	(b) Attractive returns on investment	1
21	True	1
22.	(c) 1-(ii), 2-(ii), 3-(i).	1
23.	(a) 1978	1
24.	(A) Apni mandi	1
25	(A) India adopted the socialist economic system after independence.	1
26	(D) Expenditure on Health and Expenditure on Migration.	1
27.	Mixed Economy:- In this economic system, the government and the market together solve the central problems of what to produce, how to produce and for whom to produce.	1
28.	Image shows the situation of Global warming, which is mainly due to over use of fossil fuels, it is resulting in climate change. The burning of fossil fuels releases large amount of carbon dioxide, a greenhouse gas into the air as a result global warming is increasing. The situation can be controlled by	2

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cutting emissions and shifting to
cleaner, renewable sources of energy

29(A) Jan-Dhan-Yojna aimed at every household
in the country to have at least one
bank account.

- Opening more bank account means
more bank deposits
- More deposits means an increase in
lending capacity, which leads to increase
in more investment.
- More investment means more National
income.

OR

29(B) Yes, I agree with the statement that
the Government of India has taken
measures to align the agricultural marketing
system with rural production activities.

(3)

- Regulation of markets
 - Provision of physical infrastructure
 - Cooperative marketing
 - Policy instruments like MSP.
- (Explain Points)

30 (A) Two salient features of India's pre-independence occupational structure:—

- Predominance of agricultural sector over manufacturing and service sector ²
- Regional variation in terms of share of work force. ²

100 (To be explained)

30(B) * A nation can promote economic growth and modernisation by using its own resources or by using resource imported from other nations. Self-reliance means not depending on external help.

• This policy was considered a necessity in order to reduce our dependence on foreign countries, especially for food. (4)

• This policy was also considered necessary because it was feared that dependence on imported food supplies.

31 Though public sector undertakings are incurring huge losses, they are still very institutional in the area of strategic concerns. Public sector can:—

i) create a strong and reliable infrastructural base

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- (ii) develop under-developed areas
- (iii) mobilise savings
- (iv) reduce inequality of income and wealth distribution (4)
- v) provide employment to people

32 From the data given, following observations can be used :-

- (i) Majority of the workforce is confined to rural area, as most of population is living in villages
- (ii) Participation of men workers is higher as compared to women, this is because of lack of opportunities for women to acquire skill & education (4)
- (iii) More female are working in rural areas than in urban areas as in urban areas male workers are able to earn high income.

33(A) (a) Women's health has become a significant concern in India due to multiple factors:-

- High maternal mortality rate
- Malnutrition
- Lack of healthcare access
- Reproductive health issues

(3)

(b) Agricultural diversification refers to the process of increasing the variety of crops grown or the types of activities farmers engage in (such as livestock farming, fisheries etc). It is essential for sustainable livelihood because

(1)

- Risk reduction
- Income stability
- Employment generation
- Environmental sustainability

(2)

OR

33(B) (a) The difference in salaries between developed like the USA and developing countries like India can be attributed to several factors linked to human capital formation and economic development.

- In developed nations, the education system focuses on high quality skill developed and specialized knowledge

• Higher levels of human capital formation in developed countries lead to greater productivity

one each
(4)

• Developed countries invest significantly in technological advancements.

• These nations have greater capital investment in infrastructure, innovation and industries etc.

(b) Jobless Growth :- Jobless growth refers to a situation where an economy experience growth in terms of GDP or output, but this growth does not lead to a corresponding increase in employment opportunities.

(2)

34 1. India followed a mixed economy model with significant government intervention in key sectors, along with private sector growth. Major reforms in 1991, opened the economy to foreign investments leading to increased industrialization and service sector growth

China, on the other hand, moved from a strictly controlled socialist economy to a market-oriented economy through extensive reforms. It has led to impressive economic growth of China and resulted in a faster transformation into a global manufacturing hub. (3)

2. India's gradual liberalization from 1991 aimed to open its economy to global markets while maintaining a mixed economy. Reforms were slower compared to China, focusing more on service sectors (like IT) than on manufacturing. (3)

- Improvement in standard of living in urban areas especially IT sector
- Despite economic growth rural and agricultural sectors have lagged
- Poverty rates in India have dropped
- Although the reduction has been slower compared to China
- China witnesses more urbanisation as compared to India.